



City Council Minutes
June 20, 2006 ~ 5:00PM

Regular Meeting
City Hall, Delta Junction, Alaska

The regular meeting of the Delta Junction City Council was held on Tuesday, June 20, 2006 at City Hall in Delta Junction, Alaska. Mayor Pro tem Mary Leith-Dowling called the meeting to order at 5:00PM.

Council members present: Mayor Pro tem Mary Leith-Dowling, Pablo Martinez
Mike Jenkins, Leslie Feilner, Mike Tvenge, Lou Heinbockel

Council members excused: Mayor Roy Gilbertson

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

Approximately 14 members from the community were also present.

AMENDMENTS TO AGENDA ~ APPROVAL OF AGENDA

Leith-Dowling referenced a revised agenda with the following additions:

- ✓ *New Business*: Purchase Orders #010930, 010931, 010932, 010933, 010934
- ✓ *New Business*: Authorization to Purchase New TV Broadcast Antennas
- ✓ *Unfinished Business*: Waldo House Minimum Bid
- ✓ End of meeting: Executive Session – Attorney Correspondence Regarding Rink

Heinbockel moved to approve the agenda as amended; Feilner seconded. Motion carried.

APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Heinbockel referenced discussion regarding the landfill subsidy from Pogo PILT (page 7 of 8) and asked for clarification that \$100,000 was the total subsidy, not \$350,000.

Heinbockel moved to approve the June 6, 2006 minutes as amended; Feilner seconded. Motion carried.

PUBLIC AND COUNCIL COMMENTS ON NON-AGENDA ITEMS

Mayor Pro tem Leith-Dowling called for public and Council comments on non-agenda items with none being offered.

REQUEST TO SPEAK - Sergey Morozov – Electricity on Phillips Road

Sergey Morozov, spokesman for residents (7 present) on Phillips Road, stated he was unsuccessful in obtaining electricity from Golden Valley Electric Association (GVEA). He said he spoke with both the GVEA President and the Vice President who requested addressing a letter to Representative John Harris. Each year the legislature allocates funding to assist similar situations. Prices continue to increase and are too much for the residents along Phillips. The University of Alaska (UAF) owns the first one and a quarter (1 1/4) mile of land along Phillips and it is now estimated to cost \$70,000 to install utility poles in that distance. Five families (37 people) live beyond that first mile. Morozov asked Council to offer

helpful suggestions and also write a letter on their behalf. He said they would continue to fight for power until they succeed. He explained the layout of homes and the number of poles required between each of them. He said they are willing to cover the expense to extend power to their lots once power is established for the first section.

Hallgren said he spoke with GVEA's VP who said one of the common ways of getting line extension is to request the legislature direct money to GVEA. He acquired a contact name with GVEA, who works directly with legislators and can provide the necessary details related to the circumstances.

Heinbockel moved to write an endorsement letter to the legislature in support of funding for electricity on the first mile of Phillips Road; Martinez seconded.

Tvenge asked if there is land available beyond the five existing homes on Phillips Road.

Morozov said there is more land but because there is no electricity it does not sell and GVEA states they could provide power if there were more residents.

Discussion followed regarding accessibility of electricity and inability to share cost with UAF.

Motion carried by unanimous consent.

REPORTS

Airport – Leslie Feilner reported “no motorized vehicles” signs would be posted some time this summer. She said local pilot Jack Morris prefers a dirt berm to placing boulders along the airstrip. Morris is not as concerned with four-wheelers as he is with larger vehicles.

Discussion followed regarding digging a ditch around the airstrip or positioning boulders and still allowing access.

Feilner said Forestry's helipad area has been active because of the fire season.

City Clerk – Pat White said the next Council meeting is scheduled on July 4 and asked that it be postponed one day. She said City Hall offices would be closed on July 4.

Council agreed to meet on Wednesday, July 5.

