

**Minutes of Regular Assembly Meeting
Held on May 8, 2018**

Mayor David L. Jack called the Regular Assembly meeting to order at 7:00 p.m., May 8, 2018, in the Borough Assembly Chambers. Assembly Members Gilbert, Decker, Powell, Larrabee, Howell, and Prysunka were present. Borough Manager Von Barga and Clerk Kim Lane were also in attendance.

The Pledge of Allegiance was led by Assembly Member Julie Decker

The Invocation was given by Don McConachie.

CEREMONIAL MATTERS - None.

PERSONS TO BE HEARD

Robert Rang, WMC CEO provided an update to the Assembly on the financial position of the Wrangell Medical Center:

- Closed out April with \$680,000 cash (includes \$250,000 from the City and \$150,000 from the foundation).
- Minor issues found with the inspection of the Wrangell Medical Center; haven't received the final report; some major repairs may be needed.
- Sprinkler Head testing – still waiting for the results.
- Saw a \$20,000 payment return on receivables with the 20% discount provided to patients in the last month.
- Insurance: will have to pay \$90,000 to \$100,000 upfront as a partial payment; still waiting on the final policies.

Lorne Cook, Resident expressed his concern that the Assembly did not approve the updated job description and pay increase for the Groundman/Meter Reader; distributed and read a statement that outlined the effects of not approving the updated job description.

AMENDMENTS TO THE AGENDA – None.

CONFLICT OF INTEREST

Both Gilbert and Larrabee stated that they had a potential Conflict of Interest since they were both employed with the School District. Jack stated that he did not see a conflict; there were no objections from the Assembly.

CONSENT AGENDA

Consent Agenda Items:

- a. Approval of Assembly Minutes – April 24, 2018 (Regular) & April 30, 2018 (Special)

Correspondence Items:

- b. School Board Minutes –School Board Action – None. School Board Minutes –School Board Action – March 22nd (Regular), March 28th (Special), April 9th (Special), April 18, 2018 (Action-Regular)
- c. WMC Hospital Board Minutes – March 21, 2018 (Regular)

M/S: Howell/Gilbert, to approve the Consent Agenda as submitted. Motion approved unanimously by polled vote.

brought all of the leases up to where they should be, based on the lease rate; explained that the membrane structures were assessed this year based on the square footage of height and parameters to come up with a combined square footage cost; stated that Mr. Sorric was concerned with the assessment on the container vans; valued the container vans at a depreciated value of \$2,000 each; 52 foot containers valued at \$2,600 each; also explained the assessment value for the shop.

In response to Powell, Ms. Koplin stated that all of the leased lots saw an increase this year.

In response to Decker, Ms. Koplin confirmed that it is common for larger buildings that are over 16 feet to include a height measurement factor when measuring for square footage.

In response to Larrabee, Ms. Koplin confirmed that Mr. Sorric's tax bill increased by \$1,400.00 this year; nearly doubling.

In response to Prysunka, Ms. Koplin stated that the membrane structures had been undervalued in past years; has the largest structures in the yard so he probably saw the largest increase.

Ms. Koplin explained that possessory interest changes depending on how many years the lease has on the leased property; possessory interest goes down as the lease nears its expiration date.

In response to Jack, Ms. Koplin stated that some of the leased lots had been valued at \$10.00 a square foot and some were valued at \$16.00 a square foot; all lots are not valued at \$16.00 a square foot.

M/S: Powell/Howell to accept the Real Property Tax Assessment prepared and presented by Lila Koplin, Borough Assessor, in the amount of \$239,000.00 for Property Owner Appellant Don Sorric, Lessee. Motion approved unanimously by polled vote.

Board of Equalization meeting adjourned at 5:57 p.m.

