



City Council Minutes
September 7, 2004 ~ 5:00PM

Regular Meeting
City Hall, Delta Junction, Alaska

The regular meeting of the Delta Junction City Council was held on Tuesday, September 7, 2004 in the City Hall conference room in Delta Junction, Alaska. Mayor Gilbertson called the meeting to order at 5:00PM.

Council members present: Mayor Roy Gilbertson, Mayor Pro tem Mary Leith-Dowling, Mark Weller
Lou Heinbockel, John Sloan, Will Pecchia

Council member excused: Susie Kemp-Sandy

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

Six members from the community and one out-of-town guest speaker were also present.

AMENDMENTS TO AGENDA ~ APPROVAL OF AGENDA

White reported four purchase orders to add to *New Business*:

PO#09174 to Delta Fuel Company in the amount of \$942.00 for heating fuel

PO#09175 to State of Alaska, DEC in the amount of \$592.00 for new landfill permit

PO#09176 to UNIT SKW LLC in the amount of \$703,644.73 for Aug '04 landfill progress payment #4

PO#09177 to Ernie Wyrick in the amount of \$751.00 for airfare reimbursement to pick up new fire truck

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

APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Heinbockel moved to approve the minutes from the August 17, 2004 meeting; Leith-Dowling seconded. Motion carried.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

Lea Ann McKenzie introduced herself and stated she represented a newly formed animal welfare and protection organization. The (not yet named) group will meet for the first time on September 9. McKenzie asked to have the conference room rental fees waived. She also asked for support and input in providing education for animal care and locating foster homes. The group is non-profit and oriented to provide a needed community service.

COUNCIL COMMENTS ON NON-AGENDA ITEMS

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

REQUEST TO SPEAK

David Sanches, Delta Area Planner for the Alaska Department of Transportation & Public Facilities (ADOF & PF), introduced himself and explained his purpose was to present the existing (2004-2006) Statewide Transportation Improvement Program (STIP) update as well as the upcoming 2006-2008 project series. Referring to handouts, Sanches presented a brief overview. Currently \$360 million is allotted for STIP,

significantly less than what was allowed in the past. The northern region portion is approximately \$88 million. The federal government has cut STIP funding for the first time in 15 years because of reduced gas taxes and increased Homeland Security needs. What was "earmarked" over and above regular state funding in the past must now come from the STIP budget. The accumulative impact is almost \$450 million dollars when spread over a six-year period. Sanches reported the Richardson Highway (Mile 261 to 265) Reconstruction project is in process. Construction is tentatively scheduled for 2007. Construction of passing lanes on the Richardson, between Mile 265 and 341, is scheduled for 2008, although they are attempting to move it sooner. Once money is available several area gravel roads will be paved. The Cummings Road Connector is scheduled for design in 2005. The Bureau of Indian Affairs (BIA) contributed \$2 million to the project and it is scheduled for construction in 2009. Sanches encouraged public input and comments regarding current projects and to express interests of other needs. His contact information is (907) 451-2385, dave_sanches@dot.state.ak.us or 2301 Peger Road, Fairbanks 99709.

Gilbertson stated he would like the State to get involved in the maintenance of Nistler Road (the school road). With the new elementary school being built on the opposite side of the existing school there is potential need for cross walks or an overpass. He said a meeting is scheduled September 22 to discuss it. Gilbertson said South Clearwater to the Richardson Highway has heavy traffic. When Nistler Extension was constructed it should have been considered one road (with Nistler Road, which runs between the school and the Richardson Highway).

Sanches stated he would visit the road before leaving town.

Discussion followed regarding the danger of the road system, need for repairs, the City's inability to maintain Nistler and possibly swapping projects (Spengler Road and Nistler Road) with State DOT.

Dooley stated responses to the STIP should be endorsed by the City Council.

Discussion followed regarding traffic problems on Rapids Street and problems on the Alaska Highway and Richardson Highway because of the increased speed limit.

Heinbockel stated in the past he would have supported the 65mph speed limit because road systems are built for that. However he said that speed limit should not be any closer to town than the Trophy Lodge on the Alaska Highway.

Discussion followed regarding increasing the speed limit after the Tanana Bridge, not just the City limits.

