



**City and Borough of Wrangell
Borough Assembly Meeting
REVISED
AGENDA**

August 28, 2012 – 7:00 p.m.

Location: Assembly Chambers, City Hall

- 1. CALL TO ORDER**
 - a. PLEDGE OF ALLEGIANCE** led by Assembly Member Bill Privett
 - b. INVOCATION**
 - c. COMMUNITY PRESENTATION BY NORTH AMERICAN WOOD PRODUCTS, ALAN OLLIVENT**
- 2. ROLL CALL**
- 3. AMENDMENTS TO THE AGENDA**
- 4. CONFLICT OF INTEREST**
- 5. CONSENT AGENDA:**
 - a. Items (*) 6a, 7a, 7b**
- 6. APPROVAL OF MINUTES**
 - *a. Minutes of Regular Assembly meeting held July 24, 2012; Minutes of Special Assembly meeting held July 31, 2012; Minutes of Special Assembly meeting held August 6, 2012; Minutes of Special Assembly meeting held August 13, 2012; Minutes of Special Assembly meeting held August 17, 2012**
- 7. COMMUNICATIONS**
 - *a Minutes of Regular School Board meeting held August 13, 2012**
 - *b Wrangell 2013 Liquor Listing Renewals**
- 8. BOROUGH MANAGER'S REPORT**
- 9. BOROUGH CLERK'S FILE**
- 10. MAYOR/ASSEMBLY REPORTS AND APPOINTMENTS**
 - a. Reports by Assembly Members**
 - b. Certificate of Service presented to Michael Symons, Borough Assembly**
 - c. Appointment to fill the vacancy of Seat "F" of the Borough Assembly**
- 11. PERSONS TO BE HEARD**
- 12. UNFINISHED BUSINESS**

- a. **PROPOSED ORDANCE: PROPOSED ORDINANCE: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING TITLE 3, CHAPTER 3.32 OF THE WRANGELL MUNICIPAL CODE RELATING TO THE WRANGELL MEDICAL CENTER AND LONG-TERM CARE FACILITY BOARD**
(second reading)

13. NEW BUSINESS

- a. **A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING AN ELECTRICAL RATE INCENTIVE FOR THE NEW CONSTRUCTION FACILITIES FOR SEA LEVEL SEAFOODS, LLC. AND ESTABLISHING THE TERMS AND CONDITIONS OF SUCH INCENTIVE**
- b. **Approval of City Tidelands Annual Reassessments for Silver Bay Logging**
- c. **Consideration and Appropriate Action relating to the interim management services for the Wrangell Medical Center**
- d. **Consideration and Appropriate Action relating to the Community Facilities Grant Agreement between the USDA and the City and Borough of Wrangell for the Community Garden Greenhouse**
- e. **Consideration to Cancel the November 13, 2012 Borough Assembly Meeting**
- f. **Discussion and Possible Action relating to a Letter of Support for SEAPA's Hydrogen Feasibility Study**

14. ATTORNEY'S FILE

15. EXECUTIVE SESSION

- a. **Borough Manager's Annual Evaluation**

16. ADJOURNMENT

CITY & BOROUGH OF WRANGELL, ALASKA

BOROUGH ASSEMBLY

AGENDA ITEM

August 28, 2012

ITEM NO. 1 CALL TO ORDER:

INFORMATION: The Mayor, by code, is required to call the meeting to order at 7:00 p.m. in the City Council Chambers. Special meetings or continued meetings may be called for at differing times but at the same location. Notice of such will be required by the Borough Clerk. The Mayor will call the meeting to order according to such special or continued meeting notice. At all meetings of the assembly, four assembly members or three members and the mayor shall constitute a quorum for the transaction of business, but a smaller number less than a quorum may adjourn a meeting to a later date.

