



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

Regular Meeting
Community Center, Delta Junction, Alaska

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

Council members present: Mayor Roy Gilbertson, Leslie Feilner, Will Pecchia, Susan Sandy
John Sloan, Lou Heinbockel (arrived at 5:02PM)

Council member excused: Mayor Pro tem Mary Leith-Dowling

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

Approximately 40 members from the community were also present. Six remained after Pat Dalton's presentation under *Request to Speak*.

APPROVAL OF AGENDA

Mayor Gilbertson reported one item to add to *New Business*:

- ✓ Library Pay Application #6 (PO#09451 in the amount of \$104,855.73)

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

APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Pecchia moved to approve the minutes of the November 16, 2004 regular meeting as presented; Feilner 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

Pat Dalton – Survey Regarding Proposed Borough

Local resident Patrick Dalton stated the will of the people is very important and should have been considered before embarking on drafting a borough charter. Because it was not done he and a small group of other residents prepared and mailed a survey to 2,008 local mailbox holders. Dalton presented a chart showing results of that survey, the ratio of how many were for borough formation to how many were against. He said his beliefs are based on Article I, Section 2 of the Alaska State Constitution. He read, "All political power is inherent in the people. All government originates with the people, is founded upon their will only, and is instituted solely for the good of the people as a whole." Dalton read from Paragraph II of the Declaration of Independence, "Governments are instituted among Men, deriving their just Powers from the Consent of the Governed, ..." He explained any form of government or law (State, community, any political subdivision) must have consent in order to be a just government. Dalton said Lieutenant Governor Jack Coghill informed their group that no one

person or body of people (legislature, LBC, State Governor, no one) could force government without consent of the people. Dalton said the City is faced with the dilemma of being forced into a mandatory borough or creating a charter. There is no mandatory borough act. Delta residents should not have to think about something they are not interested in. He quoted Matthew 12.25, "Every kingdom divided against itself is laid waste, and no city or house divided against itself will stand; ..." He asked Council to "get out of the mold and develop a different idea." The State cannot force us into a borough unless we let them. Dalton reported 371 of the surveys were returned, at a rate of 8/day, which is approximately 20% of the 2,008 that were mailed. He said of the surveys 87% were against borough formation and 12% were in favor of one. 80% agreed with a school tax. Dalton read the questions as they were presented on the survey:

1. Ideally, which would you prefer?
 - Creation of a new Delta Borough Government or
 - No borough government, no tax
2. If Delta residents must pay more for schools and state government, which would you prefer?
 - Creation of a new Delta Borough Government or
 - Annual flat school tax levied directly by the legislature and NO BOROUGH

Dalton reported local residents are willing to pay for school tax but they are not willing to create a borough government.

Sandy said the old-fashioned school tax was \$10.00. She asked if it was understood that that amount would not be adequate to fund education.

Discussion followed regarding school tax, State law requiring 4 mills and property taxes.

Feilner said the concept would need to be researched for the Delta area.

Dalton said the whole community would likely support the concept of taking responsibility of paying for our schools. However, borough government is an unnecessary layer that must be paid for in addition to the school.

Dooley stated 20 years ago the legislature mandated boroughs in other areas of the State. Ted Stevens, who was then a practicing attorney, contested it in court. It went all the way to the Supreme Court and was ruled that the State was within its purview, that it was legal to mandate borough formation.

Dalton said, "Constitution is law." We must fight for what is right. Our constitution is not null and void.

Janet Boyer asked about Dalton's reference to "adding another layer of government" when it was understood that the City government would be dissolved should a borough be created.

Dalton said the current draft charter addresses departments for law, finance, and an appraiser. A direct school tax will pay for the school only and it would eliminate the additional government layer(s).

Art Griswold, local resident and Charter Commission member, asked how the State could evaluate the 4-mill requirement if the local government cannot provide an assessor. The State would surely be forced to add that into the cost plus the 4 mills if they must provide the value of every piece of local property.

Dalton said the State can do nothing without the will and consent of the people. He suggested working with legislative representatives, Pete Fellman and Gene Therriault.

Discussion followed regarding assessors, State versus local.