Ken Farrow, representing himself as both a resident on Rapids Street and business owner of Alpha Omega Life Care, Inc., stated he had two topics of discussion. Rapids Street traffic speed was discussed during Mr. Sanches' presentation. Distributing food boxes is the other topic. Farrow said support for the program is needed. He requested use of the Community Center twice a month to dispense food boxes. Each event takes approximately 36 hours, one evening and the following day. 2,120 pounds is in the process of being distributed as he spoke. He stated transportation of the food is a more critical problem. They presently use a half-ton pickup but will not be able to once winter arrives. He would like more volunteers to help. Distributing is easier in the summer because the food is left on palettes outside and frozen turkeys, meats and cheeses are refrigerated. Farrow explained the time crunch and how the two programs operate. Residents who depend on food boxes anticipate receiving them at the first of each month.

Hallgren stated using the Community Center garage might be a possible solution. It would not interfere with social functions in progress if food were distributed through the lobby. The office of the old fire station will become a public works office and may be another possible distribution center.

Farrow stated he has appealed to the ministerial association but has not yet received a response.

Heinbockel said Rapids Street is an ongoing problem as are numerous other streets. The only present solution is to publicize, add signs and hope citizens obey them. He said he is tired of it and can identify drivers by the sound of their vehicles as they accelerate.

Hallgren stated he submitted a Letter to the Editor complaining about the speed problem but in reality area residents can depend only upon the Alaska State Troopers for enforcement. Hallgren stated he would make inquiries with Bob Morley regarding use of the Community Center garage.

Julia Phillips stated, on behalf of Local Emergency Planning Committee (LEPC) and Homeland Security, an Emergency Operations Center (EOC) is needed. She said it is presently located in the City Planner's office. File cabinets are located in Linda Sorensen's home and procedural manuals and portable command packets are carried in Phillips' pickup at all time in case of an emergency event. She stated the librarian's office would be perfect for the EOC. Three-quarter of a million dollars worth of equipment will arrive. Much of it will be used for ambulance and fire engines but a lot (radios, satellite phones, etc.) will need to be shelved for future emergencies. As the City grows, so does the Missile Defense system and the threat level. She would appreciate a central location with telephone and computer access. The minor-to-moderate flood scenario this past summer consumed two people from State offices. In a larger disaster there could be 15 to 20 Alaska Department of Emergency Services (ADES) people. The conference rooms could be used to provide updated information for the public. Phillips asked Council to consider the library facility once it is vacated. The fire hall is not a consideration because of the space available and it is not habitable because of fueling and fire engines.

Hallgren said he would argue against using City Hall. There is more adequate space in the old fire hall for storage, an office area and parking. Two apartments, located in the new fire station (62 feet away), will accommodate emergency personnel.

Dooley stated dedicated phone lines would be moved to the new library. The old library will not have those communication lines.

Phillips stated 80% was allocated to the local jurisdiction and 20% to the State. The 80% covers hands-on equipment with a small portion for training. Nothing is allowed for facility or facility upgrades. She said Delta is one of a few communities that do not have a designated EOC. Ft. Greely is not an option.

Hallgren said thoughts are to widen the library area because there currently is not enough public meeting space. Discussion followed regarding City administration's involvement in an event, centralizing and coordinating emergency services with the school system and other possible locations.

REPORTS

Rescue Squad – Sue Miller reported the squad is down three members, one resigned and two moved. She reported official state permission was received to sell the old (1983) ambulance. She would advertise it in the local paper. Proceeds go directly into EMS supplies and equipment. There will be additional equipment needed for new ambulance.

Gilbertson asked if Alpha Omega could utilize the old ambulance to transport their food boxes. It would serve the community well.

Miller said the ambulance is totally enclosed like a small camper with cabinets on the inside and the outside. Discussion followed regarding giving the ambulance as a gift, using it for a mobile EOC and storing the vehicle. The subject would be brought up at the next meeting on September 21.

