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**City Council Minutes**  
**June 2, 2009 ~ 5:00PM**

**Regular Meeting**  
**City Hall, Delta Junction, Alaska**  
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The regular meeting of the Delta Junction City Council was held on Tuesday, June 2, 2009 at City Hall in Delta Junction, Alaska. Mayor Mary Leith-Dowling called the meeting to order at 5:01pm.

Council members present: Mayor Mary Leith-Dowling, Mayor Pro tem Pete Hallgren, Pablo Martinez
JW Musgrove, Lou Heinbockel

Council member excused: Dawn Grossmann

City employees present: City Administrator Mike Tvenge, Finance Officer Dave Zimmerman
Librarian Joyce McCombs, City Clerk Pat White

Three members from the community were present.

AMENDMENTS TO AGENDA ~ APPROVAL OF AGENDA

Heinbockel moved to approve the June 2, 2009 agenda as presented; Martinez seconded. Motion carried.

APPROVAL OF MINUTES OF THE PREVIOUS MEETING

White reported two minor changes to the May 26 draft minutes. She referred to page 2 and said the new school district offices have switched locations with the Cyber School.

Martinez moved to approve the minutes of the May 26, 2009 meeting as amended; Heinbockel seconded. Motion carried.

APPOINTMENT OF CITY COUNCIL MEMBER – Seat D

Leith-Dowling said one letter of interest to fill the City Council vacancy was received on May 27, 2009.

Heinbockel moved to appoint Sherman Stebbins to Council Seat D by acclamation; Hallgren seconded.

Hallgren said Sherman Stebbins would serve until the October 6, 2009 Municipal Election and would then be required to run for a seat. Seat D (one-year remaining in its term) and Seat A and E (3-year terms) would be on the ballot.

Motion passed by unanimous consent.

White administered the Oath of Office and Stebbins took a chair as the newest City Council member.

PUBLIC AND COUNCIL COMMENTS ON NON-AGENDA ITEMS

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

REPORTS

Rescue Squad – Pablo Martinez reported the new ambulance is in the final stages of being painted and is to arrive by the end of month, in time for the Deltana Fair (July 31/August 2).

Airport – JW Musgrove reported there is quite a bit of activity at the airport because of helicopters used for firefighting and a few transients who are working at Ft. Greely.

City Administrator – Mike Tvenge reported:

- Twenty-six lots, totaling about 7 acres, are still available in the over-the-counter City land sale.
- Developing airport lots was discussed with Hallgren.
- A dedication of the Purple Heart Trail will be held at the Visitor's Center on June 6, 2009.

Sections of the Alaska Highway and the Richardson Highway will be included and Mayor Leith-Dowling

will present welcoming remarks. (The City adopted a resolution on December 4, 2007 designating the Alaska Highway as a Purple Heart Trail.)

Library – Mary Leith-Dowling referenced a June 2 memo from Librarian Joyce McCombs and asked to pre-approve \$2,600 to purchase three mini Dell laptop computers for the library, in which the majority of the funds come from the Gates Foundation (\$1,950) and the City is required to match the remaining \$650. McCombs stated the State Library received a group discount package that was offered on June 1, but confirmation is needed by June 5. She apologized for the short notice.

Discussion followed regarding details about the laptops, including tech support and 3-year warranty, labeling them, checking them “out,” but not removing them from the library premises, accepting donations, cost comparison with other laptops, wireless service, and launching Digi Players.

Martinez moved to spend \$650 to purchase the three computers; Musgrove seconded.

Motion passed unanimously on a roll call vote.

Stebbins said the library parking lot is full at 10:00 and 11:00 at night.

McCombs reported:

- John Johnson, who provides technical support, is scheduled to install a splash screen welcoming wireless Internet users to the library and reminding them to make a donation. She said the library will be closed and wireless service will be down for about one week while the parking lot is being paved. The library will be inventoried and staff will have opportunity for in-house training during that time.
- Sixty-six youth are signed up for the summer reading program, which will start June 12.
- Danielle Davis was hired to work evenings on Tuesdays and Fridays when hours will be extended to 8:00pm. She is a veteran who has served in Iraq and was a library aide at the Ft. Greely Middle School.
- McCombs said she taught new librarian recruits at an institute in Anchorage, courtesy of the State Library and shared basic management policies and procedures. She thanked the City Council for keeping the library open, especially if restrooms freeze up or if the furnace malfunctions.
- There were 25,000 items circulated in 2008. To date, not quite half way through the year, there has already been 23,000 items circulated. There are 4,570 patrons, even after the list was recently purged.
- Julie and Miki Collins, the Trapline Twins who write for the Fairbanks News-Miner, will present slide shows on June 19, one for summer readers at the library in the morning and another show at the Community Center at 7:30pm. They will also bring furs, a new version of their *Dog Driver* book, and possibly Fannie Quigley, their famous dog.
- The Delta Library Association Board will sponsor the Sweet Adelines Chorus who will tour the state for their 50th anniversary celebration. They will be in Delta in August with the Barbershop Quartet.