Mike Murphy, local City resident, asked, "At what point do the citizens vote on whether they accept the charter as it is written?"

Heinbockel explained the process as being democratic. He said once the charter is created it will be presented to the LBC. It will be either accepted or modified and then, as required by law, brought back to the people in the proposed borough boundaries for their input. That is when everyone will be able to be heard. If it appears that the local residents do not want a borough the charter will not be voted in. Jack Coghill's information is incorrect. We CAN have a borough forced upon us and THAT may not go to a vote. Whittier and Cordova are presently creating a borough that will include Valdez and Valdez does not want to be a part of it. Even still it is likely to become reality. The most democratic process is to complete the charter and then speak out for or against it. Regarding the school tax, Heinbockel said the \$10/year head tax, paid in the past, applied only to wage earners. He said there were 300,000 people living in the State of Alaska at the time and probably 100,000

had jobs. It equated to \$1 million in taxes. The local school district budget alone is between 7 and \$8 million. School tax has NEVER paid for education. It simply went into the State's general fund.

Lee McNeil, local City resident, asked if a borough is being formed to simply support the school. He read Article II, Section 19 of the Alaska Statutes, "The legislature shall pass no local or special act if a general act can be made applicable. Whether a general act can be made applicable shall be subject to judicial determination. Local acts necessitating appropriations by a political subdivision may not become effective unless approved by a majority of the qualified voters voting thereon in the subdivision affected." He said the solution would be for the State to set a school tax.

Winston Duncan, a resident outside City limits, said a vote of the people was never taken to determine if they wanted a charter commission to begin with. The democratic process will allow vote after the charter petition is taken to LBC. The area residents may not even agree with what is submitted. And then LBC will identify if the petition is acceptable to THEM before local residents are allowed to voice their opinion. Referring to Dooley's statement regarding boroughs forced upon heavily populated areas of the State in 1961, Duncan said there were no boroughs formed until that time. The constitution required both organized and unorganized boroughs. He said the constitution recognizes there are large areas within the State that will never be able to organize. We, as the people, are liable for any debt incurred by the local government. Every million dollars of debt incurred averages \$500 for every one of the 2008 Delta Junction mailboxes identified by the post office. That includes residents all the way to Cathedral Bluff. Duncan stated the draft charter requires a million for administration alone. The City of Delta Junction's budget for next year is \$900,000, as quoted in a recent news article. More and more services will run the tab up to 3 or 4 or maybe 7 million dollars, equating to several thousands of dollars per household. Residents over age 65 won't pay property taxes over \$150,000 in assets. There are many disabled vets who live in this area that will also be exempt from paying taxes. A base pool of 2000 residents is not a big enough population to support a borough and it does not make economic sense. The State must be able to recognize that. Duncan stated in 1556 George Buchanan said the will of the people is the only legitimate source of power. He said the mail survey indicates that the will of the people is NOT behind supporting a borough. He said he would appreciate the Council dropping funding of the Charter Commission.

Joe Peters stated he read in the Fairbanks Daily News-miner several years ago that the State funds 80% of Fairbanks and Anchorage schools. He asked if that was accurate.

Heinbockel said the State pays 80% or better and the local government covers the difference. Some communities tax themselves to provide swimming pools and heated hockey rinks that are associated with schools. Delta cannot offer such amenities because we do not contribute our 20%.

Discussion followed regarding State funding of students enrolled in the Delta schools.

Heinbockel said the school would be our largest single expenditure in a borough. The City of Delta Junction currently provides numerous services (landfill, cemetery) and facilities (Community Center, City Hall, library) that are used by Delta residents, area wide. All of them need funding.

Gilbertson, referring to creating a charter, stated the alternative could be a lot more damaging if the City opted to take no action and do nothing. No one wants to be burdened with property taxes. He said at some point local residents must align ourselves to be responsible. If not through property tax, then maybe a seasonal sales tax but something is needed to support a percentage of our school.

Dalton suggested pre-filing a bill before the next legislative session, having it co-sponsored by Representatives John Harris and Gene Therriault. The City Council has resources to go to Juneau and deal with the school issue so that we never see another Senate Concurrent Resolution 12 (SCR12).

