

**Minutes of Regular Assembly Meeting  
Held on May 28, 2013**

Mayor David L. Jack called the Regular Assembly meeting to order at 7:00 p.m., May 28, 2013, in the Borough Assembly Chambers. Assembly Members Stough, McCloskey, Wiederspohn, Jamieson, Christian and Stokes were present. Borough Manager Timothy Rooney and Borough Clerk Kim Flores were also in attendance.

Pledge of Allegiance was led by Assembly Member Christie Jamieson.

Invocation was given by Clay Hammer.

**CEREMONIAL MATTERS** – *Community Presentations, Proclamations, Certificates of Service, Guest Introductions*

There were no ceremonial matters.

**AMENDMENTS TO THE AGENDA**

There were no amendments to the agenda.

**CONFLICT OF INTEREST**

There were no conflicts of interest declared.

**CONSENT AGENDA**

*Moved by Stough, seconded by Jamieson, to approve Consent Agenda Items marked with an (\*) asterisk; 6a, 7a & 7b.*

**APPROVAL OF MINUTES**

\*6a Minutes of the Regular Assembly meeting held April 23, 2013 were approved, as presented.

**COMMUNICATIONS**

- \*7a Minutes of the Regular School Board meeting held February 18, 2013; Minutes of the Regular School Board meeting held March 11, 2013; Minutes of the Regular School Board meeting held March 21, 2013; School Board Action taken at the Regular meeting held May 13, 2013
- \*7b Department of the Army, Corps of Engineers Alaska District - Special Public Notice (SPN) POA-2012-138 – SE Alaska Watershed Coalition Mitigation Fund

Assembly Member Christian asked that item \*7b be removed from the Consent Agenda and be added to the Agenda for discussion and possible action at the next Regular Assembly meeting. He stated that he had read through the Public Notice from the U.S. Army Corps of Engineers; would cost government agencies more money to mitigate wetlands throughout Southeast; if the City were to apply for a fill permit in the future, it would cost the City more

money than it would cost now; not sure if the City of Wrangell should weigh in on this Public Notice.

Assembly Member Jamieson stated that since she was the maker of the motion, she had no objection to this item being removed from the Consent Agenda and being added to the Agenda for next Regular Assembly meeting.

As there were no other objections by the Assembly, item \*7b was removed from the Consent Agenda, and will be placed on the Agenda - under New Business - for the next Regular Assembly meeting for discussion and possible action.

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

### **BOROUGH MANAGER'S REPORT**

Borough Manager Rooney's report was provided.

- Administrative –FY 2013-14 Budget; WMC Replacement Project; City and Borough of Wrangell v. Selle-Rea, Robinson, Bjorge, McGee, Nelson, Ettefaugh, Rhinehart; Technology Committee; Holiday Closures; Upcoming Travel
- Capital Projects – Marine Service Center Concrete Paving, Phase II
- Economic Development –Brass Tax Business Basics
- Electric – Tree Clearing; Tyee Maintenance Outage; Tyee Transmission Line Pole Replacement; Meteorological Tower Placement
- Library – Summer Reading Program
- Museum – Exhibit; Collections Storage Area; Gift Shop
- Parks & Recreation – Safety Grant; Community Center; Summer Recreation Program; Adult Recreation Program
- Public Works – Household Hazardous Waste

In addition to Manager Rooney's written report, he stated that he had passed out an email to the Assembly saying that Ms. Trevino, USDA, would not be coming to Wrangell; Mr. Perkins, USDA, requested that Manager Rooney and Marla Sanger, WMC, meet with Ms. Trevino in Ketchikan on Friday, June 7, 2013.

Manager Rooney said that he felt that it was important for the USDA to see that the Hospital and the City were in "lock step" with regards to the new hospital project.

Manager Rooney also stated that AICS would be having an open house tomorrow from 6:00 p.m. to 8:00 p.m. He extended an invitation to the Assembly and the Community to stop by and see the new clinic.

Assembly Member Stough asked if there was a motion needed for the Manager's travel to Ketchikan to meet with Ms. Trevino.

Manager Rooney said that the funding for this travel would be coming from the hospital grant project funds.

Assembly Member Jamieson said that since the Manager had reported what he was doing to the Assembly, she didn't feel that there was a need for a motion.

Mayor Jack agreed that a motion was not necessary.

### **BOROUGH CLERK'S FILE**

Borough Clerk Flores's report was provided.