Planner – Dennis Dooley, referring to a map illustration, stated mapping within City limits is completed except for labeling roads and proofreading. He reported on recent construction meetings. Change orders for the fire hall (\$10,541.64) and the library (\$7,190.85) were reviewed. MACTEC is still awaiting specs from the manufacturer of the steel building for the landfill. The steel building has been ordered but the specs have not arrived. Without the specs UNIT SKW LLC, landfill contractor, is unsure where to locate the anchor bolts and pour the concrete forms. As of this morning the anchor bolt layout, as purported by the manufacturer of the building, was given to MACTEC.

Dooley reported 14 addresses were provided in this last two-week period. The process averages 2 hours for each address and he suggested charging for the service. He explained the process. Visual inspection is required in many cases. April through June will be the busiest season.

Dooley reported Alaska Mental Health Trust lands that are for sale and are within the City appear to be located in the Greely Subdivision (south on Alaska Highway, on right toward Tok). He said Mental Health Trust has approved the City's application for the parkland and the public review period would end September 27.

Cemetery – Mary Leith-Dowling stated she is working to revise the fee for burials due to current costs and will make a presentation in the next few months.

City Clerk – Pat White reported the first Tuesday in October is Election Day. Therefore the first Council meeting in October will be postponed from October 5 to Wednesday, October 6. White reported one Declaration of Candidacy was turned in. The filing period for this year's four Council seats would end at 5:00PM on September 9 (two days away).

White read a letter aloud, which was submitted by Magistrate Tracy Blais. The letter publicly thanked individuals, businesses and City representatives (Mayor Roy Gilbertson and Administrator Pete Hallgren) for their participation in providing the school with a spirit rock. She thanked them for "supporting the youth of our community."

Department of Economic Development – Pete Hallgren reported he discussed potential layout for the railroad with a group who visited Delta today to complete a study. There are no funds available to build at this time but it is hopeful to be routed through Delta when it is built. Hallgren briefed Council on location details. He said input and ideas are welcome.

Hallgren stated the Rescue Squad renovations are scheduled for completion in one week. The fire hall inspection is scheduled September 27 to possibly be occupied within 2 weeks. The library may be ready by the end of the month. Ten additional days were given to upgrade the vinyl flooring. Completion of the landfill was scheduled for the beginning of October but there is concern over the equipment storage building. The landfill operation is to pay for most of public works costs and that income is scheduled to start in October. It may severely impact public works (street maintenance). He said he would try to schedule a tour of the construction projects toward the end of the month.

Leith-Dowling asked about the status of the translators.

Hallgren said Channel 13 has a statewide problem. He is waiting for the military to give permission to access the Donnelly Dome sight in order to check Channel 5.

Discussion followed regarding TV reception.

Hallgren reported update on the gas line advisory board meetings. *Information Insights* has prepared a draft report on an impact study during construction of the gas line and also during operation. By having a Payment in Lieu of Taxes (PILT) instead of straight property taxes, it is believed that they would be able to pay impacts to communities during the construction. Once into actual operation PILT would act similarly to how the Trans-Alaska Pipeline System (TAPS) works now. A community would be reimbursed up to 20 mills of its property tax rate. A community with no property tax would receive nothing after the construction period.

Pecchia stated the community, as a whole, does not want property taxes.

Heinbockel said the community wants no taxes period.

Gilbertson said one day we will have to pay our own way.

Pecchia agreed but thinks there should be another way instead of collecting property taxes, such as revenue from utilities, something that we all pay equally.

Hallgren said should Delta incorporate into a borough the gas line and TAPS would not be taxable without a property tax. TAPS can be taxed only to the degree of having a property tax. The gas line is a much smaller project but also could only be taxed through a property tax.

Pecchia said he would adamantly oppose property tax.

Heinbockel invited those that oppose property tax to the next Charter Commission meeting on September 22 when Karl Hanneman, who represents the multi-million dollar Pogo mine operation, to hear him say the same.

Finance – Roy Gilbertson reported it appeared the City would pay the prison commitment off in possibly 30 days.

Hockey Rink – Will Pecchia asked if there is any amount of upgrade allowed at the existing hockey rink.

Gilbertson said change constitutes any attempt to make the facility more comfortable, to increase occupancy. The upgrade would then require a sprinkler system.

