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**City Council Minutes**  
**August 3, 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 Tuesday, August 3, 2004 in the City Hall conference room in Delta Junction, Alaska. Mayor Gilbertson called the meeting to order at 5:02PM.

Council members present: Mayor Roy Gilbertson, John Sloan, Susie Kemp-Sandy  
Lou Heinbockel, Will Pecchia

Council members excused: Mayor Pro tem Mary Leith-Dowling, Mark Weller

City employees present: Pete Hallgren, Dave Zimmerman, Dennis Dooley, Pat White

Additionally twelve members from the community and three out-of-town guests were present.

**AMENDMENTS TO AGENDA ~ APPROVAL OF AGENDA**

White reported 1) three items to add to *New Business*:

- ✓ Remove discussion about purchasing 1997 Kenworth (already sold)
  - ✓ Add PO #09083 (Lamar Cotten - July '04 consultant services)
  - ✓ Add PO #09087 (UNIT SKW LLC - July '04 landfill construction payment #3)
- 2) One item to be discussed during *Planner Report*:
- ✓ Accept DREDC recommendation to fund two counseling agencies through September
- 3) One speaker to add to *Request to Speak*:
- ✓ Sergey Morozov regarding need for electricity on Phillips Road

Kemp-Sandy moved to approve the agenda as amended; Pecchia seconded. Motion carried.

**APPROVAL OF MINUTES OF THE PREVIOUS MEETING**

Heinbockel moved to approve the minutes from the July 20, 2004 meeting; Kemp-Sandy seconded. Motion carried.

**PUBLIC COMMENTS ON NON-AGENDA ITEMS**

**COUNCIL COMMENTS ON NON-AGENDA ITEMS**

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

**REQUEST TO SPEAK**

Sergey Morozov said he represented five families living on Phillips Road and is unable to get electricity. Three families obtained loans (\$7,000 each) but it was not enough to cover the \$47,000 that was quoted by Golden Valley Electric Association (GVEA) last winter. Since then the price has increased to \$90,000. Morozov asked if the City as the local government could intervene on their behalf.

Gilbertson asked if their property is in a State subdivision.

Morozov stated it once was. He purchased his property from Steve Phillips, not the State, and now GVEA will not treat it as a subdivision.

Hallgren stated he would investigate and make inquiries via written correspondence.

Morozov said he would provide a copy of the letter in which GVEA quoted \$47,000.

Dooley stated he would inquire with the Fairbanks GVEA office. He spoke with Fred Sheen, Delta Division Supervisor, who confirmed the property would not be treated as a subdivision. Sheen had very little discretion in the matter as the Fairbanks office made the decision. Dooley said he did not understand why it was not considered a subdivision, especially knowing how many people live in the area. There are presently three families, totaling 7 adults and 18 children, living on Phillips Road. Another family (2 adults and 5 children) is building with plans to move in by winter. Two more babies are due in the next few months.

Gilbertson asked that a copy of Hallgren's letter be sent to Dwight Nissen, GVEA board member.

Hallgren said the City does not receive money from any government agency to assist in electrical hookup projects.

## **CORRESPONDENCE - none**

## **REPORTS**

**Rescue Squad** – Pete Hallgren reported the new ambulance would arrive the first week in September.

**Fire Department** – Pete Hallgren reported the new fire truck would arrive at the end of the week.

See additional reporting after *Personnel Report*.

**Planner** – Dennis Dooley reported substantial completion dates of the construction projects. He said the fire hall is scheduled for September 30, the additional rescue bay on September 15 and the library on September 13. He said the landfill is scheduled for final inspection on October 14.