City Administrator – Pete Hallgren reported:

- The landfill, including the septic system, is working as designed. Septic pits will be emptied in mid or late July.
- Hallgren and several other community members attended a ceremony at Ft. Greely to witness the signing of a MOA for the Enhanced Use Lease (EUL) project. At least 20 people were present. He explained the parties involved for the proposed hotel, power plant, RV park and medical clinic and said there is a 90-day period to come to an agreement on actual details. The EUL, which will be located between Ft. Greely's front gate and Allen Army Airfield, will be open to the public.
- Hallgren and Leith-Dowling attended the quarterly impact meeting. By the end of June the fire station, library and landfill projects will all be closed. The television transmission, Social Services Grants and rink projects will remain open. Regarding Social Service Grants, Missile Defense suggested staying with the 3-year plan as adopted by DREDC and closing all grants by December 31, 2007.
- Local realtor Cleeta Barger recommended updating the minimum bid for the Waldo house and property from \$100,000 to \$109,000.
- Channel 5 is presently experiencing broken electronic equipment. Technicians will be at Donnelly on June 22 to inspect it.

DREDC – Mike Tvenge stated the June 19 meeting was cancelled.

Library – Mary Leith-Dowling reported the summer reading program started on June 16 with 60 children in attendance. Mike Matiatos, DGSD teacher's aide, was hired to take the temporary, part-time position left after Janet Boyer's resignation. Leith-Dowling reported wireless computer connection is now available at the library so can be accessed also from the RV parking lot.

Park – Leslie Feilner reported broken beer bottles littered the ground near the play area. She asked the public to get involved in policing the park to prevent hazards and protect those using it. Feilner reported

a 10-team fast pitch softball tournament is scheduled at the park on July 15 and 16. Coordinator Corey Sloan requested Council permission to camp in the park, outside of the ball fields. She would be responsible in making sure garbage is picked up and the restrooms are kept clean.

Discussion followed regarding the restrooms in the pavilion being available opposed to being locked except when user groups are in the park.

Hallgren said the restrooms at the center of the park would be unlocked until the outhouses were usable.

Tvenge asked to review the park lawn contract because mowing every two weeks is not enough during peak growing season. He said it needs to be once a week or as necessary. He asked that someone also walk through the park periodically to ensure swings are functional and safety issues are identified. He asked if there was a way of providing that without adding another layer of responsibility.

Hallgren said over \$2,000 was spent last summer on rent for portable restrooms. That did not include the costs associated with repairing problems at the pavilion restrooms. Everything has a cost.

Discussion followed regarding renting porta-potties until the safety bars are installed in the outhouses.

Hallgren said if the outhouses were not operational by the end of June, porta-potties would be positioned at both ends of the park.

Heinbockel said the park dumpsters prove that the beverage of choice is Miller Lite. He said no alcohol at the park is difficult to enforce. He noted that trash was picked up and the park was left clean and said, "The broken bottles near the playground are from midnight derelicts, not softball leagues that play in an organized fashion."

Feilner said the ordinance is in place and no-drinking signs are posted to protect the public. There will always be those that refuse to abide by the rules.

Recreation – Mike Tvenge reported an order for rink parts was placed, staying with the 2006 budget.

Public Works – Lou Heinbockel reported he was confident the septic pits would work as designed now that the valve has thawed. He thanked Leith-Dowling for working with DOT to accomplish the repairs on Nistler Road. He said he was discouraged last year when the school contractor left before fixing the damage to the road or paying rent for the rink facility.

Leith-Dowling said DOT invested more into the Nistler repairs than what the City paid (\$20,000).

Feilner asked to reduce the price for landfill boulders because the current 10¢ fee is too high and they are not moving. She proposed a summer boulder sale and said the landfill operators were in agreement to charge 5¢ per pound.

Discussion followed regarding details of the boulder sale.

Butch Ellis reported he marked boulders of various sizes at the landfill with 5 and 10-cent prices as a helpful guide to buyers. He suggested the loading fee be set at \$150/hour with a minimum of \$50.

Martinez suggested the sale be limited to July 1 through July 31.

Council agreed upon the rock sale details as presented.

UNFINISHED BUSINESS

Second Reading and Public Hearing of Ordinance 2006-07, An Ordinance Amending Chapter 3.21, Sanitary Landfill, Section 3.21.100 Fees, Authorizing Reducing Landfill Rates From \$117/Ton to \$105/Ton for a One Year Period

Heinbockel moved to open the Second Reading and Public Hearing of Ordinance 2006-07, An Ordinance Amending Chapter 3.21, Sanitary Landfill, Section 3.21.100 Fees, Authorizing Reducing Landfill Rates From \$117/Ton to \$105/Ton for a One Year Period; Feilner seconded. Motion carried.