Library – Mary Leith-Dowling reported numerous items:

- \$31,000 Destiny Circulation Program Grant was received
- \$6,300 Public Library Assistance Grant was received. (It was reduced from \$7,000 per state budget cuts.)
- Notices were mailed two weeks ago requesting corporate, local businesses and private sponsors for the Rasmuson \$200,000 Matching Grant. Every post office box holder received notice and advertisement has been publicized in the local newspaper. To date, Conoco Phillips (\$2,000) and Boeing (\$1,000) have contributed. Leith-Dowling listed several local businesses that have pledged support.

Park – Will Pecchia reported he is researching park upgrades for next year. He said there are few activities for youth involvement in this community. He would like organizations to meet once a month at the Community Center to incorporate both a fundraiser and means to entertain youth, such as talent shows or dance. All proceeds would benefit the park. He asked for community input.

Discussion followed regarding activities open to our youth and the school's involvement.

Personnel – Pete Hallgren said the heavy equipment operator position has not yet been advertised. He has asked Boadwine's input prior to passing it to MACTEC engineers.

Heinbockel asked to not create a job description that requires going outside the community to hire. He said to consider training those in the local community to fill the job if needed.

Hallgren said a Class A CDL would be required.

Public Works – Lou Heinbockel reported roof work on the Community Center starts tomorrow, September 8, and will take about one week.

Heinbockel, referring to a draft letter addressing the Fourth Street issue, said, "1/5 the cost of repairs" is not enough. He asked that Hallgren be given direction to ask Delta Industrial Services for 50%. He said whether or not anything is received, it needs to be on record that industrial enterprise created the situation and road damage.

Zimmerman reported \$5,800 has been spent to date on Fourth Street. That figure does not factor in use of the City grader, loader and dump truck so \$7,500 is more reasonable.

Hallgren stated he would request 50% of \$7,500.

Charter Commission – Lou Heinbockel stated taxation would be discussed at the next meeting on September 22. He said this community has been ripped off for so long by private enterprise and part of the reason is because we are not willing to help ourselves. Our community has never received a small portion of the 20-mill tax that the State receives from the TAPS that passes through Delta.

Sloan said Senator Wilkens admits that the State would receive less revenue for 5 to 10 years should Delta form a borough and receive that tax instead.

UNFINISHED BUSINESS - none

NEW BUSINESS

Old Ambulance up for Sale

See discussion under *Rescue Squad Report and Request to Speak*.

DREDC Recommendation on '04 Social Service Grant Applications

Hallgren stated Delta Regional Economic Development Council (DREDC) needs Council approval of the grant application so that it can be issued to the public. There is approximately \$450,000 to be spent on providing social services. It does not need to be spent all in one year. The funds cannot be distributed until applications are turned back in and decisions are made on how to direct spending.

Leith-Dowling asked to add a segment to show proof of not duplicating another program. She added wording on an Evaluation Criteria item to read, "...how the proposed project addresses one or more of the priority areas (recreation for all ages, youth programs, counseling) not currently being served in the Delta area."

Gilbertson said he prefers to reserve funding until it is known what can be done to enhance the recreation center. He agreed to continue funding HOPE, LEAP and the Delta Youth Court (DYC) programs. He disagrees with spending all the funds.

Dooley stated a part-time coordinator could not be located to take the DYC position and the Recreation Coordinator so funding was matched. DYC will be forced to ask for an additional \$15,000 if the two positions are not combined as they were last year. The school provided office space but no funding.

Heinbockel moved to approve recommendation by DREDC to accept the 2004 Social Service Grant Application as presented and to include Leith-Dowling's change in criteria; Weller seconded.

Motion passed by unanimous consent.

Animal Welfare Group - Request to Waive Fees for Conference Room

Heinbockel moved to waive fees associated with renting the conference room to the animal welfare organization the evening of September 9; Pecchia seconded.

Motion passed unanimously on a roll call vote.

Delta Sanitation, Inc. - Request to Waive Fees

Heinbockel moved to honor the request to waive fees associated with collecting and dumping 30 yards of trash collected from the Delta fairgrounds on August 26; Sloan seconded.

Motion passed unanimously on a roll call vote.