Tvenge said a grant is being written to purchase a portable theatre stage for the Community Center.

Park / Recreation – Lou Heinbockel reported the softball fields look great and likely because of Jennifer Brant’s efforts in preparing the fields for girls softball.

Discussion followed regarding new users making inquiries about responsibilities and the park lawn maintenance contractor being responsible for the football field, the area beyond the t-ball field.

Heinbockel said the Kiwanis plan to help pay for backboards for the multi-use rink/basketball court.

Personnel – Mary Leith-Dowling reported Arthur Dowling and Mike Zastavskiy are new summer hire and have spent a couple weeks picking up trash, installing the litter fence netting at the landfill, and basic lawn maintenance.

Public Works – Lou Heinbockel reported:

- He doubted the landfill could rate higher than 99% (from the May 18, 2009 inspection).
- Unknown volunteers did an excellent job cleaning up the “unofficial” rifle range.

Discussion followed regarding consequences of shutting it off to the public by positioning rocks to restrict access and deter people from discarding appliances in the area.

Hallgren said the property is a section line and the City does not own it.

Tvenge said the State DNR has plans to clean it up in June before closing it and allowing Forestry use of it to cross the Delta River.

Additional Reports by Council – Lou Heinbockel reported he recently toured southeast Alaska. At one point he was very upset with cruise ship passengers being charged a \$50 head tax, but after seeing what is done with that money, he is very impressed. Sitka has a very nice waterfront. Skagway, a community of

850, has a paid fire department, a paid police department, and a gorgeous port facility. They obviously have a source of revenue that Delta Junction does not have.

Discussion followed regarding State and Federal involvement in the tourism industry and gambling in Alaska waters.

Stebbins said he would be interested in acting as *School Liaison*.

Leith-Dowling said *DOT Liaison* is not needed as a regular report. Any DOT discussion can be brought up under *Additional Reports by Council*.

UNFINISHED BUSINESS - none

NEW BUSINESS

Letter of Support for Deltana Community Services Partnership (DCSP)

Leith-Dowling referenced a May 21, 2009 e.mail and stated DCSP is applying for a 3-year grant for an All Seasons Farmers and Artisans Market (with a food production system and grain/wheat milling and rolling operation) and they requested a letter of support, which she is willing to write.

Hallgren explained conflict with suggested wording and concerns about competition with local businesses. He said DCSP is trying to get social services that do not presently exist within the community. Discussion followed regarding support from other agencies, purposes of the grant application, and the extent of the request for support.

Heinbockel questioned the seriousness of studying a year-round Farmers Market and holding it indoors compared to the two-days-per-week that is currently seasonal and outdoors.

Discussion followed and Leith-Dowling stated she would draft a letter of support.

Introduction and First Reading of Ordinance 2010-01, An Ordinance for the City of Delta Junction, Alaska Providing for the Budget for the Fiscal Year 2010

Heinbockel moved to introduce and conduct the first reading of Ordinance 2010-01, an ordinance for the City of Delta Junction, Alaska providing for the budget for the fiscal year 2010, and to set the public hearing date for June 16, 2009; Martinez seconded.

Hallgren said the (17%) health insurance increase was a big shock compared to the 5% shown in the last budget draft, dated May 22, 2009. He referenced Zimmerman's May 29, 2009 spreadsheet showing the increases since July 2006. He said employee costs would be over 9% because of the insurance benefits, even if there were no cost of living raises. Draft 3 does still include \$9,604 for the City Administrator's retirement, giving Tvenge a choice between putting it into Tier IV PERS or a deferred compensation. Discussion followed regarding no change in building insurance, rising costs of medical insurance, whether health benefits are a guarantee with City employment,

Stebbins said pay raises are considered only once a year and an overall 2% raise totals \$4,232. He used painting the park pavilion as an analogy and said sixty gallons may suffice for a job that requires eighty gallons. He suggested any inkling of a pay raise to keep employees motivated and content and said it is too easy to attack the human element. Because of paving, fuel for road maintenance should go down, so money can be squeezed out to cover a pay raise.

Heinbockel said any pay raise given is subject to federal taxation, whereas medical benefits are not.