RECOMMENDED ACTION:

The Mayor, as presiding officer, is to call the meeting of the Borough Assembly to order, with the following actions to follow:

- a. Pledge of Allegiance to be given by Bill Privett
- b. Invocation
- c. Community Presentation by North American Wood Products, Alan Ollivent

ITEM NO. 2 ROLL CALL – BOROUGH CLERK:

INFORMATION: The Borough Clerk shall conduct a roll call of each elected and duly qualified Assembly Member. Such call shall result in an entry of those present or absent from the meeting. The roll call is primarily utilized in determining if sufficient member(s) are present to conduct a meeting. The Borough Clerk may randomly change the conduct of the roll to be fair to the members of the governing body unless the council determined an adopted procedure for roll call which is different than currently in use.

RECOMMENDED ACTION:

Borough Clerk to conduct a roll call by voice vote. Each member to signify by saying here, present (or equal) to give evidence of attendance.

ITEM NO. 3 AMENDMENTS TO THE AGENDA:

INFORMATION: The assembly may amend the agenda at the beginning of its meeting. The outline of the agenda shall be as from time to time prescribed and amended by resolution of the assembly. (WMC 3.04.100)

CITY & BOROUGH OF WRANGELL, ALASKA

RECOMMENDED ACTION:

The Mayor should request of the members if there are any amendments to the posted agenda. ***THE MAYOR MAY RULE ON ANY REQUEST OR THE ASSEMBLY MEMBERS MAY VOTE ON EACH AMENDMENT.***

ITEM NO. 4 CONFLICT OF INTEREST:

INFORMATION: The purpose of this agenda item is to set reasonable standards of conduct for elected and appointed public officials and for city employees, so that the public may be assured that its trust in such persons is well placed and that the officials and employees themselves are aware of the high standards of conduct demanded of persons in like office and position.

An elected city official may not participate in any official action in which he/she or a member of his/her household has a substantial financial interest.

ITEM NO. 5 CONSENT AGENDA:

INFORMATION: Items listed on the Consent Agenda or marked with an asterisk (*) are considered part of the Consent Agenda and will be passed in one motion unless the item has been removed by an Assembly Member or the Mayor and placed on the regular agenda.

RECOMMENDED ACTION:

Move to approve those Agenda items listed under the Consent Agenda and those marked with an asterisk (*) Items:

6a, 7a, 7b

ITEM NO. 6 APPROVAL OF MINUTES:

INFORMATION:

6a Minutes of Regular Assembly meeting held July 24, 2012; Minutes of Special Assembly meeting held July 31, 2012; Minutes of Special Assembly meeting held August 6, 2012; Minutes of Special Assembly meeting held August 13, 2012; Minutes of Special meeting held August 17, 2012

**Minutes of Regular Assembly Meeting
Held on July 24, 2012**

Mayor Jeremy Maxand called the regular assembly meeting to order at 7:00 p.m., July 24, 2012, in the Assembly Chambers. Assembly Members Privett, McConachie, Stokes and Jack were present. Assembly Member McCloskey arrived at 7:05 p.m. Borough Manager Timothy Rooney and Kim Flores were also in attendance.

Pledge of Allegiance was led by Assembly Member Dave Jack.

Invocation given by Nettie Covalt with the Presbyterian Church.

Community Presentation – None.

AMENDMENTS TO THE AGENDA

None.

CONFLICT OF INTEREST

None.

CONSENT AGENDA

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

APPROVAL OF MINUTES

*6a Minutes of Special Assembly meeting held June 25, 2012; Minutes of Public Hearing and Regular meeting held June 26 , 2012, were approved as presented.

COMMUNICATIONS

*7a Minutes of regular School Board meeting held May 21, 2012

*7b Minutes of regular TBPA meeting held April 26, 2012; Minutes of regular TBPA meeting held May 3, 2012

*7c Minutes of Planning & Zoning Commission regular meeting held June 14, 2012

BOROUGH MANAGER'S REPORT

Borough Manager Rooney noted a correction to the original Borough Manager's Report; on page 5, Wrangell Personnel Manual, date should be August 28, 2012 for bringing forward to the Borough Assembly for approval; supplemental report provided showing updates on Capital Projects.