Introduction and First Reading of Ordinance 2005-02, An Ordinance Accepting a No-Interest Loan From the State of Alaska for \$1,200,000 (One Million Two Hundred Thousand) Dollars to End the Prison Controversy

Leith-Dowling moved to introduce Ordinance 2005-02, An Ordinance Accepting a No-Interest Loan From the State of Alaska to End the Prison Controversy, hold the first reading and set the public hearing date for September 21; Sloan seconded.

Motion passed unanimously on a roll call vote.

Introduction and First Reading of Ordinance 2005-03, An Ordinance Repealing and Reenacting Section 3.21.100, Sanitary Landfill

Leith-Dowling moved to introduce Ordinance 2005-03, An Ordinance Repealing and Reenacting Section 3.21.100, hold the first reading and set the public hearing date for September 21; Heinbockel seconded.

Hallgren stated this Ordinance does institute a .05 cent-per-gallon septage waste fee. It changes the present fee of \$100/year.

Heinbockel said septage haulers do not cooperate in closing the gates around the septage pits. The gates are to be locked for safety reasons.

Hallgren said the new landfill will have DEC requirements.

Discussion followed regarding dumping process in standard landfills.

Heinbockel said FNSB residents get services provided by virtue of the fact that they pay taxes.

Hallgren stated he would ask Richard Bonwell to clear confusion regarding converting yards into tons. He said he is concerned with losing money at the old landfill and meeting MACTEC's estimated demand of garbage. Landfill operation income is to be used to pay for most of the street plowing throughout the winter months.

Motion passed unanimously on a roll call vote.

Introduction and First Reading of Ordinance 2005-04, An Ordinance Amending Outdated Sections of the General Code

Hallgren stated items requiring change under Ordinance 2005-04 are very important issues. The first addressed current City code that requires property that is valued over \$25,000 not be sold until municipal voters give their approval. Hallgren said he recommended changing the value from \$25,000 to at least \$100,000 before requiring an election. The second matter involves leasing property. Current code states that leasing property for more

than \$250/year or more than one year requires the property to be appraised first. Hallgren recommended increasing the fee from \$250/year to \$24,000/year and to change the one-year provision to five-years. He said an example would be the Waldo property. The plan is to sell it. But if it were to be leased, for more than \$2,000/month it would require being appraised first. It should be appraised if it is leased for longer than five years. Hallgren said the third matter is to remove the code section in reference to the Local Redevelopment Authority for Ft. Greely under BRAC. The provisions sunsetted June 30, 2003 but no terms for removing them are in the ordinance.

Leith-Dowling moved to introduce Ordinance 2005-04, An Ordinance Amending Outdated Sections of the General Code, hold the first reading and set the public hearing date for September 21; Pecchia seconded.

Motion passed unanimously on a roll call vote.

Sale of Airport Subdivision Lot 3, Block 2

Heinbockel moved to approve sale of Lot 3, Block 2 of the Airport Subdivision to Steven and Susan Reeves for \$7,000.00 plus \$268.00 (title search and recording fee); Sloan seconded.

Zimmerman stated one airport lot now remains.

Motion passed unanimously on a roll call vote.

Purchase Orders

PO#09151 to Aetna WHO-AAS in the amount of \$5,449.59 for Sept '04 group health insurance

PO#09152 to Airport Equipment Rentals, Inc. in the amount of \$852.00 for Superpac rental used on City streets

PO#09153 to Arctic Fox Safety & Supplies in the amount of \$3,955.54 for two Homeland Security toxic gas meters

PO#09154 to Buffalo Fuel Inc. in the amount of \$908.94 for landfill diesel fuel

PO#09155 to Delta Building Supply in the amount of \$1,500.00 for Sept '04 equipment storage rent

PO#09156 to Delta Texaco in the amount of \$681.47 for gas and diesel used at park and landfill and on streets

PO#09157 to Delta Youth Court in the amount of \$6,750.00 for July-Sept '04 interim Social Service Grant Award

PO#09158 to Florcraft, Inc. in the amount of \$2,512.50 for carpet in Rescue Squad training room

PO#09159 to FundBalance, Inc. in the amount of \$2,474.00 for renewal of accounting software

PO#09160 to Hope Counseling Center in the amount of \$2,480.00 for July-Sept '04 interim Social Service Grant Award