Joe Peters, Delta Sanitation owner, referenced a letter to Council members, dated June 19, 2006, in which he listed landfill rates in similar-sized Alaskan communities and said he felt that the City's tipping fees are unreasonable. He said it would be more reasonable to charge everyone equally so that he was not forced to increase his customers' rates. The \$5 minimum is too cheap. Peters quoted minimum fees charged in Glennallen, Tok and Denali and said Delta has the highest minimum on Alaska's road system. He said on the flipside, many local residents haul their trash to Salcha dumpsters, a privilege that belongs to taxpayers of the Fairbanks North Star Borough (FSNB). If they were forced to pay they would be paying Fairbanks' landfill rates of \$110/ton. Peters said Delta's landfill was built to accommodate the

amount of garbage generated from this community and the military. The landfill and his business depend upon it. He asked Council to work together to find a practical solution without pricing garbage out of sight.

Leith-Dowling called for additional public comment with none being offered.

Heinbockel moved to close the public hearing of Ordinance 2006-07; Feilner seconded. Motion carried.

Heinbockel thanked Joe Peters for his comments regarding minimum fees.

Hallgren said last year's activity showed a little over 200 loads were \$5 loads and approximately 120 were \$5-10.00. If the minimal loads were increased to \$10 it would raise no more than \$1,500/year and would only aggravate customers. The City does have fixed costs which was one reason the scale house operator was hired, to keep the equipment operators from having to man that position. Hallgren said he did not know how to "compete for free" in regards to locals hauling their garbage to Salcha. He said there are very few complaints about the City's landfill operation. The latest figures show an operating deficit of about \$25,000, instead of the previously predicted \$30,000.

Heinbockel said another \$100,000 is subsidized from the Pogo PILT.

Hallgren reported 2,200 tons was the original estimate but 1,690 tons is the latest. Ft. Greely's garbage would bring it to the estimated tonnage. He said an incinerator is still not a consideration. Ft. Greely's incinerator has not yet worked properly, so most of their garbage is put into their own landfill. Hallgren said he informed the military that the City could run the landfill cheaper than their operating costs. The small person does not find the landfill rates expensive but the majority of residents rely on a garbage hauler. More revenue is needed without driving away the small hauler. The first inspection at the new landfill is scheduled for June 27 and a good rating is expected from the Department of Environmental Conservation (DEC). Hallgren said he strongly recommended passing the ordinance rather than letting the fee increase to \$117/ton by default, which would impact the local garbage hauler and his customers even though it would decrease the Pogo PILT.

Tvenge asked Peters if the rates were raised, would he increase rates to his customers.

Grace Peters said Delta Sanitation would have to charge their customers whatever they are charged.

Discussion followed regarding possible ways of cutting costs.

Martinez stated increasing to \$105/ton would help raise revenue for the time being and volume would increase if Ft. Greely participates so increasing to \$117/ton (5.85/lb) would not be necessary. It can be revisited next year.

Heinbockel said the landfill fees were reduced to \$85/ton this year and the operation was subsidized by \$100,000. Next year it will continue to be subsidized and the public will be charged \$105/ton. In '08 will we decide to charge \$117/ton? He said it should have been charged last year. The public hearing generated only input from the local newspaper editor and the local garbage hauler, who has a vested interest in the outcome of the decision.

Hallgren said the staff recommendation is to adopt the ordinance.

Martinez moved to adopt Ordinance 2006-07 as presented; Feilner seconded.

Tvenge said it is our responsibility to operate as fiscally as possible. He said he was concerned with the increasing fuel costs.

Feilner said the landfill is new and costly to operate, which is common to any new business but raising rates is not fair to the public.

Hallgren said gasoline was estimated at \$2.30/gallon and that he feels it is a bit shaky but the costs are realistic guesses to reduce the operating deficit. The sinking fund is money not spent but used to replace heavy equipment when it wears out and closing out the cell when it is finished.

Motion passed on a roll call vote with four (Martinez, Feilner, Jenkins, Leith-Dowling) voting in favor and two (Tvenge, Heinbockel) voting against.

Second Reading and Public Hearing of Ordinance 2007-01, An Ordinance Providing for the Budget for the Fiscal Year 2007

Heinbockel moved to open the Second Reading and Public Hearing of Ordinance 2007-01, An Ordinance Providing for the Budget for the Fiscal Year 2007; Feilner seconded. Motion carried.

