

**Minutes of Regular Assembly Meeting
Held on April 25, 2017**

Mayor David L. Jack called the Regular Assembly meeting to order at 7:00 p.m., April 25, 2017, in the Borough Assembly Chambers. Assembly Members Prysunka, Gilbert, Powell, and Mitchell were present. Assembly Member Decker participated by phone. Assembly Member Rooney was absent. Interim Borough Manager Carol Rushmore and Borough Clerk Kim Lane were also in attendance.

The Pledge of Allegiance was led by Assembly Member Patty Gilbert.

The Invocation was given by Nettie Covalt of the Presbyterian Church.

Mayor Jack presented Clerk Lane a Proclamation for Clerks Week – May 7-13, 2017

AMENDMENTS TO THE AGENDA – None

CONFLICT OF INTEREST

CONSENT AGENDA

M/S: Gilbert/Powell, to approve Consent Agenda Items marked with an () asterisk; Items 6a, 7a and 13c, 13e, and 13i. Motion approved unanimously by polled vote.*

APPROVAL OF MINUTES

The Minutes of the Special Assembly Meeting Minutes from April 6, 2017; the Minutes of the Public Hearing and Regular Assembly Meetings held April 11, 2017; and the Minutes of the Special Assembly Meeting held April 17, 2017 were approved as presented.

COMMUNICATIONS

a. Minutes of the Wrangell Medical Center's Regular meeting held 3-15-17

*c. Final Plat approval of the Sea Level Subdivision III

*e. Final Plat approval for the Woodbury Tidelands Subdivision II

*i. Final Plat approval for the Jenkins Replat and Storage Easement Vacation

BOROUGH MANAGER'S REPORT

Interim Borough Manager Rushmore's report was provided.

BOROUGH CLERK'S FILE

Clerk Lane's report was provided.

MAYOR/ASSEMBLY REPORTS AND APPOINTMENTS

10a Reports by Assembly Members

Powell reported that with regards to ANSEP (Alaska Native Science and Engineering Program), Lou Knapp and Susan Ramsey had submitted a Resolution to the Tlingit Council and it was approved to be presented at the Alaska Native Council conference in October.

10b City Boards and Committees Appointments

As there were no letters of interest received for the remaining vacant seat on the Economic Development Committee, the Mayor directed the Clerk to continue advertising.

PERSONS TO BE HEARD – None

UNFINISHED BUSINESS - None

NEW BUSINESS

13a Approval of a Retail Marijuana Store, license #10200 received for Kelsey Martinsen & Sarinee Nuamnui, dba Happy Cannabis

M/S: Prysunka/Gilbert, moved that, in accordance with WMC 6.05.010, that the attached letter is sent to the Alcohol, Marijuana and Control Office to approve with condition the Marijuana Retail Facility License #10200, submitted by Kelsey Martinsen and Sarinee Nuamnui, dba Happy Cannabis, advising AMCO that the condition of approval is dependent on issuance of the Wrangell Building Permit.

Prysunka stated that he had heard that they were withdrawing their application because the taxes were too high.

Interim Borough Manager Rushmore stated that she had heard that rumor but did not know for sure if that was the case.

Decker stated that she had heard that they were possibly withdrawing their retail permit; wanted to make sure that she understood it correctly, that the taxes do not apply to the retail side of it.

Prysunka stated that they could then import the product and sell it and the City would then collect the 7% regular sales tax but we would not collect an excise tax; that would be taxed on the originating side if that community charged an excise tax.

Motion approved unanimously by polled vote.

13b Approval of a Standard Marijuana Cultivation Facility, license #10201 received for Kelsey Martinsen & Sarinee Nuamnui, dba Happy Cannabis

M/S: Gilbert/Mitchell, moved that, in accordance with WMC 6.05.010, that the attached letter is sent to the Alcohol, Marijuana and Control Office to approve with condition the Marijuana Cultivation Facility License #10201, submitted by Kelsey Martinsen and Sarinee Nuamnui, dba Happy Cannabis, advising AMCO that the condition of approval is dependent on issuance of the Wrangell Building Permit. Motion approved unanimously by polled vote.

***13c** Final Plat approval of the Sea Level Subdivision III
This item was approved under the Consent Agenda.

13d Approval of an Appraisal to Modify an existing Tidelands Lease for SEA LEVEL SEAFOODS, LLC., adding Lot 2B, Sea Level Subdivision III to the lease, (as requested by Vern Phillips of Sea Level Seafood's, LLC., owned by the City & Borough of Wrangell)

M/S: Gilbert/Powell, moved to approve the appraisal for the modification to the existing Tidelands Lease, adding Lot 2B, Sea Level Subdivision III to the lease, as requested by Vern Phillips of Sea Level Seafood's, LLC., owned by the City & Borough of Wrangell with the following conditions:

1. That the Lease only be for surface storage and parking, not for the construction of a building, and to increase the annual lease amount from \$4,236.00 to \$5,868.00 as presented.

In response to Jack, Rushmore stated that this piece of Tidelands was in addition to what they were currently leasing; adjacent to that property.

Motion approved unanimously by polled vote.

***13e** Final Plat approval for Woodbury Tidelands Subdivision II
This item was approved under the Consent Agenda.

13f PROPOSED RESOLUTION No. 04-17-1365: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING THE CONVEYANCE OF PUBLIC TIDELANDS, A PORTION OF ATS 83, WRANGELL TIDELANDS ADDITION, ADJACENT TO LOT 5A, BLOCK 24A, WRANGELL TIDELANDS ADDITION WRANGELL TOWNSITE, INNER HARBOR AREA, ZONED WATERFRONT DEVELOPMENT TO BRETT WOODBURY

M/S: Mitchell/Powell, moved to adopt Resolution No. 04-17-1365. Motion approved unanimously by polled vote.