PO#09161 to Lamar Cotten in the amount of \$7,041.00 for August '04 consulting services

PO#09162 to LEAP II in the amount of \$6,644.00 for July-Sept '04 interim Social Service Grant Award

PO#09163 to Lisa Maddox in the amount of \$500.00 for advanced travel expenses to pickup ambulance

PO#09164 to MACTEC Engineering & Consulting, Inc. in the amount of \$38,803.29 for Aug '04 engineering services at the landfill

PO#09165 to MACTEC Engineering & Consulting, Inc. in the amount of \$32,830.23 for July-Aug '04 engineering services at the library

PO#09166 to MACTEC Engineering & Consulting, Inc. in the amount of \$14,828.39 for July-Aug '04 engineering services at the fire station

PO#09167 to MACTEC Engineering & Consulting, Inc. in the amount of \$3,356.00 for engineering services at the recreation center

PO#09168 to McPherson Supply Company in the amount of \$73,533.00 for final 2004 E450 ambulance payment

PO#09169 to Connie Ott in the amount of \$500.00 for advanced travel expenses to pickup ambulance

PO#09170 to Toni Lee Consulting in the amount of \$575.00 for Fire Department drug screening

PO#09171 to Pat White in the amount of \$4,316.06 for ambulance billing service

PO#09172 to Delta-Greely School District in the amount of \$158,461.98 for Phase 2 of job training building

PO#09173 to UNIT SKW LLC in the amount of \$188,053.20 for Aug '04 library progress billing #4

PO#09174 to Delta Fuel Company in the amount of \$942.00 for heating fuel

PO#09175 to State of Alaska, DEC in the amount of \$592.00 for new landfill permit
PO#09176 to UNIT SKW LLC in the amount of \$703,644.73 for Aug '04 landfill progress payment #4
PO#09177 to Ernie Wyrick in the amount of \$751.00 for airfare reimbursement to pickup new fire truck
Leith-Dowling moved to approve purchase orders 09151 through 09177 as presented; Heinbockel seconded.
Discussion followed regarding HOPE and LEAP counseling and how they benefit the community.
Dooley stated both counseling agencies are not redundant with Fairbanks Mental Health. All three offer different counseling services.
Motion passed on a roll call vote with four (Leith-Dowling, Weller, Pecchia, Gilbertson) voting in favor and two (Heinbockel, Sloan) voting against.
Heinbockel said he was unhappy with paying \$703,000 when the contractor is unable to provide the steel building plans.

ADDITIONAL PUBLIC COMMENTS

Janet Boyer asked why there was no language in Ordinance 2005-02 regarding forgiving the loan should Delta incorporate into a borough.
Hallgren stated that wording is in the promissory note and the legislative bill. He offered to share documentation explaining those terms.
Boyer asked if landfill income would cover plowing City streets as well as the actual landfill operation expenses.
Hallgren affirmed and said City employees will not be expected to stay at the landfill all day.
Heinbockel said it is likely that the landfill will need to be subsidized, that it won't generate enough to maintain its own operation and maintenance on the streets.

ADDITIONAL COUNCIL COMMENTS

Sloan stated the 35mph speed limit on Mil-Tan Road creates an unsafe situation. People are passing at a high rate of speed the one that is crawling at the posted 35mph speed limit. He asked that it be increased to 45.
Discussion followed regarding different opinions about the speed limit and conditions of the road.
Leith-Dowling reported she would represent Delta at the Alaska Highway International Forum in Dawson City at the end of the month. She asked that the City commit at least \$500 or \$1,000 to sponsor the forum.
Heinbockel said the local Chamber of Commerce should contribute because they reap the biggest benefit from tourism. We ought to be proud of the fact that we are the end of the Alaska Highway. He asked to consider matching the Chamber on a 2-to-1 basis, up to maximum of \$1,000.
Pecchia asked about the AML Conference in Fairbanks.
Hallgren stated Newly Elected Officials Training begins Sunday, November 7 and the AML Conference begins November 10.

ADJOURNMENT

Sloan moved to adjourn at 7:38PM; Weller seconded. Motion carried.

Pat White
City Clerk
City of Delta Junction

Date of approval: September 21, 2004