

**Minutes of Regular Assembly Meeting  
Held on January 22, 2013**

Mayor Donald McConachie called the regular assembly meeting to order at 7:00 p.m., January 22, 2013, in the Borough Assembly Chambers. Assembly Members Jack, Wiederspohn, Privett and Stokes were present. Assembly Members Stough and McCloskey were absent. Borough Manager Timothy Rooney and Borough Clerk Kim Flores were also in attendance.

Pledge of Allegiance was led by Assembly Member David Jack.

Invocation given by Lynn Ogren from the Island of Faith Lutheran Church.

Community Presentation - None

**AMENDMENTS TO THE AGENDA**

None.

**CONFLICT OF INTEREST**

Assembly Member Jack declared a perceived conflict of interest to item #13b. He said that he had an association with someone who was listed on the harbor accounts receivable list and also that he might stand to gain financially if the collection account were approved by the Assembly to be forwarded to the collection agency.

Assembly Member Privett asked that Assembly Member Jack be excused from item #13b due to a potential conflict of interest.

Declaration of conflict of interest for Jack for item #13b was approved unanimously by polled vote.

**CONSENT AGENDA**

*Moved by Jack, seconded by Privett, to approve Consent Agenda Items marked with an (\*) asterisk, 6a, 7a and 7b. Motion approved unanimously by polled vote.*

**APPROVAL OF MINUTES**

\*6a Minutes of Regular Assembly meeting held January 8, 2013

**COMMUNICATIONS**

- \*a Minutes of the Port Commission regular meeting held December 6, 2012
- \*b 2013 Alaska Gaming Permit Application for St. Rose of Lima Catholic Church

## **BOROUGH MANAGER'S REPORT**

Borough Manager Rooney's report was provided.

In addition to the Borough Manager's Report, Manager Rooney updated the Borough Assembly on the Evergreen Road Improvement Project. He stated that the letters that were submitted to the Department of Transportation from the community - with the help of the Wrangell Chamber of Commerce - had yielded some good news.

Manager Rooney reported that he had received an email from Mr. Al Clough, Regional Director for the Southeast Region of DOT stating that the Evergreen Road Improvement Project would remain on the STIP list for the design portion of the project. Manager Rooney further stated that this would ensure that at least the design portion of the project would get done.

Manager Rooney further reported that as outlined in the email from DOT, the project would be marked Illustrative (ILLU) on the STIP List. He said that means that if there were other projects that were funded on the STIL List were not ready, the Evergreen Road Improvement Project would get funding.

Manager Rooney said that Mr. Clough stated that we had a 50/50 chance for our project to be funded.

Manager Rooney also asked Borough Clerk Flores to distribute a copy of a letter to the Assembly. Manager Rooney's letter was in response to Kendrick Equipment's formal protest which had been received on January 11, 2013. The letter was in regards to the bid award for the 300-Ton Marine Vessel Hoist Procurement project. Manager Rooney stated that he had conferred with Borough Attorney Robert Blasco on this matter. Manager Rooney further stated that he had addressed and rejected all 10 claims of protest in his letter.

Manager Rooney said that Kendrick Equipment Company would have 10 days to file an appeal to the Borough Assembly if they chose to do so.

Mayor McConachie asked what the next step would be if Kendrick Equipment Company appealed the letter.

Manager Rooney answered that if that were to happen, the appeal would go before the Borough Assembly and that the Borough Assembly would then decide to either accept or deny the appeal. He further stated that if the Borough Assembly were to accept the appeal (if there were to be one), the project would have to go out for re-bid.

Manager Rooney stated that in his letter to the appellant, he had outlined specifically what the appeal must contain.

Manager Rooney reminded the listening public that once again, Essential Air Service is up for consideration. This service provides air service to our community as well as other Southeast Communities in Alaska. He asked that the community review the information on the Borough Website and submit letters by fax or email.

Assembly Member Privett asked if the Wrangell Chamber of Commerce had been contacted to help in support the efforts.

Manager Rooney stated that the Chamber had emailed their membership and also had information on their website about the request for support letters.

