



City Council Minutes
May 1, 2007 ~ 5:00PM

Regular Meeting
City Hall, Delta Junction, Alaska

The regular meeting of the Delta Junction City Council was held on Tuesday, May 1, 2007 at City Hall in Delta Junction, Alaska. Mayor Pro tem Lou Heinbockel called the meeting to order at 5:02pm.

Council members present: Mayor Pro tem Lou Heinbockel, Mike Tvenge, JW Musgrove
Mike Jenkins (telephonically), Leslie Feilner

Council members excused: Mayor Mary Leith-Dowling, Pablo Martinez

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

Three members from the community were present.

AMENDMENTS TO AGENDA ~ APPROVAL OF AGENDA

Heinbockel said Stephen Hammond will arrive during the meeting and at that time he will be given the floor to provide an update of M2C1 services.

Feilner moved to approve the May 1, 2007 agenda as presented; Jenkins seconded. Motion carried.

APPROVAL OF MINUTES OF THE PREVIOUS MEETING

Feilner moved to approve the April 17, 2007 minutes as presented; Tvenge seconded. Motion carried.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

Heinbockel called for public comments on non-agenda items with none being offered.

COUNCIL COMMENTS ON NON-AGENDA ITEMS

Heinbockel stated the cow moose hunt, which is scheduled from October 1 through November 15, 2007, would include areas within city limits that have been closed to moose hunting for many years. Nine hundred permits would be issued.

REPORTS

Fire Department – Fire Chief Carin Bear reported she planned to file a grant for more water, necessary to qualify for better Insurance Services Office (ISO) ratings and provide more effective service as a Fire Department. Bear stated the dry hydrant non-pressurized piping material is permanently installed and requires minimal maintenance (inspected twice a year). She said it would eliminate the present tanker shuttle system that is sometimes difficult to accomplish. In the Lower 48 it costs \$500 to \$1200 for each hydrant but will likely cost more here. Bear asked if the City could contribute \$10,000 if she applied for a \$100,000 grant. She explained some of the grant requirements, related to benefiting the entire Delta region, including the local State Forestry office. At least 8 fire hydrants are needed.

Hallgren said dry hydrants would allow tenders to be filled without needing to travel. Water sources can be from gravel pits, not necessarily moving water from a river. It simply requires that dry hydrants be located close to a water source. A well and electricity may be difficult. Hallgren explained Rural Deltana

Volunteer Fire Department (RDVFD) uses the old landfill facility and they could bury a 20,000 or 30,000-gallon tank that could be a source of water, even if a well is not built. RDVFD could fill the tank by another source.

Heinbockel said he liked the concept and thought it would be a good investment but it needed to be researched. He questioned how water could be accessed from Clearwater Lake or Clearwater River during the middle of the winter. He said sites with available standing water might be difficult to locate. Discussion followed regarding how hydrants would be positioned in relation to water sources and cost estimates.

Hallgren stated he thought the grant had good possibilities.

City Clerk – Pat White reported registration for the International Institute of Municipal Clerks (IIMC) Conference in New Orleans was accepted and a \$50 discount was given for being a first-timer. White stated there are 750 delegates registered from the United States and other countries.

White reported advertisement for Community Clean Up Day on May 19 was posted and landfill operation hours were extended from 10:00am to 6:00pm (regularly 11:00 to 3:00). Butch Ellis would be available on the following Monday (his normal day off) for Delta Sanitation to deliver the Triangle dumpsters and yellow-bagged garbage. She said Brenda Peterson from the Chamber of Commerce was appreciative that the yellow-bagged garbage will be removed because the tourist season would officially start on May 7.

White reported the passport center in Seattle is processing 13,000 applications a week but have 30,000 applications pending and therefore unable to maintain the 10-week turnaround time. Refunds are being given to customers who paid additional fees for faster service because of the delay in issuing them. White stated it would benefit people to begin the application process before travel is needed. (Passports will be mandatory for any air or ground travel as early as January 2008.)

White stated fee waivers were eliminated when rent fees, associated with use of conference rooms and the Community Center, were reduced for non-profit organizations (on May 2, 2006). She asked if it included the park, which has a \$25 fee to reserve the gazebo and picnic area. She said it was reserved today, with a request for a fee waiver.

Heinbockel stated he preferred to allow the school district to use city facilities at no charge.

Discussion followed regarding costs to maintain facilities and the park, rules and policies and how they are enforced, and the school maintaining the ball fields in exchange for using them.

Hallgren clarified policy would allow school functions to use City facilities for free.

Heinbockel said clean up would still be the user's responsibility.

M2C1 Update

Stephen Hammond, President of M2C1 Construction & Engineering, referenced a letter addressed to the City Council, dated May 1, 2007. He reported M2C1 was completing the final procurement packet on the Donnelly Tower. A bid packet would be delivered on May 2.