Gilbertson stated he is scheduled to meet with Governor Murkowski in Anchorage on December 16.

CORRESPONDENCE – No discussion

Appreciation Letter from Mike Tvenge

Legislative Wish List – Agenda Topic for December 21

Alaska Highway Community Roundtable Request – Agenda Topic for December 21

REPORTS

Fire Department – Dennis Dooley reported Chief Carin Bear was unable to attend tonight's meeting because she was presently on her way home after having warranty work completed on the fire truck.

Planner – Dennis Dooley reported the fire hall inspection did not pass substantial completion last week due to safety criteria for the overhead doors. The landfill project did meet substantial completion on December 1. Maintenance and insurance are transferred to the City when buildings are ready for occupation, upon substantial completion. Small details are being worked out on the library project.

Heinbockel asked to minimize outside lighting if the facilities are not yet in use.

City Clerk – Pat White reminded Council of the work session scheduled for 3:00PM, Wednesday, December 15 to discuss the Village Safe Water assessment with James Kaercher.

Dooley stated the work session would last approximately two hours. He explained a contractor was selected last spring and the goal was to submit grant proposals by August. Due to a set back in receiving mapping information the new deadline is to finish the water study by this coming August.

School Liaison – Will Pecchia said school construction is going according to schedule.

DREDC – Susan Sandy reported Delta Regional Economic Development Council (DREDC) met on December 6. Present was a representative from the Mat-Su (Matanuska-Susitna) Borough Resource, Conservation & Development (RC&D), a program of the United States Department of Agriculture (USDA). He informed DREDC that their application was good but was shelved along with 40 other applicants due to lack of funding. Improvements in the application were not needed. Sandy described the application process and explained that the funding would pay for a person to be hired by USDA to work in Delta to run a RC&D program. Once the application is accepted the funding can carry for a number of years until the program becomes self-sustaining. DREDC plans to contact State senators for support in getting the application funded.

Dooley said he worked in an area in which several counties in western Washington experienced an unemployment crisis. An RC&D position was created and that individual kept the morals high for opportunities. He said he had great hopes for the same program in Delta.

Library – Pat White reported on behalf of Mary Leith-Dowling and Librarian Joyce McCombs: 1) Shelving for the new library arrived today. They are being unwrapped by High School students from the Honor Society, Key Club and the Delta Youth Court. They will be installed on Thursday by the shelf project coordinator and five local volunteers. 2) Books will be moved to the new library on Saturday, December 11 starting at 10:00AM. 3) The library will reopen on Friday, December 17. Videos, audiotapes and possibly Internet may not be available. And... 4) fundraising for the Rasmuson Grant is now at \$43,848. Most recently the Alaska Railroad donated \$1,000 and fundraisers at IGA and the Holiday Bazaar brought in \$698.

Public Works – Lou Heinbockel reported equipment operators have been busy removing heavy snow. He recommended purchasing a 4 or 5 ton sanding truck to use on street intersections, possibly using impact funds. It could be used area wide and would be more practical than purchasing an attachment to the loader at the landfill. He estimated it would cost about \$45,000. A pickup truck would not be sufficient.

Charter Commission – Lou Heinbockel reported two meetings are scheduled in December (Monday, December 20 and Wednesday, December 22) in hopes of winding up the charter draft.

Additional Reports by Council – Will Pecchia stated money was budgeted for new playground equipment if fundraising efforts could match the \$25,000 set aside by the City. He reported only \$108 has been collected to date and asked if there were other possibilities of using those earmarked funds should fundraising efforts fail.

Feilner asked to consider upgrading the restrooms in the park concession building as well as the outhouses near the playground area.

Heinbockel reported engineers recommended installation of a huge holding tank because of potential leach problems years ago when the park was initially designed. Alyeska donated that tank. Both tanks under the two outhouses must be pumped. He asked to discuss upgrades with Maintenance Supervisor Bob Morley.

Pecchia said he would still like to see additional playground equipment.