Keeping the medical benefit is more valuable than receiving a pay increase.

Discussion followed regarding the "cliff date," responding to public requests for money, and whether to schedule another work session before adopting the budget on June 16.

Hallgren said Budget Draft 3 shows FY10 expenditures are \$134,000 more than FY09 and he questioned how much of the reserves would be used, especially since \$300,000 of Federal funding was unexpected and will be received for the next three years. \$300,000 of the Pogo PILT was used in FY09 and \$125,000 will be used in FY10. Hallgren said the new budget does not show reserves being spent as fast even though there is considerably more income (from the \$321,000 BLM PILT). The permanent fund earns interest and, according to ordinance (2002-06, November 20, 2001, Chapter 1.37), 90% of income from the previous year can be transferred to the general fund for the following fiscal year.

Discussion followed regarding how often permanent fund interest is used, new large budget items, supporting Rural Deltana Fire Department, employee contributions toward health care, how coverage has

changed from Level I to Level III since the City started providing medical benefits 10 years ago, and researching other options.

Stebbins suggested giving employees a 1 to 1.5% raise while reducing costs elsewhere, such as the budgeted amount for kitchen upgrades at the Community Center.

Hallgren said the purpose of the City Council is to “serve the public, not ourselves.” The majority of people in the private sector contribute to their health coverage.

Stebbins suggested developing a step pay increase for current employees and to establish a plan for new employees to participate in their health care.

Hallgren questioned why State Revenue Sharing (\$151,681) and PILT (\$540,000) are budgeted less than what was received this year.

Zimmerman said both projected figures are estimates (\$145,000 and \$525,000) that were confirmed from State official, Bill Rolfzen.

Discussion followed regarding identifying the Missile Defense grant that will pay for extended library evening hours, covering one or the other, but not both an EMS service manager (\$20,000) and the EMS Medical Director / Physician Sponsor (\$30,000), and reviewing the position and its responsibilities.

Motion passed on a roll call vote with five (Heinbockel, Martinez, Hallgren, Musgrove, Leith-Dowling) voting in favor and one (Stebbins) voting against to introduce Ordinance 2010-01, hold the first reading, and set the public hearing for June 16, 2009.

Hallgren said public testimony and amendments could be made at the June 16 meeting.

Leith-Dowling said if necessary, a third reading could be scheduled in the last two weeks of the month.

Purchase Orders

PO#013494 to Aetna WHO-AAS in the amount of \$9,831.81 for June '09 group health insurance

PO#013495 to Crowley Petroleum in the amount of \$4,694.07 for May '09 fuel oil

PO#013496 to Delta Professional Development in the amount of \$624.96 for April/May '09 diesel fuel

PO#013497 to Highway's End Farmers Market in the amount of \$2,000.00 for storage buildings

PO#013498 to Wastequip-Oregon in the amount of \$15,315.00 for 3 landfill 15-yard waste containers

PO#013499 to Wingfoot Commercial Tire in the amount of \$950.85 for loader tire repair

Martinez moved to approve purchase orders 013494 through 013499 as presented; Musgrove seconded.

Tvenge referred to 013499 and said it covers another flat tire, which is the fourth one. Loader tires are worn and get punctured by steel. Four new loader tires (\$20,000) are included in the FY10 budget.

Stebbins questioned hard filled tires and said it might cost a couple thousand per tire, but it will increase the life of them.

Discussion followed regarding researching filled tires and proper landfill equipment (track loader with steel wheels and spikes).

Motion passed unanimously on a roll call vote.

ADDITIONAL PUBLIC AND COUNCIL COMMENTS

McCombs welcomed Stebbins to the City Council. She said \$4,200 among seventeen employees can be found to provide a 2% wage increase, that it would be a worthwhile investment, and would be looked upon favorably because it would show the City Council supports their employees. McCombs said a 2% increase is not a lot for a million-dollar budget and it would be a token difference for employees that do not receive other benefits. She said she has been faced with the “cliff date” since 1987. Employees appreciate health care and are not to be faulted for increased costs. They do contribute because they must absorb the high deductible.

Heinbockel said he favored a wage increase for employees who do not receive other benefits, but does not agree with it for employees who have a benefit package.

Stebbins compared City wages (\$10.00/hour) with school district entry-level aide positions (\$15.00).

Discussion followed regarding union involvement to protect employee interests and the history of City employment.

ADJOURNMENT

Heinbockel moved to adjourn at 7:07pm; Martinez seconded. Motion carried.

Pat White, CMC

Approved: June 16, 2009