Hallgren stated Draft 5 was released today. Draft 4 was the outcome of a Council work session. The latest version shows 1) an increase of \$6,247 to the Fire Department from a State grant and 2) an insurance liability reduction by \$1,210 because of participation in an AML/JIA Safety Training Program. The budget will be subsidized by \$350,000 from the Pogo PILT and the net is +\$7,861.00.

Leith-Dowling called for public comment.

Tana Wood asked about details in the budget, if they were based upon selling the Waldo house.

Hallgren said the proposed budget is the best guess in regards to revenue and it is based on the previous year's income. Proceeds from the sale of the Waldo house will go into the rink facility, the final Missile Defense impact project.

Wood asked how facility maintenance dropped by almost 24%.

Zimmerman said maintenance costs at the landfill were initially overestimated so this year's budget was based on the previous year's experience. He said newer facilities, using Missile Defense impact funds, and upgraded facilities, using Economic Development Administration (EDA) grant funds require less maintenance.

Hallgren said the EDA grant, used in the past 3 years, was used to bring all existing buildings up to a 20-year life.

Heinbockel moved to close the public hearing of Ordinance 2007-01; Feilner seconded. Motion carried.

Heinbockel moved to adopt Ordinance 2007-01, An Ordinance Providing for the Budget for the Fiscal Year 2007 as presented; Feilner seconded.

Hallgren referenced a letter from Delta Sanitation, dated June 20, 2006, asking to postpone the effective rate increase date to August 1.

Discussion followed regarding response to the request and Delta Sanitation increasing their rates.

Motion passed unanimously on a roll call vote.

Waldo House Minimum Bid

Hallgren stated authorization was necessary to change the minimum bid from \$100,000 to \$109,000, as estimated by local Realtor Cleeta Barger.

Feilner moved to set the value of the Waldo home site at \$109,000; Jenkins seconded.

Hallgren said the Public Outcry at City Hall would be set for Monday, August 7, 2006 at noon.

Motion passed unanimously on a roll call vote.

NEW BUSINESS

Property Sale – Block 27, Lots 7, 8, 9, 10

Heinbockel moved to approve sale of Lots 7, 8, 9, 10 in Block 27 to Dennis and Lucille Raven in the amount of \$28,000.00; Feilner seconded.

Motion passed unanimously on a roll call vote.

Leith-Dowling called for a break at 6:32PM and the meeting resumed again at 6:48PM.

Authorization to Purchase New TV Broadcast Antennas

Hallgren reported the need to replace TV transmit antennas on Donnelly Dome with exact same antennas from the original manufacturer. Antenna technology has not advanced. New antennas will provide better reception. The transmit cables were replaced 3 years ago but there is no guarantee wands, elements, etc. were functional. They corrode and diminish the ability to receive a signal. The antennas would eventually be placed on the new tower, if and when its construction is approved. Hallgren said the City has not received a permit from Bureau of Land Management (BLM) to build a new tower or to locate the TV transmission on Donnelly Dome, even after the past 3 years of effort. The antenna tower has existed without a permit for 30-some years.

Heinbockel said he had no problem. What is BLM going to do that they have not done yet?

Hallgren said the latest e.mail correspondence quoted the BLM representative as saying, "It looks like it will be easier to give a permit for the existing set up and then give an amended permit to build a new one." He said it is probably safe to build without a permit but it will require investing \$100,000. Could the new antennas with new feed lines be attached to the "old, rickety" tower that currently exists? It would offer the best reception in the system's history. There would be a possible \$20,000 risk that the towers would withstand the winter.

Discussion followed regarding poor TV reception, satellite dish technology, and an FM radio antenna.

Heinbockel said Delta has always received a poor signal and therefore puts out a poor signal. With satellite dish technology 2 of the 3 stations have a top-quality signal. If antennas are upgraded a decent signal can be broadcast from the Donnelly Dome site.

Hallgren said the plan would be to build new towers next summer, depending upon receipt of a permit. The FM antenna has a broken wand and could be replaced.

Heinbockel moved to authorize purchase of the 3 antennas plus the FM radio antenna from Kathrein Scala Division in the amount of \$17,041.46; Feilner seconded.

Hallgren said the generator is approximately 20 years old.

Heinbockel said for many years he has strongly opposed investing more money at Donnelly and felt money would be better spent if satellite dishes were bought for city residents instead.