UNFINISHED BUSINESS - none

NEW BUSINESS

E911 Progress Update (PowerPoint Presentation)

Dooley presented a PowerPoint presentation describing the local mapping project. He said there is a mandatory E911 Act by the Federal Communications Commission (FCC) that requires all areas to have E911 by the end of 2005. The Delta E911 area includes only residents with an 895-phone prefix. The military opted to not be involved, a surprise to Alaska Communications Systems (ACS) because both Eielson and Fort Wainwright are included in the Fairbanks E911. Dooley stated he met with ACS representatives today to deal with addressing problems. Current problems involve inconsistency between local addresses and the postal service and working off old addresses that appear to be in error. Addressing is required in order for homeowners to acquire a phone or electricity. Another problem deals with our community's road service. Dooley explained the goal is to reduce the volume of the Geographic Information System (GIS) mapping so that it can be accessed by a laptop. He explained that E911 dispatchers would provide first responders with information in order to identify unique medical problems, potential hazards and capability of maneuvering equipment to particular addresses, all by accessing a phone number. Some information could be sensitive and confidential. Dooley explained the process when a dispatcher receives an emergency call. He said a meeting is scheduled for December 14 with first responders, AST, Fairbanks Dispatch, the local postmaster, DNR and ACS to discuss implementation of E911. Dooley said all new cell phones are required to have a GPS locator, accurate enough to get within 150 to 300 feet of that phone.

Discussion followed regarding problems with GPS coordinates, navigating and how to locate an address using the maps that have been created.

City Administrator Job Qualifications

No discussion per lack of information

Approval of (Tabled) Social Service Grant Application Per DREDC Recommendation on December 6

Sandy reported a Social Service Grant application from LEAP (Alternatives to Violence counseling) was tabled when DREDC made their recommendation on November 16 as to which service programs to fund. Their concern pertained to counseling services sharing space. DREDC made a \$6,000 rent provision to shop for space elsewhere in town should the arrangements to share the basement of the Joslin building (old Abreu building) not be suitable. DREDC also requested classes be offered to the general public, particularly at the school. LEAP Counselor Lisa Hay reported they are capable of providing two and three-part education programs.

Sandy moved to approve DREDC recommendation to accept the Social Service Grant application from LEAP in the amount of \$32,000; Heinbockel seconded.

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

Sandy also reported DREDC was gathering job qualifications for a community recreation coordinator. It was suggested to look into a VISTA volunteer to start and develop a program. It would cost approximately \$12,000 for one year. Research could determine how feasible a recreation coordinator position would be for Delta and if it would even be cost effective to pursue. VISTA and AMERICORPS are under the same umbrella. Recreation is needed for both youth and adult activities, not just focused on school programs.

Sloan said it is difficult to be without commitment from the school because they are such an integral part of the community.

Sandy said the idea is for the VISTA volunteer to work with the school.

Ordinance 2005-05, A Special Ordinance Setting Interim Landfill and Septic Rates

Heinbockel asked to table the first reading and public hearing of Ordinance 2005-05 until the next meeting.

Joe Peters, Delta Sanitation owner, said many from the public feel fees to pick up trash should pay for all the costs associated with running the landfill. Many of their private business costs, such as equipment repair/replacement, are not visible. He said it would be unfair to their business to pay for the City's operation.

Peters said he keeps his rates within reason. He suggested Council consider getting an incinerator to reduce their internal costs. It will reduce the amount of what needs buried, wear and tear on equipment, manpower and it will extend the life of the landfill.

Discussion followed regarding garbage pickup fees.

Gilbertson said he agreed with condensing and burning the garbage rather than having to cover it with 4-6 inches of gravel.

Heinbockel said the landfill is not used to generate funds to use in other areas of the budget. The City maintains 27 miles of roads and there would be no garbage pickup if the roads were not maintained. There are residents in our community who are willing to shell out big bucks to plow or grade or maintain their own roads but they are not willing to pay five cents toward operation and maintenance of the roads that everyone uses. He said, "People are too cheap to pay their own way."

Grace Peters asked to see what expenses the City will pay to operate the new landfill before setting prices for the interim. Once that is established it will eliminate the fear of doubling charges for garbage service.

Heinbockel said people do not want to pay for the services that are provided.