Borough Manager Rooney said that there had been an initiative petition filed with the Borough Clerks office; being reviewed by Borough Attorney Bob Blasco's office; application for initiative was for reducing city sales tax from 7% to 5.5%.

Borough Manager Rooney also said that his report explained what the reduction would mean for the City & Borough of Wrangell.

- Reduction of \$505,000
- Would reduce the amount of money that goes towards street repairs
- Would create a large burden on the general fund for providing the school with match funding
- General fund tax revenues would reduce by \$342,000

Borough Manager Rooney said if there were a reduction in sales tax, he would recommend that the following non-essential, quality of life programs be cut from the budget.

- Contract with the Chamber of Commerce for the 4th of July events and the Salmon Derby - \$25,000
- Funding for KSTK
- Funding for Wrangell Senior Program
- Funding for the 4th of July fireworks
- Funding for the health fare

Borough Manager Rooney also said that a reduction in sales tax sounds attractive on the surface; encouraged listening public to review the manager's report online; welcomed any questions to borough staff and the borough assembly.

Assembly Member Jack said that as a senior citizen, he received a property tax exemption; reduction in sales tax would personally benefit him; believed if the sales tax reduction went through, there would be another tax brought forward to offset the deduction in sales tax revenue; reminded the public that we do not get taxed on snow machines, 4-wheelers, and boats; other municipalities do get taxed on these items.

Borough Manager Rooney recognized the borough's summer intern, Nathaniel Ruben. He said that Nathaniel would be leaving on August 4, 2012; he found Nathaniel through the Conference of Young Alaskan's at the Southeast Conference.

- He is a Sophomore at Yale University
- He had worked on the City & Borough of Wrangell's Personnel Manual
- He had worked on the Animal Ordinance, which will be presented to the Borough Assembly in either August or September
- He had worked on some website development for the City & Borough of Wrangell
- He had worked on some zoning research for Carol Rushmore, Economic Director
- He had worked on some Job Position Descriptions for the Finance Department
- He had worked on some code revisions for the Code Review Committee

Assembly Member McCloskey arrived at 7:05 p.m.

BOROUGH CLERK'S FILE

- Upcoming Dates to Remember
- Special Election Calendar for August 21, 2012

- Code Review Committee Meeting

Election workers for the upcoming August 21, 2012 Special Election would be: Vivian Grosshardt, Chairperson; Sharry Rooney, Karen Lockabey, and Gina Simonek; Workers.

Assembly Member Privett asked how many people declared their candidacy for the Hospital Board.

Clerk Flores answered that there was seventeen (17) total for the various open seats.

MAYOR/ASSEMBLY REPORTS AND APPOINTMENTS

10a Reports by Assembly Members

Assembly Member McConachie said that he was on the Code Review Committee; very well organized; meeting lasted about an hour; accomplished a lot.

10b Acceptance of Resignation from Assembly Member Michael Symons

Moved by Privett, seconded by McConachie, to accept letter of resignation from Assembly Member Michael Symons.

Assembly Member Symons, 7 ¼ Mile Zimovia Hwy, stated that he was resigning from the Borough Assembly with some sadness; had enjoyed the opportunity to work with all of the assembly members as well as the community of Wrangell; joined the borough assembly to help make a difference in the community.

Assembly Member Symons said that he had taken on a new job as the KSTK General Manager; General Manager's position oversees the KSTK Newsroom; as a news director, he did not feel that it would be appropriate to oversee reports on borough issues with him being on the Borough Assembly.

Assembly Member Symons said being on the Borough Assembly had been enjoyable as well as educational about how our community operates. He stated that he was very excited about his new position with the radio station, KSTK. He thanked the Borough Assembly for the opportunity to serve the community.

Mayor Maxand thanked Assembly Member Symons and said that he looked forward to what he would do as General Manager for KSTK.

Advertisement for the Borough Assembly, Seat F, for the term until October 2012 will take place for four (4) weeks until August 28, 2012.