David L. Jack, Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

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BOROUGH MANAGER'S REPORT

Manager Von Barga's provided a verbal report on the following:

- Concept plan provided to SEARHC; will be emailing out the plan to the Assembly; WOLD Architects will be back in town and there will be a Steering/Stakeholder meeting on May 20th and then there will be a public meeting scheduled for May 21st to update the general public on the concept and potential plans, moving forward; SEARHC had advised that they would like to assume operations of the hospital within 120 days; SEARHC's architects had completed their assessment of the current hospital and to bring the hospital up to code and meet current standards is approximately \$24 million; looking to have the Assembly approve moving forward with SEARHC on June 12th.
- State Funding request from Governor Walker to add \$5 million into the Capital Budget to fill the gap for the option to move the treated material from the Byford Junkyard off-island; Senate Finance approved 2.5 million and sent the request to the House Finance Committee to approve the balance, with the stipulation that it's all or nothing; majority of time during the House Finance Committee meeting was spent on the Byford issue; concern was that Wrangell is asking for an additional \$5 million dollars for this project to be moved off-island and the entire tourism budget for Alaska is \$2 million.

In response to a question from Jack, **Amber Al-Haddad** updated the Assembly on the Evergreen Construction project; bid on April 12th; SEACON was the low bidder; DOT estimated the project at \$5.8 million and SEACON was the low bidder at \$4.6 million; the City might receive close to \$100,000.00 coming back to us from the match that we paid for the project; should see a construction schedule soon.

BOROUGH CLERK'S FILE

Clerk Lane's report was provided.

MAYOR AND ASSEMBLY BUSINESS

Prysunka: reported that he, along with Gilbert, Howell, and Powell, had attended the Public Meeting by ADEC on the Byford Monofill project; would not be in favor of moving some of the material off-island and have a smaller Monofill.

MAYOR AND ASSEMBLY APPOINTMENTS – None.

PUBLIC HEARING

11a ORDINANCE NO. 946 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SUBSECTION 14.11.005(CC), FEE SCHEDULE, CRUISE SHIP SECURITY FEE, OF THE WRANGELL MUNICIPAL CODE (second reading-PUBLIC HEARING)

Mayor Jack declared the Public Hearing open and asked if there were anyone wishing to speak on this item; Hearing none, Jack declared the Public Hearing for this item closed.

M/S: Powell/Prysunka moved to adopt Ordinance No. 946. Motion approved unanimously by polled vote.

11b ORDINANCE NO. 947 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTION 3.05.050, TELECONFERENCING, OF THE WRANGELL MUNICIPAL CODE, ASSEMBLY – RULES OF PROCEDURE (second reading-PUBLIC HEARING)

Mayor Jack declared the Public Hearing open and asked if there were anyone wishing to speak on this item; Hearing none, Jack declared the Public Hearing for this item closed.

M/S: Howell/Gilbert moved to adopt Ordinance No. 947.

Decker noted that a clerical error in the Ordinance; Lane stated that she would correct that.

Motion approved unanimously by polled vote.

UNFINISHED BUSINESS – None.

NEW BUSINESS

13a Approval of the FY 2019 Wrangell Public School District Budget

M/S: Prysunka/Gilbert moved to approve the FY 2019 Wrangell Public School District budget, as presented.

M/S: Powell/Decker moved to postpone this item and schedule a Special Assembly meeting on May 17th at 5:30 so that the Assembly can complete the Budget Work Session process for the FY 2019 Borough budget.

Powell explained that he wanted to go through the City's work session process before voting on the School Budget.

Von Bargaen explained that by State Statute, the City is required to give a number to the School District that will be the local contribution within 30 days of receiving the budget; since we received the School District budget on April 19th, therefore statutorily, the Assembly is required to give a budgetary number to the School District by the 19th of May; next Regular Assembly meeting is scheduled for May 22nd; if we do not provide a budgetary number in the time period allowed, the number that the School District requested becomes what the budget is.

Motion approved unanimously by polled vote.

13b PROPOSED RESOLUTION NO. 05-18-1411: A RESOLUTION OF THE ASSEMBLY OF THE CITY & BOROUGH OF WRANGELL, ALASKA AMENDING THE FY 2018 BUDGET IN THE HARBOR FUND BY ACCEPTING \$18,900 IN REVENUE FROM THE SHOEMAKER BAY HARBOR FLOAT DISPOSAL OUTCRY AUCTION AND AUTHORIZING ITS EXPENDITURE

M/S: Gilbert/Decker moved to approve Resolution No. 05-18-1411 amending the FY 2018 Budget in the Harbor Fund by accepting \$18,900 in revenue from the Shoemaker Bay Harbor Float Disposal Outcry Auction and authorizing its expenditure. Motion approved unanimously by polled vote.