- Upcoming dates to remember
- Borough Clerk Traveling – Tacoma WA. – June 8<sup>th</sup> to June 22<sup>nd</sup>
- Upcoming Assembly Travel – AML Summer Legislative Meeting in August – Assembly Members Christian and Stough, and Mayor Jack attending

Clerk Flores said that if there were any other Assembly Members who were interested in attending the AML Summer Legislative Meeting to be held in Valdez in August, to please let her know. She also stated that airline and hotel reservations were limited.

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

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

#### **10b Appointment to fill the vacancies on the Planning & Zoning Commission**

Mayor Jack stated that there was one letter of interest received from Greg Knight.

Mayor Jack said that if there were no objections by the Assembly, he would appoint Greg Knight to fill the vacancy on the Planning and Zoning Commission for the term ending October 2013.

The Assembly thanked Mr. Knight.

There were no objections from the Assembly.

#### **10c Appointment to fill the vacancy on the Economic Development Committee**

Mayor Jack stated that there was one letter of interest received from Cyni Waddington.

Mayor Jack said that if there were no objections by the Assembly, he would appoint Cyni Waddington to fill the vacancy on the Economic Development Committee for the term ending October 2015.

Mayor Jack thanked Ms. Waddington for submitting her letter of interest.

There were no objections from the Assembly.

### **PERSONS TO BE HEARD**

There were no persons to be heard.

### **UNFINISHED BUSINESS**

There was no unfinished business.

### **NEW BUSINESS**

**13a** PROPOSED RESOLUTION No. 05-13-1275: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, LEVYING A GENERAL TAX FOR SCHOOL AND MUNICIPAL PURPOSES UPON ALL TAXABLE PROPERTY WITHIN THE BOROUGH FOR THE TAX YEAR 2013 PURSUANT TO WRANGELL MUNICIPAL CODE SECTION 5.04.010; PROVIDING FOR THE COLLECTION OF TAXES DUE IN 2013 AND PRESCRIBING PENALTIES AND INTEREST FOR DELINQUENT TAXES

*Moved by Jamieson, seconded by Stough, to adopt resolution 05-13-1275, as presented.*

Assembly Member Jamieson stated that there was a memorandum attached to this item from Finance Director, Jeff Jabusch.

Assembly Member Christian expressed that this resolution would set the mill rate at 12.75 for the next tax year, 2013.

*Motion approved unanimously by polled vote.*

**13b** PROPOSED RESOLUTION No. 05-13-1276: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADOPTING THE BUDGET FOR ALL FUNDS OF THE CITY OF WRANGELL, ALASKA, FOR THE FISCAL YEAR 2013-2014

*Moved by Stough, seconded by McCloskey, to adopt the resolution.*

Manager Rooney stated that there had been a Public Hearing for the Budget; there were two citizens who spoke in favor of the budget, as presented; a draft budget had been provided.

Manager Rooney reported that at the time of the Public Hearing, there were a few unknown items. He reported on those items:

- Health insurance increase was set at 37%; the City's Health Insurance Specialist was still looking at options to bring the cost down; still did not have that information; 37% increase was the worst case scenario.

- Rural Secure Schools funding was in the budget as receiving 75% of that funding from the State at the 2013 level; hoping for more than that; however, not expecting less than that amount.
- Federal Payment in lieu of Taxes was reduced 5% for payment; would receive that funding in June, 2013; not known if the City would continue to receive this funding for the 2014 fiscal year; estimated a 25% reduction in the upcoming 2014 fiscal year.
- The Board of Equalization property tax revenue had increased \$6,960.
- The Cemetery fund line item was corrected from \$10,000 to \$11,000.
- The Transient tax sheet had not been included in the original draft budget, but was now included.
- With the Proposition to lower sales taxes being on the ballot for the upcoming election in October, 2013, the City outlined a contingency plan which could be found on page 44a in the budget.

Manager Rooney also said that the mill rate would remain at 12.75%; this would be the third year in a row that this mill rate stood despite voter approval to raise it to 13%.

Manager Rooney said that Staff would recommend approval of the budget.

Assembly Member Christian said that in the case that there was a reduction in revenue, the reductions were listed on page 44a in the draft budget; if the reduction in revenue did occur, he would like to see those proposed cuts come back to the Assembly for approval.

Assembly Member Christian said that he thought that there might not be as much of a reduction as proposed; he believed those proposed cuts should come back to the Assembly for approval.

***Moved by Christian, seconded by Stough, to amend the main motion to remove page 44a from the main budget.***

Assembly Member Jamieson stated that there was already a main motion on the floor.

Assembly Member Christian said that he was amending the main motion to remove page 44a from the budget.