Grace Peters stated they sent letters to their customers in hopes of "settling their minds" regarding the landfill change from Class III to Class II status. She said she did not reference tipping fees to plow or grade the city streets or maintain the landfill. The only time a city is able to charge for something other than to a private business is if the City owned the utility. Delta Sanitation is a utility.

Heinbockel said the idea of generating funds is to maintain the road system. In the past State revenue sharing covered the expenses. More recently it is paid from Payment in Lieu of Taxes (PILT). The budget of approximately \$450,000/year provides the area wide service but it is not stable. PILT can disappear at any time. One of the few things that can be charged is to bury people in the cemetery, rid of refuse, library use and use of the Community Center or the conference room. There are more requests to be excused than there are those that actually pay to use the facilities. We have an interesting community in which people are very willing to contribute to fundraisers for the library and the skating program but they will not accept being charged for services.

Grace Peters said it is an example of taxation without representation.

Heinbockel said a crowd of people came to discuss the borough issue tonight but left once the discussion was over. They have no interest in City business.

Grace Peters said she did not want their business challenged at this point in their lives when they are preparing for retirement. She said they have worked hard and provided good service. She asked for consideration and balance.

Sloan asked to form a committee to review costs of operating the landfill. The committee would present their findings to the City Council. He volunteered and asked for two others to join him in working with the City Administrator. He also asked for Joe and Grace Peters to attend the meetings.

Heinbockel and Pecchia accepted the invitation.

Library Pay Application #6

Dooley stated MACTEC Engineer Dave Halverson's cover letter provided explanation of the library pay application. No further discussion. See PO#09438.

Purchase Orders

PO#09426 to Aetna WHO-AAS in the amount of \$5,449.59 for Dec '04 group health insurance

PO#09427 to Craig Taylor Equipment in the amount of \$2,159.68 for John Deere tractor repair

PO#09428 to Delta Building Supply in the amount of \$1,500.00 for Dec '04 equipment storage

PO#09429 to Delta Medical Supply in the amount of \$10,583.00 for Homeland Security Equipment

(2 Rescue Rams to separate metal, climbing ropes and attachments, traffic barricades and strobe lights, decon pool and portable shower)

PO#09430 to Delta Texaco in the amount of \$1,251.48 for Oct/Nov gas and diesel

PO#09431 to Lamar Cotten in the amount of \$6,590.13 for Nov '04 consulting services

PO#09432 to Machinery Connection LLC in the amount of \$7,000.00 for delivery of fire tanker
PO#09433 to Mikunda, Cottrell & Co in the amount of \$4,956.56 for 6-30-04 audits
PO#09434 to NC Machinery in the amount of \$286,800.00 for landfill D6 cat dozer
PO#09435 to Sunshine Services in the amount of \$840.00 for 84 yards of D1 gravel for streets
PO#09436 to Weidner Construction in the amount of \$850.00 for septic tank pumping services
PO#09437 to Willis of Alaska Inc. in the amount of \$2,871.00 for new library insurance
PO#09438 to UNIT SKW LLC in the amount of \$104,855.73 for library progress payment #6
Heinbockel moved to approve purchase orders 09426 through 09438 as presented; Pecchia seconded.
Heinbockel said \$850 for septic pumping seems high.
Zimmerman explained breakdown of the service.
Motion passed unanimously on a roll call vote.

ADDITIONAL PUBLIC COMMENTS

Janet Boyer, local reporter, asked if the new landfill rates would be presented at the next meeting.
Heinbockel said hopefully. It was already approved to increase commercial and noncommercial refuse hauler rates to \$117/ton, effective upon opening the new landfill. (Ordinance 2005-03, passed on September 21)
Gilbertson said Hallgren is reevaluated rates at this time.
Tana Wood thanked Dooley for his E911 presentation and asked if he would present it to the Chamber of Commerce.

ADDITIONAL COUNCIL COMMENTS

Heinbockel, referring to the clock, stated if the meeting had started on time, he would have been on time.

ADJOURNMENT

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

Pat White
City Clerk
City of Delta Junction
Date of approval: December 21, 2004