13c Approval to Purchase Fire Turn-Outs in the amount of \$41,000 from Mallory Safety & Supply, LLC

M/S: Howell/Decker moved to approve the purchase of 20 sets of Fire Turnouts from Mallory Safety & Supply LLC in the amount of \$41,000.

Prysunka explained why the replacement gear was necessary; turnouts should be replaced every 10 years; current gear is about 15 years old.

Motion approved unanimously by polled vote.

13d Approval of Byford Junkyard Treated Material Disposal Recommendation to the Alaska Department of Environmental Conservation

M/S: Howell/Powell Move to Approve Byford Junkyard Treated Material Disposal Recommendation to the Alaska Department of Environmental Conservation:

- 1. If an additional \$5 Million is allocated in the Capital Budget for this project, the CBW Assembly recommends the material be shipped off island to an appropriate disposal site. The Assembly acknowledges the impact this will have on the community and infrastructure.***
- 2. If money is not allocated in the Capital Budget, the CBW Assembly recommends disposal of the material in the proposed Pats Lake Pit with appropriate on-going monitoring.***

Von Barga explained that the Dept of Conservation (DEC) had asked that the Assembly provide a recommendation; looking for direction specifically if additional funds become available for off-island removal; DEC is concerned with the amount of downtown traffic; impact on the roads in the community and the effect on the businesses; approximately 1800 containers of material; two truckloads an hour, 10 hours a day, 5 to 6 days a week (depending of AML's space in their yard); DEC is aware that the Assembly is concerned that they (DEC) might walk away from this project.

If the additional money from the State is not provided for the off-island removal, DEC would like to move forward with the Pat's Monofill location; Borough does not have the financial capacity to deal with this.

Because the Tribe is still in opposition to the Pat's location for the Monofill, DEC is looking for positive affirmation from the Assembly that what DEC is proposing is in line with what the Assembly wants, since the Assembly is the governing body.

Jamie Roberts, resident, spoke in support of the \$5 million to the budget to help move the material off-island; asked that the Assembly postpone action on this until after a decision has been voted on for the state budget; might show that the community doesn't really need the money; still opposed to the Pat's Creek location for the Monofill.

Esther Ashton, WCA Tribe stated that she didn't get a chance to meet with the Governor; met with the Lieutenant Governor to request that they look for an alternate location; testified today in support of the State adding \$5 million to the Capital Budget to ship the contaminated soil off-island; also asked that the Assembly postpone this item since if the Assembly acts on this tonight, it might negatively impact our ability to receive the \$5 million dollars.

Angie Flickinger, resident requested that the Assembly postpone this vote for the approval of the Byford Junkyard treated material disposal recommendation to the Department of Conservation; testified today before the House Finance Committee in support of these funds; might communicate to the House Finance Committee that we are not interested in receiving the funds for off-island removal.

Von Bargen stated that Brett Woodbury had testified to the House Finance Committee today in opposition of the \$5 million dollars; off-island removal will cause some businesses to lose money.

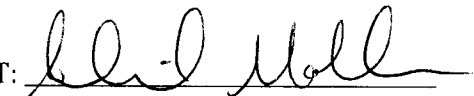
In response to Larrabee, Shane O’Niell with NRC stated that the start date for moving the material is contingent on if the State provides the additional \$5 million dollars; if that money is not provided and the Monofill is to be used, there is equipment on it’s way on the ferry now; could begin transporting material early to late next week.


Motion approved unanimously by polled vote

ATTORNEY’S FILE – Available for Assembly review in the Borough Clerk’s office.

EXECUTIVE SESSION – None

Regular Assembly Meeting adjourned at 8:35 p.m.

ATTEST: 
Kim Lane, MMC, Borough Clerk
Aleisha Mollen, Deputy



David L. Jack, Mayor