Motion passed on a roll call vote with five (Heinbockel, Feilner, Jenkins, Martinez, Leith-Dowling) voting in favor and one (Tvenge) voting against.

Purchase Order

PO#010912 to ACS in the amount of \$1,318.60 for June '06 telephone services

PO#010913 to Airport Equipment Rental in the amount of \$797.00 for use of backhoe at cemetery

PO#010914 to ATT & Alascom in the amount of \$811.45 for June '06 911 phone/power

PO#010915 to B&A Heating & Service in the amount of \$693.45 for repairs of pipe leak at new fire station

PO#010916 to Bank of America in the amount of \$542.66 for May '06 credit card services

(Hallgren travel to Safe Schools Interagency Team Planning Program in Pittsburgh and MAG gasoline meeting in Fairbanks, supplies for library reading program, deductible for ambulance repairs at Seekins Ford, radiator repairs for John Deere tractor, and card service fees)

PO#010917 to Big Brothers, Big Sisters in the amount of \$4,265.06 for March-May '06 Social Service Grant

PO#010918 to Delta Building Supply in the amount of \$1,500.00 for June '06 storage rent

PO#010919 to Delta Industrial Services in the amount of \$1,260.80 for welding bench materials and Rescue Squad oxygen bottles

PO#010920 to Delta Youth Court in the amount of \$4,500.00 for March-May '06 Social Service Grant

PO#010921 to Fairbanks Daily News-Miner in the amount of \$899.08 for LEPC advertisement for Request for Proposal of Emergency Operation Plan revision

PO#010922 to Elizabeth Garramone in the amount of \$587.22 for reimbursement of tabletop display stand

PO#010923 to GVEA in the amount of \$2,348.57 for May '06 electricity

PO#010924 to Government Computer Sales, Inc. in the amount of \$1,572.98 for library projector and screen

PO#010925 to Green Grass of Alaska in the amount of \$1,508.33 for June '06 park lawn maintenance and reimbursement for fertilizer

PO#010926 to Guess & Rudd in the amount of \$8,457.39 for May '06 legal services related to the Eddy Drop Zone

PO#010927 to Guess & Rudd in the amount of \$1,691.00 for May '06 legal services related to Ice Arena/Rec Center contract review and City (1.55.020 Emergency Coordinator) Code review

PO#010928 to Joslin Enterprises in the amount of \$2,609.33 for June '06 cemetery lawn maintenance

PO#010929 to Public Safety Center Inc. in the amount of \$929.18 for Rescue Squad items
PO#010930 to Delta Chamber of Commerce in the amount of \$10,000.00 for March-May '06
Social Service Grant
PO#010931 to Delta Sanitation, Inc. in the amount of \$657.56 for June '06 dumpster service
PO#010932 to Hope Counseling Center in the amount of \$11,398.19 for March-May '06 Social
Service Grant
PO#010933 to NC Machinery, Inc. in the amount of \$504.65 for grader edges and dozer air filters
PO#010934 to Powerhouse Signs in the amount of \$770.60 for twelve no-dog signs for park and library
Feilner moved to approve purchase orders 010912 through 010934 as presented; Martinez seconded.
Motion passed unanimously on a roll call vote.
Heinbockel said another \$8,000+ was paid to the City Attorney for legal services related to the Eddy
Drop Zone, increasing the year total to over \$100,000, only to end up the same as when the issue started.

ADDITIONAL PUBLIC AND COUNCIL COMMENTS

Mayor Pro tem Leith-Dowling called for additional public and Council comments with none being offered.

EXECUTIVE SESSION – Attorney Correspondence Regarding Rink

Heinbockel moved to enter into Executive Session at 7:06PM to discuss attorney correspondence regarding the upgrades to the skating rink facility; Tvenge seconded. Motion carried.
Feilner excused herself before discussion.
Present during the Executive Session were Mary Leith-Dowling, Lou Heinbockel, Mike Jenkins, Mike Tvenge, Pablo Martinez, Pete Hallgren and Pat White.
Heinbockel moved to end the Executive Session at 7:24PM; Jenkins seconded. Motion carried.

ADJOURNMENT

Heinbockel moved to adjourn; Martinez seconded. Motion carried.

Pat White, City Clerk

Date of approval: July 5, 2006