Discussion followed regarding local bidder preference and whether or not to include a bidder's list.

Hammond said the rink upgrade plans were submitted to the Fire Marshal for review on April 14 and was informed of several minor adjustments. He said he was comfortable with the quick turnaround from the Fire Marshal. He referenced his memo to the Council, dated May 1, 2007, and also distributed 65% review drawing of the rink upgrades. Hammond said all comments and adjustments are to be completed by May 14 and the procurement packets and engineering estimates would be completed by May 18, upon approval by the Fire Marshal. Reducing the different subcontractors into one quickened getting the bid packets out sooner. There is less construction management this way.

Hallgren said he had not seen anything regarding additive alternates being broken out. Additive alternates are important to mix and match so as much construction can be completed with the money that is available. He said the low bidder might not actually be the lowest bidder after adding the additive alternates and because of that, wording in the packet is important.

Discussion followed regarding protesting the bid process and adding language to the bid packet that addressed additive alternates, price and schedule evaluation to ensure the project is done before the next skating season, and the contractor being responsible for the electrical bill during the construction cycle.

Hammond stated awarding the bid should take 3 to 4 weeks.

Hallgren said the project must be completed by the end of September.

Musgrove told Hammond to keep up the good work.

Heinbockel asked about assessing roadwork.

Hallgren said it would be 2 weeks before legislation is known.

Tvenge reported Ron Liewer, whom the Liewer-Olmstead rink was named after, saw the rink drawings in the Delta Wind and said he could not have drawn them better.

Hallgren thanked Hammond for fronting his own money to move the project with the Fire Marshall.

City Administrator – Pete Hallgren reported the septic lines at the old fire station are thawed but plumbing problems at the Community Center have yet to be resolved. Locating a plumber has been difficult. In the interim Bob Morley will do the repairs until the maintenance position can be filled.

Hallgren reported Scottie Brown, President of DJMX (Delta Junction Moto-Cross) requested help with clearing brush at the racetrack near the fairgrounds. The work would entail use of the front-end loader and 14 or 15 hours to operate the equipment.

Butch Ellis said DJMX offered to pay fuel costs but will require equipment and an operator. He said he could possibly do the work after Community Clean Up on May 19.

Hallgren said Alyeska cleared the area with a D-10.

Heinbockel said Alyeska has been a very good neighbor to this community but he said he was concerned that the City currently has only two operators and too much work to accomplish.

Hallgren stated the FY08 budget will be a topic at the May 15 Council meeting and a work session will be scheduled in late May. Hallgren identified several expenses in which amounts were pending and said he would recommend not putting Pogo PILT into the landfill sinking fund but to reduce it to half (\$50,000). He said he would recommend a 3% increase for employee wages, except for the City Administrator position. That increase may be difficult because of PERS costs, which are to increase from 14.45% salary to 16.45% salary or be blended statewide at 22% salary, if approved by the legislature. Budget cuts will need to be made soon, especially if there is no borough formation. Hallgren said the past 8 years funding sources have been from Base Realignment and Closure (BRAC), \$1 million from the federal government (Missile Defense), and the Pogo PILT, with the last payment being made on July 1, 2007. There is not enough financing to function if a borough is not formed.

Finance – Dave Zimmerman asked department heads to inform him of requirements and needs because he needs the information in preparing the new budget.

Heinbockel referenced possible budget cuts and said ways of generating revenue needs established in order to maintain the same level of public services that presently exist. He said realistically a borough would get voted down.

Hallgren said he was researching a different employee medical package that is less expensive but will have a higher deductible. In some instances the plan will be to the employee's benefit, such as a savings account that can be used toward the deductible. The new plan would cover annual physicals but would delete vision and dental coverage.

School Liaison – Leslie Feilner reported May 21 is the last day of school and graduation ceremonies may possibly be held outside this year. She said there are 40 graduating seniors and 85 students moving up from Jr. High School.

Library – Pat White reported Library Director Joyce McCombs informed that the Open House on April 28 was a big success. Seven Library Board members raised approximately \$7,300 from auctioning 101 baskets, raffling 36 items, and dedicating many hours of hard work. McCombs also informed that Gary Hall and Career Advancement students will cast concrete pads for the storage building and will also do the elevation calculations for the gravel work next week. Materials will be purchased now and the project will get started before school lets out for the summer and then it will be finished in September. A

slight change in the construction plan calls for moving the completed building all at once instead of assembling it on site because moving students, tools, getting permissions, etc. is less complicated.

Hallgren stated the City is not involved in any of the groundwork.

Recreation – Mike Tvenge stated the Delta Skating Association moved items out of the rink but the volume was underestimated and the storage container is not large enough. He asked if a City facility could be used for temporary storage during the summer construction.