Dooley reported an update of his work activities:

- He is preparing the rest of the City map, anticipating the entire map to be completed by the end of August. GVEA continues to provide assistance.
- Downloaded a grant application for wideband telecommunications, which the librarian will pursue.
- Met with MACTEC engineers regarding light pole permits for the landfill. The contractors will forward them back to Department of Transportation (DOT); Met with Alaska Communications Systems (ACS) regarding E911 addressing; Met with Fairbanks North Star Borough (FSNB) Emergency Services Director to discuss E911 and service areas for rescue response; Met with State agency representatives, Mayor Gilbertson and Pete Hallgren to discuss options for Social Service grants. At the last Delta DREDC meeting it was agreed to have a joint work session with City Council, High School, and military personnel to prepare for the October 7 public hearing, in which the Comprehensive Economic Development Strategy (CEDS) report will be finalized. Dooley said the tentative time/date for the joint work session would be 1:00PM, Saturday, August 14.
- DREDC recommended two counseling agencies be given funds to allow them to continue operation through September. HOPE offers a wide spectrum of individual and family counseling. They are requesting \$2,480 for August and September. LEAP specializes in violence counseling and they are requesting \$6,644 out of their remaining \$12,299 grant award balance.
- Met with FNSB Public Works to discuss a skateboard park. Referring to his prepared report, Dooley stated the 75X75-foot skate park cost \$80,000 when it was built and that it would exceed \$100,000 at present-day prices. Every appliance is constructed from heavy steel and pipe. Dooley stated he was warned that no matter what size the park is built to, there would be continual requests for expansion. He said 50 foot was requested at the July 6 Council meeting. After visiting the park both when it was empty and when it was occupied he would recommend considering nothing less than 75 feet. 50 feet is too small.

- Regarding park ownership, Dooley reported he spoke with Alison Smith, Senior Resource Manager for Alaska Mental Health Trust Land Office. They would issue a form for a letter of intent, to arrive by the end of the week, and request 10% down (\$12,600) of the purchase price plus \$500 for the transaction fee. The total purchase price is \$126,000 and will include interest at the rate of 7.25%. Annual payments would be \$10,913.03 for 20 years.

Hallgren stated the City has paid \$1/year to lease the park. Mental Health submitted a letter requesting \$8,500/year because “values have gone up.” Hallgren agreed but said \$4/year would have been more appropriate. He recommended purchasing the park if the legislature approved funding and if Mental Health offered decent terms in which payments could be afforded.

Pecchia said it would be in the best interest of the City to purchase the park.

Dooley reported the new fire truck should arrive by August 6. The arrival date was delayed a week because of problems with ancillary equipment and the driver’s schedule.

Hallgren reported he discovered a study regarding City owned land that was completed by the Delta/Greely Community Coalition. It included title searches and shows land status in 1998 and 1999. It also identified property that was not known to belong to the City.

Hallgren reported funding for LEAP and HOPE programs, which were funded from FY02 impact funds, stopped June 30, 2004. He said both agencies are unable to continue their services that would presently qualify under FY05 funds. He said Missile Defense (MD) has no objection to continuing one or both grants on a month-by-month basis until the Social Service Grant applications are approved for the FY04 funding.

**Kemp-Sandy moved** to authorize funding LEAP and HOPE on a month-by-month basis, using remaining FY02 funds until decisions could be made on the FY04 grant process; Pecchia seconded.

Discussion followed regarding accomplishments made since 2002.

**Motion failed** with three (Pecchia, Heinbockel, Gilbertson) voting against and two (Kemp-Sandy, Sloan) voting in favor.

**City Clerk** – Pat White reported packets are ready to be picked up by interested citizens. The filing period for City Council seats in the October 5 Election is between August 24 and September 9. Available on this year’s ballot would be Seat B (three-year term currently held by Roy Gilbertson), Seat D (three-year term held by Mark Weller), Seat F (one-year term held by John Sloan) and Seat G (three-year term held by Susie Kemp-Sandy).

**Department of Economic Development** – Pete Hallgren stated he would like the school to get involved in the skateboard park project. The City encouraged millions of impact dollars be directed to the school.

Gilbertson said he supported decisions made to help the school.

Hallgren stated the FY04 Social Service Grant grosses \$750,000. The City Council is responsible for determining how that money is used and MD must approve those decisions. A skateboard park or any other form of construction is not to be considered. DREDC has done most of the work (i.e. creating forms, soliciting for grants, debating selection). Hallgren said he recommended DREDC continue their involvement in an advisory position. MD has requested more structure with FY04 funds than what was required for FY02. A joint meeting between the City Council and DREDC is needed to discuss policies so that DREDC has direction and knows what constraints the City wants to impose. Hallgren said he recommended hiring Lamar Cotten as a facilitator to work with DREDC and the City Council. It would also tie into Cotten’s monthly visits around City and Charter meetings.