Manager Rooney stated that the reason why Staff included page 44a was to give the voters an idea – when they went to the polls – what cuts Staff would be recommending. He said that those cuts were Staff's recommendations. He also said that the Borough Assembly could change those recommended cuts – if they wanted to – at the time that the tax was implemented.

Assembly Member Christian said "correct", that's why he thought it should come back to the Borough Assembly for approval and potential changes at that time.

Assembly Member Stough said that he had seconded the amendment for that reason; said it depended on the voters; if it did happen, the Assembly could revisit it; may have to look at it in depth.

Assembly Member Stough further said that he would rather see the proposed cuts come back to the Assembly for discussion.

Mayor Jack asked Finance Director, Jeff Jabusch to weigh in on the issue.

Mr. Jabusch said that when there were School Bonds on the ballot, the Bonding Attorney required the City to provide full disclosure of what the ramifications of the vote would be if the voter voted "yes" or voted "no". He said that Staff felt that this was a similar situation; the voters should know the outcome of what would happen if they did vote "yes" or "no".

Mr. Jabusch also said that with the School Bond, the City not only had to show what the 20% liability to the City's would be if the State funded the program, but the City also had to show what the City would be responsible for if the State did not fund the program; full disclosure was required to give to the voters, because the issue had to do with money; Staff felt that this situation was very similar to a Bonding issue.

Mr. Jabusch stated that by providing page 44a to the public, full disclosure was given. He said that the voters need to have some idea of what will happen either way. He said that if you don't provide any information to the voters of what will happen either way, they cannot make an educated decision.

Mr. Jabusch further stated that this was the right thing to do; the City needs to stay consistent in disclosing the outcome one way or another for financial issues that were placed on the ballot to be voted on.

Assembly Member Jamieson stated that she agreed with Mr. Jabusch. She said that throughout the municipalities in Alaska, it was very common to have the ballot proposition in full text on the ballot; this was so that you could present the facts; if the voter voted one way - what the outcome would be; if the voter voted another way - what that outcome would be.

Assembly Member Jamieson said that for something like the Proposition to lower sales tax, there was a need for the disclosure.

Assembly Member Jamieson said that when the Solid Waste issue was brought before the voters, there was a voter's pamphlet printed and made available to the public at City Hall and also mailed to all of the P.O. Boxes in Wrangell.

Manager Rooney said "yes", that was when the City brought the question to the voters to join SEASWA.

Assembly Member Jamieson said that this was done so that when the voters went to the polls, they had all of the facts on the Proposition.

Assembly Member Stough said that he understood what Assembly Member Christian was saying; the information has been out there; what the Assembly was doing was passing the budget; when this goes on the ballot, this has already had public discussion and there has been ample time for the public to come and discuss it; the Assembly was passing the budget at the current 12.75 mills; would be up to the voters.

***Amendment failed with Stough, Stokes and Christian voting yea; McCloskey, Jamieson, Wiederspohn and Mayor Jack voting nay.***

***Main motion passed with Wiederspohn, Stokes, Jamieson, McCloskey, Stough and Mayor Jack voting yea; Christian voting nay.***

**13c PROPOSED RESOLUTION No. 05-13-1277: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADOPTING THE UPDATED BOROUGH RECORDS RETENTION SCHEDULE; REPEALING RESOLUTION 01-01-843 AND THE 1992 GENERAL RECORDS RETENTION SCHEDULE; AND PROVIDING FOR AN EFFECTIVE DATE**

***Moved by McCloskey, seconded by Jamieson, to adopt the resolution.***

Assembly Member Jamieson thanked Clerk Flores for bringing this forward. She said that it was long overdue.

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

**13d PROPOSED RESOLUTION No. 05-13-1278: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, FORMALLY ACCEPTING GRANT NO. MG91721 FROM THE STATE OF ALASKA, DEPARTMENT OF ENVIRONMENTAL CONSERVATION (ADEC) IN THE AMOUNT OF \$565,485 FOR THE PROJECT ENTITLED CASSIAR STREET WATER AND SEWER REHABILITATION**

***Moved by Stough, seconded by Wiederspohn, to adopt the resolution.***

Manager Rooney stated that the City had received notification late last year that we had received this grant; this resolution was to say that the City had accepted the grant.

Assembly Member Christian asked if the 30% match (\$242,000.00), amount would be split between the Sewer and Sanitation fund.

Manager Rooney replied that it would be split depending on the portions that came from the different funds.

Assembly Member Christian asked if there were enough reserves to do this.

Manager Rooney answered "yes".