13g Approval of the Senior Tax Exemptions that were received after the March 1st deadline, but before the late filing grace period

M/S: Prysunka/Gilbert, moved to approve the 2017 Senior Tax Exemptions that were received after the deadline of March 1, 2017, but before the allowed grace period for: Josie Olsen, Donna Wellons, Olga Norris, Sandra Stuart, Barre Gadd Sr., Joan Kading, and Elodie Freeman, Alice Leslie (Bjorge) Madden, and Alonso De Granda. Motion approved unanimously by polled vote.

13h Discussion and possible action regarding the suggested changes to the Water rates

Prysunka mentioned the email that was submitted to the Assembly, showing the increased water rates to the fish processing businesses in Ketchikan.

Decker asked if Finance Director Burgess could find out just how much the Ketchikan processors were using; need to possibly look at doing something prior to the fish processing summer season; need to figure out just how much the processors in Wrangell are using in comparison to what they are actually paying.

Mitchell stated that he would not be in favor of charging the fish processors a flat rate; need to remain metered; need to adjust the current per-gallon charge.

In response to Gilbert, Burgess stated that the current flat rate monthly charge to the fish processors wouldn't change but it would change the amount of water they would receive for that cost from 500,000 thousand gallons to 5,000 gallons of water; this is a conservation effort.

In response to Powell, Burgess stated that if we did meter water for residential customers, the idea would be that the Water revenues would increase; would need to possibly contract with someone who could consult with us to come up with a rate structure.

Mitchell stated that it would probably take the whole summer to put the residential meters in; once they were in, we could monitor how much water was being used and base the fees off of those numbers; it'll take a whole year to get these meters in.

Jack agreed that it wouldn't be fair to wait and monitor to see what would be best for the community and the City.

In response to Gilbert, Burgess stated that the last water rate increase in July of 2015 was 6%.

Mitchell stated that it is very important that the new filters be able to be used in the new water plant; need to look at more storage and incorporate in the new system as well.

Public Works Director Al-Haddad stated that 150 thousand gallon storage would be used up really quickly; storage tanks above the plant would be easier; storage tanks below the plant requires regulated procedures to be taken.

Mitchell stated that he had found out that Todd White had put in about 3/4 of the line for the bypass. Al-Haddad stated that yes, she had learned that as well and that she would be walking the site with him.

In response to Gilbert, Al-Haddad stated that the scouring process seems to be going well; should have some indication on how well it's working after some time has passed. Gilbert asked that there be some procedures developed for this process so that we can keep on top of it.

Assembly Member Prysunka asked that Staff keep the Assembly informed on how the process is going and call for a meeting if action needs to be taken; don't wait until the next regular meeting.

After more discussion, the Assembly (by consensus) chose to wait to take action on the water rates and stated that they needed more information; they asked that the rates be broken down by community and to also add Ketchikan to the chart.

Decker stated that we need to look at communities that have fish processing in their community as well, like Ketchikan.

***13i** Final Plat approval for the Jenkins Replat and Storage Easement Vacation
This item was approved under the Consent Agenda.

13j Approval to hold a Special Assembly meeting on Thursday, June 8, 2017 regarding a Union presentation of the Union's last offer to the Borough for a new Collective Bargaining Agreement

M/S: Prysunka/Gilbert, moved to approve holding a Special Assembly Meeting on Thursday, June 8, 2017 at 6:00 p.m. regarding a Union presentation of the Union's last offer to the Borough for a new Collective Bargaining Agreement.

Powell commented that we have had a lot of Special Meetings; didn't see why we couldn't have this meeting before a scheduled regular meeting.

Rushmore stated that the meeting date was a negotiation in itself because we have to get Jeff, the attorney, and the Union and their attorney here for the meeting.

Powell stated that he couldn't make this date; we volunteer our time; get them to do it during a regular meeting.

Prysunka stated that we have had so many meetings lately; appreciates that there are a lot of parties who need to attend this meeting; want to act in good faith and do not want to send a negative tone to our employees that we are throwing up a roadblock; I would like to move forward with this date if it works for all of the parties.

Powell stated that he cannot change his date; have had a lot of people who are in the Union state that they wanted him there; will not be at this meeting; realizes that it's up to the Assembly though.

Motion approved with Mitchell, Gilbert, Prysunka, and Jack voting yes; Decker and Powell voted no.

ATTORNEY'S FILE

A summary was provided to the Assembly.

EXECUTIVE SESSION

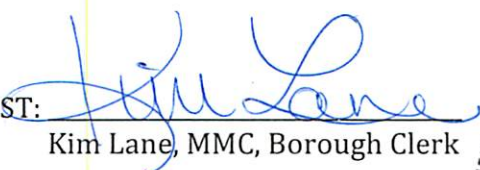
15a Approval of the new Borough Manager's Contract


M/S: Prysunka/Powell, moved that pursuant to AS 44.62.310 (c), (2), that we recess into executive session to discuss matters that may tend to prejudice the reputation and character of any person, specifically: the discussion of the new Borough Manager's Contract. Motion approved unanimously by polled vote.

Regular meeting recessed into Executive Session at 8:03 p.m.

Regular meeting reconvened back into session at 8:39 p.m.

As there was no further action taken by the Assembly, the Regular Assembly Meeting adjourned at 8:39 p.m.

ATTEST: 
Kim Lane, MMC, Borough Clerk



David L. Jack, Mayor