Discussion followed and the joint meeting was scheduled for 6:00PM on August 16, DREDC’s regular meeting.

Hallgren reported he requested a two-month extension for completion of the CEDS report. He said this project is another example in which the City has relied very heavily on DREDC. They are currently working on the 6<sup>th</sup> draft and are preparing for the public meeting in October.

**Landfill** – Lou Heinbockel reported the landfill continues to cost more than what was anticipated. The tractor threw a track and is in repair. In the interim one is being rented.

**Library** – Pat White reported in Mary Leith-Dowling’s absence. She said librarian Joyce McCombs reported 53 children participated in the Summer Reading Program, which finished on July 30 with the Reading Round Up barbecue. Photos will be posted on the Delta News Web site. She said McCombs is presently drafting letters of support and making plans for the \$200,000 matching grant from the Rasmuson Foundation. The funding is specified for the new library’s phone system, computers, bookshelves, furniture, a copier and donor recognition art.

Hallgren reported a letter was sent to the Presbyterian/Lutheran Church, giving them options as to where the new well will be located. The map provided by MACTEC is billed under services for library construction.

**Park** – Will Pecchia reported the playground equipment is completely installed. He said he plans to have a firm answer by August 6 regarding spreading (pea gravel) surface material. Pecchia also stated that Steve Millea of AML/JIA (Alaska Municipal League/Joint Insurance Association, Inc.) reported Delta Junction and Nome are two communities in Alaska that would be issued dividends (premiums) per this fiscal year. He said we are being commended for putting effort into our children. His exact words were, “If you don’t care about the kids – what is there to care about?” He said when our youth are not in the forefront everything spirals downhill. Communities suffer when the kids are not cared for. Delta and Nome will be awarded for being proactive. Pecchia said his goal is to have the borders and pea gravel in place within the next week. He would like Millea to revisit the playground for a final inspection.

**Personnel** – Pete Hallgren said the City would begin advertising for a heavy equipment operator for the new landfill in early September. It would be in addition to Boadwine’s permanent position.

**Fire Department** – Carin Bear reported a major fire prevention drive is scheduled. Volunteer fire fighters from Delta and Deltana Fire Departments will visit local residents to distribute fire extinguishers, smoke alarms and carbon monoxide detectors. One hundred homes will be visited within a 90-day period.

Bear said they plan to begin the Cadet Program as long as the Council shows no objection to their policy that was presented at the July 20 meeting. She said once the new fire engine arrives the others (Engines 502 and 51) would be taken one at a time to have the pumps repaired.

Hallgren said repairs would be paid out of impact funds budgeted under vehicle acquisition.

**Public Works** – Lou Heinbockel reported streets have not all been graded. He said the worst street in town is Phillips Road. The finish was never put on the mile long road when it was built. Any available grant funding needs to be applied to upgrading that road. Fourth Street has been improved and because the problem was created by industrial development, he felt the developer should be asked to pay half of the repair cost.

Hallgren said money was used from Economic Development Administration (EDA) funds, not the general fund.

Heinbockel said the local business benefits from the road repairs and they should be held accountable for creating the problem.

Kemp-Sandy said it is a topic that needs addressed because it presents potential for similar problems in the future.

Gilbertson asked Hallgren to investigate into the matter.

**Charter Commission** – Lou Heinbockel reported the Charter Commission is making progress. How to finance a borough will be discussed at the next meeting on August 18. He said he, as a Charter member representing the City, did not view the City’s role as it was presented in the recent newspaper article. The article stated the reason the City got the \$1.2 million loan from the State of Alaska was because the City was backing and supporting formation of a borough. Heinbockel said that has never been his prime focus. He said he wants what is best for this community, which is an organized borough in which everyone is represented and everyone shares the wealth. He never viewed creating a charter with the purpose of getting “bailed out”. No one ever picks up on the fact that the only reason the City incurred that debt is because of the State of Alaska. Now by allowing the loan, they’ve taken responsibility for the whole ordeal.