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

**13e** Approval of the Wrangell Public School Budget for the Fiscal Year 2014

***Moved by Jamieson, seconded by Christian, to approve the Wrangell Public School Budget for the Fiscal Year 2014. Motion approved unanimously by polled vote.***

**13f** Approval of a Contract between the City and Borough of Wrangell and the Regional Disposal Company for Solid Waste Disposal and Recycling

***Moved by Stough, seconded by Stokes, to authorize the Borough Manager to enter into a contract with the Regional Disposal Company for the Disposal of Solid Waste and Recycling.***

Manager Rooney stated that this contract has been brought forward due to a lot of hard work; Mr. Carl Johnson was a current member of SEASWA and had worked very hard with the SEASWA group in obtaining a disposal contract with the Regional Disposal Company; they solicited for RFP's and went through the entire process. He said that SEASWA then had to get all of the participating municipalities to agree to the contract language.

Manager Rooney reported that as a result of this contract, the City of Wrangell would pay about \$110 per ton for refuse; the City currently pays \$135 per ton; cost savings for the Sanitation Department would be approximately \$35,000 annually.

Manager Rooney said that the FY 2013-2014 budget that was adopted this evening was based on the decrease in the sanitation fees.

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

**13g** Approval to cancel the June 11, 2013 Borough Assembly Meeting

***Moved by McCloskey, seconded by Wiederspohn, to approve the cancellation of the June 11, 2013 Borough Assembly meeting, and conduct only one meeting on June 25, 2013.***

Mayor Jack explained that he would be gone for the June 11, 2013 meeting; also that Assembly Member Christian would be gone.

Assembly Member Jamieson asked Manager Rooney if there was anything of importance that could wait for the June 25th meeting.



Manager Rooney replied that at this time, there was not anything pressing that could not wait until the June 25th meeting. He also said that if something did come up before then, a Special Assembly meeting could be called.

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

### **13h Discussion regarding travel protocol**

Mayor Jack said that this item was placed on the agenda due to some questions that had come up regarding travel.

Assembly Member Christian stated that he had received some emails from Manager Rooney, responding to his original email. He said that he didn't realize that when the Clerk's travel was approved, it was not a budgeted item.

Assembly Member Christian said that as an Assembly supervisor, throughout the City, employees had to submit requests for when they would be traveling or needed time off. He stated that Manager Rooney consistently does email the Assembly to let them know when he would be taking time off.

Assembly Member Christian further said that he believed that the request should be brought up and approved at the Assembly Meetings; Manager Rooney approved business travel or time off for the department heads or anyone else who served under him at a supervisory level; he felt that there was plenty of time between meetings to ask for approval.

Assembly Member Christian said that when the Borough Manager was traveling on official Borough business, the general public should know.

Manager Rooney said that the trip that was questioned was not a City trip.

Manager Rooney said that he had checked with other City Manager's in Alaska to see what their protocol on travel was; no other City Managers were required to submit their requests for travel as an Agenda Item for approval by their Assemblies.

Assembly Member Jamieson stated that the money was in the Clerk's budget for the City Clerk's upcoming travel. She further stated that that money was listed under training and had been approved the prior year.

Assembly Member Jamieson said that when she was the Borough Clerk, she had reported to the Assembly in her report when she would be traveling for either business or vacation.

Assembly Member Wiederspohn said that she thinks that the Borough Clerk did that in her last report.

Assembly Member Jamieson said that yes, she did.

Assembly Member Jamieson said that Manager Rooney had been very mindful in all of his Manager Reports; he had given the Assembly a complete update of his schedule, and had also included his timesheet. She said that Manager Rooney was very mindful in keeping the Mayor and Assembly up to date on where he would be at all times.

Assembly Member Jamieson said that she didn't see that there was an issue.

Assembly Member Stough said that when the Assembly first formed the travel sheet, it was to show the Assembly where everyone was traveling to, and when they would be traveling; also if it would be paid for by the City or not; was something to keep the Assembly informed.

Assembly Member McCloskey said that Manager Rooney had been notifying the Assembly in his reports or through email of his upcoming travel; if the travel wasn't using City funds, he shouldn't have to ask for approval; should just have to inform the Assembly that he would be traveling.

Assembly Member McCloskey further said that perhaps the Assembly Members that were traveling to Valdez should get prior Assembly approval as well.

Assembly Member Stough agreed that because there was not anything specified that the Assembly Members would be going on that particular trip, maybe they should have to get approval. He also said that the Manager had control over what trips he used the funds that were allocated in the Manager's budget for travel.

Assembly Member McCloskey said there was a travel report placed in the packet that showed who traveled, and for what purpose.

Assembly Member Jamieson said yes, it was called the travel report; it was provided monthly to the Assembly in the packet.