Discussion followed regarding the bay areas at the old fire hall, that 3 would be available after Tender 5 (1975 lime green water tanker) is moved.

Public Works – Lou Heinbockel reported Butch Ellis attended training in Los Vegas.

Ellis stated the landfill operation course was very intense. He visited a landfill that receives 122,000 tons of trash per day, 7 days a week, and has a life expectancy of 107 years. It also shows a profit every year.

Heinbockel referenced a memo, dated April 23, 2007, in which Pat White clarified understanding about installation of street signs after the City Council approves subdivision plats. The City would not pay for street signs nor would the City maintain the roads. The unwritten policy is not part of the *Residential Subdivision Policy* that was adopted on April 3.

Charter Commission – Lou Heinbockel reported residents attended the State of Alaska Local Boundary Commission (LBC) meeting on April 30, telephonically from the local LIO (Legislative Information Office). The Commission rejected all appeals for reconsideration pertaining to their *Statement of Decision*. Information can be accessed at www.commerce.state.ak.us/dca/lbc/deltana.htm.

UNFINISHED BUSINESS - none

NEW BUSINESS

Request for More Airport Lots

White referenced e.mail correspondence, dated April 25, from two parties interested in purchasing airport lots.

Heinbockel read the e.mail request aloud and said preparing lots for sale is a time consuming process but revenue from selling land would go into the City's permanent fund. He said, "If we have the land, we should make it available."

Hallgren reported there is land but it is not subdivided, nor is it appraised. The process took over a year the last time airport lots were sold (November 18, 2002). All subdivision expenses were recovered and approximately \$25,000 was made from the auction.

Discussion followed regarding whether to develop more airport lots and restricting them for airport use.

Hallgren said he would respond to the requests, that airport property would not be auctioned at this time.

Letter of Resignation from City Administrator Pete Hallgren

Heinbockel referenced City Administrator Pete Hallgren's letter of resignation/retirement, dated April 27, which said July 13, 2007 would be his last day of employment.

Feilner moved to accept City Administrator Pete Hallgren's letter of resignation; Jenkins seconded.

Tvenge thanked Hallgren for staying through the budget review and finalizing the rink project.

Hallgren said he did not plan to leave Delta but was unsure of what to pursue, whether he would apply for another job or retire. He said this was the happiest job he had ever had.

Heinbockel said he was grateful for Hallgren staying the extra 2 years and said he felt a community couldn't survive solely on volunteerism, especially not in administration. Heinbockel was involved in hiring the first City Administrator and firing the second.

Discussion followed regarding the importance of guiding Council and the whole community.

Hallgren referenced his May 1, 2007 memo, which outlined advertisement for his replacement. He said the position would be advertised on the City's web page and the local newspaper. He said filling his position full-time would be preferred but Council could opt to accept part-time proposals. Hiring locally could allow the position to be part-time. Should a borough form, hiring a full-time administrator would be necessary.

Discussion followed regarding the pros and cons of hiring locally and bringing in an administrator with prior experience and/or a degree in public management.

Heinbockel stated the position may have a short tenure should a borough organize and the first assembly clean house. He said he feared setting up for failure.

Tvenge moved to approve advertisement of the City Administrator position and to include warning of cold temperatures our area is known to experience; Feilner seconded.

Motion passed by unanimous consent.

Purchase Orders

PO#011687 to Delta Chamber of Commerce in the amount of \$4,000.00 for Visitor Center roof repairs

PO#011691 to Aetna WHO-AAS in the amount of \$6,821.60 for May '07 group health insurance

PO#011692 to Delta Building Supply in the amount of \$1,500.00 for May '07 warm storage rent

PO#011693 to NC Machinery in the amount of \$1,340.99 for landfill dozer maintenance parts

PO#011694 to Rural Alaska Mitigation Planning in the amount of \$2,375.00 for revision of Local

Emergency Planning Committee (LEPC) Emergency Operations Plan (EOP), Phase 2 of 4

PO#011695 to Pat White in the amount of \$1,137.00 for IIMC Conference attendance in New Orleans

Tvenge moved to approve purchase orders 011687 and 011691 through 011695 as presented; Feilner seconded.

Motion passed unanimously on a roll call vote.

ADDITIONAL PUBLIC COMMENTS

Heinbockel called for additional public comments with none being offered.

ADDITIONAL COUNCIL COMMENTS

Tvenge stated 4 local coaches are scheduled to attend a Level IV hockey clinic in Fairbanks. They will never have to re-certify again upon completion of the course. It basically gives them lifetime certification.

ADJOURNMENT

Feilner moved to adjourn at 6:52pm; Tvenge seconded. Motion carried.

Pat White, City Clerk

Date of approval: May 15, 2007