Hallgren said the City could afford to pay \$50,000/year so a borough is not needed to make the loan payments. The City will survive without becoming a borough. It is because of the impact funds, that the City is capable of paying for the charter expertise. When working on a potential borough the State does not fund it. Funds to hire

both a consultant and a transcriber are not available under normal conditions. He said the City is using money wisely to create the best possible charter for this area.

## **UNFINISHED BUSINESS - none**

## **NEW BUSINESS**

### **Division of Parks Request to Create an Egress**

Hallgren explained the Division of Parks has requested access from the Clinic entrance so that they do not have to use the forestry entrance. He said Council permission is not necessary under the City's Code but he would like Council comment.

Dooley said firefighters park their vehicles along that road. Parks personnel wish to alleviate traffic congestion using the present (forestry) road access. He said the letter is basically permission for a driveway.

Heinbockel moved to show no opposition to the Division of Parks request; Pecchia seconded.

Dooley said drainage must be adequately addressed, possibly with a culvert.

Motion passed unanimously on a roll call vote.

### **Landfill Change Order**

Hallgren, referring to Change Order #2 handouts (including the corrected version), explained the changes needed at the landfill. Changes included increasing cubic yards for the structural concrete, changing cast iron pipe to ABS in the equipment storage building, increasing length of 24" culverts and increasing depth for the well.

Discussion followed regarding the changes.

Hallgren said more change requests are very likely but anything controversial is scheduled for discussion and review. The City Attorney has been overseeing the entire process.

Discussion followed regarding financial status of the project.

Sloan asked for clarification on the range of prices provided for cubic yard of concrete.

Hallgren said, of the nine bidders, the range was between \$1.00/yard and \$1,800/yard.

Discussion followed regarding quotes and the overall bid packets.

Sloan moved to approve signing the change order and to pay the bill; Kemp-Sandy seconded.

Motion passed on a roll call vote with four (Sloan, Kemp-Sandy, Heinbockel, Gilbertson) voting in favor and one (Pecchia) voting against.

### **Support for Alaska Highway International Forum Initiative**

Heinbockel moved to support the Alaska Highway International Forum Initiative as presented; Kemp-Sandy seconded.

Hallgren stated Kemp-Sandy and Leith-Dowling are interested in attending as representatives in Dawson Creek on September 29.

Motion passed unanimously on a roll call vote.

### **MACTEC Request for Amendment to New Library**

#### **(Facility Design and Construction Admin Service) Contract**

Hallgren explained MACTEC's request to increase the authorized budget for the new library.

Kemp-Sandy moved to accept MACTEC's request for the contract amendment; Heinbockel seconded.

Hallgren stated this project had not been the smoothest operation because of the change orders.

Heinbockel said he was angry that it cost \$22,000 in engineering fees to instruct how to make the actual changes that cost \$27,000. Changing the door alone cost \$55,000.

Motion failed on a roll call vote with three (Sloan, Pecchia, Gilbertson) voting against and two (Kemp-Sandy, Heinbockel) voting in favor.

**Approval of Pay Requests for Library (PO#09064), Landfill (add-on PO#09087), Fire Station (PO#09063)**

Hallgren reported all work had been completed. The pay requests were each signed by the contractors and approved by MACTEC. He said there was no question there are disputes at the landfill. However there were no problems with the pay requests as presented.

Heinbockel moved to approve pay request for library purchase order 09064; Pecchia seconded.

Motion passed unanimously on a roll call vote.

Heinbockel moved to approve pay request for landfill purchase order 09087; Kemp-Sandy seconded.

Motion passed unanimously on a roll call vote.

Heinbockel moved to approve pay request for fire station purchase order 09063; Kemp-Sandy seconded.

Motion passed unanimously on a roll call vote.