Assembly Member Privett reported that he had been a 12-year member of the Alaska Airlines Advisory Board. He stated that if we were to lose the Essential Air Service for Southeast Alaska, the possibility of losing Alaska Airlines jet service would be a real possibility. Privett further stated that the Essential Air Service program was the only thing that ensured that we received Alaska Airlines jet service.

## **BOROUGH CLERK'S FILE**

Borough Clerk Flores's report was provided.

## **MAYOR/ASSEMBLY REPORTS AND APPOINTMENTS**

### **10a Reports by Assembly Members**

Mayor McConachie reported that he had toured the GCI Cable ship that was repairing the fiber optic cable lines that were damaged in the earthquake earlier this month.

Mayor McConachie also distributed a letter of resignation to the Assembly. He said that he had learned a lot from various members of the community. He further said that this would be his last Assembly Meeting as Mayor of the City and Borough of Wrangell.

Mayor McConachie thanked "one and all" for allowing him the privilege to serve as Mayor to the City and Borough of Wrangell.

### **10b Appointment to fill the vacancy on the Economic Development Committee for the unexpired term until October 2015**

Mayor McConachie recommended appointing Daniel W. Blake to fill the vacancy on the Economic Development Committee for the term ending October, 2015. There were no objections from the Assembly.

The vacancy for the remaining vacant seat on the Economic Development Committee will continue to be advertised.

## **PERSONS TO BE HEARD**

None.

## **UNFINISHED BUSINESS**

PROPOSED ORDINANCE: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING TITLE 20 OF THE WRANGELL MUNICIPAL CODE RELATING TO ZONING AND THE OFFICIAL ZONING MAPS (second reading)

***Moved by Privett, seconded by Jack, to approve second reading. Motion approved unanimously by polled vote.***

## **NEW BUSINESS**

**13a** Approval of a Procurement Contract Award to McRae Theater Equipment, Inc. for the Digital Cinema Projection Equipment

***Moved by Privett, seconded by Wiederspohn, to approve the bid award to McRae Theater Equipment in the amount of \$62,482.85 for the purchase of Digital Cinema Projection Equipment materials with funding for the purchase to come from the General Fund Reserves.***

Manager Rooney stated that the digital equipment would replace the existing "reel to reel" equipment. He said that there would be cost savings to using the digital equipment. These cost savings would come from lower shipping costs, operational costs to prepare the film for viewing. He also said that because we could get newer movies and get them faster than with the current equipment, ticket sales should go up as well. The amount of these cost savings would be a little more than \$14,000.00 per year. He stated that some of that funding would go toward paying back the General Fund Reserves.

Manager Rooney said that there would be additional costs for installation of the new equipment and for training. He estimated that cost be around \$5,000.00. That funding would come from the Theater Reserve account.

***Motion approved unanimously by polled vote.***

**13b** Approval to Remove Harbor Receivable Accounts and Forward to Collection Agency

***Moved by Privett, seconded by Wiederspohn, to approve removing harbor receivable accounts and forward to collection agency, as presented. Motion approved unanimously by polled vote.***

Assembly Member Jack did not participate in this item as a potential conflict of interest had been established under "Conflict of Interest".

## **ATTORNEY'S FILE**

None.

## EXECUTIVE SESSION

**15a** To Consider Possible Purchase of Certain Properties by the Borough

*Moved by Privett, seconded by Jack, to move, pursuant to AS 44.62.310 (c) (1), that we recess into executive session to discuss matters the immediate knowledge of which would clearly have an adverse effect upon the finances of this public entity, specifically to discuss, Consideration of Possible Purchase of Certain Properties by the City & Borough of Wrangell.*

Meeting recessed into Executive session at 7:25 p.m.

Meeting reconvened back into Regular Meeting at 7:42 p.m.

Mayor McConachie reported that the Assembly had given the Borough Manager direction to pursue the potential purchase of certain properties in the Borough.

**ADJOURNMENT: 7:43 p.m.**

ATTEST:

  
Kim Flores, Borough Clerk