Mayor Jack stated that he did not ever recall when the Borough Manager had to get prior approval from the Assembly when traveling.

Mayor Jack also said that the Borough Manager was employed under contract; there was no requirement under his contract to get prior approval for travel; if there was to be a requirement, the contract would need to be amended.

Assembly Member Jamieson stated that there were multiple conferences throughout the year that the Borough Manager should be attending; he could utilize all of the tools obtained during those conferences for our community and the Borough Assembly.

Assembly Member Wiederspohn said that whenever she received an email relating to Borough business, she printed it out immediately.

Mr. Jabusch stated that he had worked under thirteen different City Managers and Acting City Managers; had been the Acting Borough Manager at times throughout his career. He said that the way Manager Rooney was handling his travel was consistent with the way that things have occurred in the 35 years that he has been with the City. He said that the Manager usually notified the Assembly of when he would be gone and who would be the Acting Borough Manager while he was away.

Mr. Jabusch said that the Manager had a budget for travel; he was supposed to make the best use of that funding. He said that sometimes trips come up that were unexpected; the Manager doesn't always have the opportunity to obtain prior Assembly approval.

Mr. Jabusch stated that in reviewing Manager Rooney's contract, there were various conferences that were listed in the contract for Manager Rooney to attend.

**13i** Request from the Special Energy Committee for the approval of a letter to be forwarded to the Petersburg Borough Assembly and the City of Ketchikan Council

***Moved by Jamieson, seconded by Christian, to approve forwarding a letter of support of a probationary review of our SEAPA partnership, at the request of the Special Energy Committee, to the Petersburg Borough Assembly and the City of Ketchikan Council.***

Assembly Member McCloskey reported that this was the letter that had been drafted after the first Special Energy Committee meeting. She said that this letter was requesting support of a probationary review of SEAPA from Petersburg and Ketchikan; this letter allowed Petersburg and Ketchikan to submit questions on any of SEAPA's infrastructure and operations.

Assembly Member McCloskey said that if Petersburg and/or Ketchikan were not interested in a probationary review, they could send us a letter back saying that they were not interested.

The draft letter was read into the record by Clerk Flores at the request of Mayor Jack.

The Wrangell Special Energy Committee has chosen to make the following recommended letter of invitation to our three partner communities in support of a probationary review of our SEAPA partnership.

Whereas the cities of Ketchikan, Petersburg, and Wrangell have agreed to create the Southeast Alaska Power Agency (SEAPA) with the stipulation of conducting a review no later than December 31, 2014, we feel there exists within the communities enough interest to commission a review of the SEAPA infrastructure and operations with the intent on identifying if there are any favorable changes/enhancements to this Joint Action Agency that could better serve our communities in the years to come.

This is not a request for a review to disband SEAPA, but rather an approach to the agreed upon review as a "probationary review".

We would like to invite the partner communities (Ketchikan and Petersburg) to consider jointly participating in conducting a probationary review of SEAPA with the following actions:

1. The communities request that SEAPA pay for this independent review.
2. Each community solicit questions and comments from within their communities at-large to present to a mutually agreed upon qualified independent contractor (with both electrical and economic knowledge) that can answer the questions in regards to best practices and structure of (SEAPA).
3. SEAPA board or staff not involve itself in the creation of the independent report (SEAPA board and staff will, of course have access to the report at the time the communities are presented with the report).
4. The communities review the report and consider any recommendations, if any, that they feel appropriate to present to the SEAPA board for consideration.

Sincerely,

David L. Jack, Mayor  
City & Borough of Wrangell

Assembly Member Christian asked that the words "commission and" from item no. 1 in the letter be removed.

Assembly Member Christian stated that to ask SEAPA to pay for the review would be okay, but when you commission something, you have the ability to set out the parameters and dictate what the study would look at; believed that it should be up to the three communities to determine the parameters.

Assembly Member Jamieson stated that as the maker of the motion, she would agree to striking the words "commission and" from the letter.

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


## ATTORNEY'S FILE

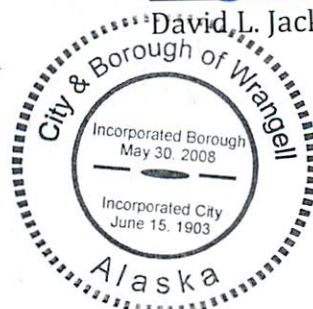
Summary provided to the Borough Assembly in their Assembly packet.


## EXECUTIVE SESSION

There was no Executive Session.

**ADJOURNMENT: 7:50 p.m.**

ATTEST:   
Kim Flores, Borough Clerk



  
David L. Jack, Mayor