**Purchase Orders**

PO#09048 to UNIT SKW LLC in the amount of \$378,001.60 for June '04 Progress Payment #2 (landfill)

PO#09049 to Airport Equipment Rentals, Inc in the amount of \$600.00 for superpacker rental used on 4<sup>th</sup> St

PO#09050 to Aetna WHO-AAS in the amount of \$5,449.59 for July '04 group health insurance

PO#09051 to Alpha Omega Life Care Inc in the amount of \$7,500.00 for Social Service Grant (Respite)

PO#09052 to Delta Auto & Truck Repair in the amount of \$928.13 to replace airbags on 1993 ambulance

PO#09053 to Delta Building Supply in the amount of \$1,500.00 for Aug '04 equipment storage rent

PO#09054 to DGSD in the amount of \$2,759.57 for Social Service Grant (Recreation Coordinator)

PO#09055 to Debra Heral in the amount of \$789.00 for transcription service (Charter minutes)

PO#09056 to Kenneth Jacobus in the amount of \$3,178.80 for April/July '04 legal service (prison lawsuit)

PO#09057 to Louis Chavez Flooring Services in the amount of \$2,512.50 for Rescue Squad carpet

PO#09058 to MACTEC Engineering & Consulting, Inc in the amount of \$14,676.96 for Jun '04 engineering service for the Fire Station

PO#09059 to MACTEC Engineering & Consulting, Inc in the amount of \$31,292.79 for Jun '04 engineering service for the library

PO#09060 to Wild Alaska in the amount of \$1,500.00 for annual Internet service

PO#09061 to Willis of Alaska, Inc in the amount of \$75,223.00 for annual FY05 insurance (liability, fire, casualty, workers compensation)

PO#09062 to Delta Texaco in the amount of \$788.10 for July '04 gas/oil

PO#09063 to Richard Stanton Construction in the amount of \$186,219.00 for July '04 Progress #2 (fire station)

PO#09064 to UNIT SKW LLC in the amount of \$155,970.00 for July '04 Progress #3 (library)

PO#09083 to Lamar Cotten in the amount of \$5,945.00 for July '04 consultant services

PO#09087 to UNIT SKW LLC in the amount of \$440,914.36 for July '04 Progress #3 (landfill)

Heinbockel moved to approve purchase orders 09048 through 09062 and 09083 as presented; Pecchia seconded.

Motion passed unanimously on a roll call vote.

**ADDITIONAL PUBLIC COMMENTS**

Janet Boyer, local newspaper reporter, asked, "What happens now that the engineering firm's invoice was denied?"

Hallgren said the matter would be discussed with MACTEC.

Boyer asked what it meant for the Social Service Grants to be "more structured".

Hallgren stated MD requested City Council direct more rigorous criteria. Their request provided more meaning to the general wording.

Dooley said the military residents, residing at Ft. Greely, are to be included in the services provided.

Boyer asked if the DRECD/Council work session would be open to the public.

Hallgren confirmed that is would be.

Boyer asked how the public could get a copy of the CEDS report.

Hallgren stated it would be available at City Hall.

### **EXECUTIVE SESSION**

Heinbockel moved to enter into Executive Session at 6:20PM to discuss legal matters pertaining to the prison lawsuit (after a five minute break); Pecchia seconded. Motion carried.

Present during the Executive Session were five Council members (Gilbertson, Kemp-Sandy, Heinbockel, Sloan, Pecchia) and three City staff (Hallgren, Dooley, White).

Heinbockel moved to end the Executive Session and adjourn the regular Council meeting at 6:42PM; Sloan seconded. Motion carried.

### **ADDITIONAL COUNCIL COMMENTS**

Pecchia asked if Council objected to his request for the school district to take the lead on the skateboard project.

Heinbockel said the school budget is very restricted.

Sloan said to at least address the subject.

Gilbertson said the property around the hockey rink is underway to be finalized with the surveyor. DGSD has offered the two and a half acres to the City and he said it would be worth developing.

Hallgren said he discussed the hockey rink with the engineers and it was determined that upgrading it would cost the same as building a new structure.

### **ADJOURNMENT**

Pecchia moved to adjourn at 6:45PM; Sloan seconded. Motion carried.

Pat White  
City Clerk  
City of Delta Junction

Date of approval: August 17, 2004