Borough Clerk Flores explained that letters of interest would be accepted until August 28, 2012 at 5:00 p.m. The October 2, 2012 ballot would include the Borough Assembly, Seat F, for the unexpired term ending October 2013.

Motion approved unanimously by polled vote.

PERSONS TO BE HEARD

None.

UNFINISHED BUSINESS

None.

NEW BUSINESS

13a PROPOSED RESOLUTION #07-12-1252: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AND THE CITY OF PETERSBURG, ALASKA, SUPPORTING THE DEVELOPMENT OF NEW HATCHERIES AND RELEASES IN SOUTHEAST ALASKA GENERALLY, AND IN THE WRANGELL AND PETERSBURG AREA SPECIFICALLY, TO INCREASE THE AVAILABLE FISH FOR COMMERCIAL AND SPORT FISHING OPERATIONS

Moved by Jack, seconded by McConachie, to adopt resolution.

Assembly Member Privett expressed that this was a great idea; always controversy when the State of Alaska weighs in with different thoughts; great opportunity for this community to try and do something locally in our area; volume of people and fish being caught is huge; amount of money being exchanged is tremendous; this would help offset natural fish stock by enhancement, would be a “win – win” situation.

Mayor Maxand agreed with Assembly Member Privett. Mayor Maxand said that he had met with Governor Sean Parnell and Chris Guggenbickler, who is a third generation Wrangell fisherman operating the FV Marantha. Mr Guggenbickler currently serves on the Wrangell Fish and Game Advisory Committee, The Southern Southeast Regional Aquaculture Association (SSRAA), the Southern Southeast Regional Planning Team, and the United Southeast Alaska Gillnetters Association. Mayor Maxand said that they had talked about hatcheries; important to the boards that Mr. Guggenbeckler sits on; hatcheries identified by USDA Cluster Initiative Process as potential ocean cluster activity to develop new hatcheries; joint resolution with Petersburg along with a letter of support would be sent to Governor Parnell’s office if assembly approved proposed joint resolution.

Assembly Member Privett said that many years back when the Chrystal Lake Hatchery was started, Wrangell had been instrumental in supporting Petersburg; some local fishermen had been concerned that they wouldn’t see the return that they expected; bigger picture than one single community; Chrystal Lake Hatchery had worked out very well; had benefited both Wrangell and Petersburg fishermen.

Motion approved unanimously by polled vote.

13b PROPOSED RESOLUTION #07-12-1253: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, DESIGNATING CANVASS BOARD DUTIES TO THREE ASSEMBLY MEMBERS FOR CANVASSING THE RESULTS OF THE SPECIAL ELECTION TO BE HELD AUGUST 21, 2012 (Assembly Members McConachie, Jack, and Stokes)

Moved by Privett, seconded by McConachie, to adopt resolution. Motion approved unanimously by polled vote.

13c Request to Hold Special Assembly Meeting on August 28, 2012 to Certify Election Results from Special Election to be held on August 21, 2012

Moved by Privett, seconded by McConachie, to approve scheduling a Special Assembly Meeting on Tuesday August 28, 2012 at 6:30 p.m., to certify election results from special election to be held on August 21, 2012. Motion approved unanimously by polled vote.

13d Consideration and Appropriate Action relating to the Renewal of Assessor's Contract for 2013 thru 2015

Moved by McConachie, seconded by McCloskey, to approve the proposal from Appraisal Company of Alaska for the 2013, 2014 and 2015 tax years and to increase the budget for these services in the amount of \$15,000 with funds to come from the General Fund Reserve.

Assembly Member Privett asked what the increase entailed.

Borough Manager Rooney said the cost would be an additional \$15,000 per year; last time the borough accepted bids for assessment services, the Alaska Company of Alaska bid was about half of what the next lowest bid had been seven years ago.

Motion approved unanimously by polled vote.

13e Consideration and Appropriate Action relating to the Professional Engineering Services Contract for the Marine Service Center, Concrete Paving, Phase 2 Design

Moved by McCloskey, seconded by Jack, to authorize the Borough Manager to issue a contract to PND Engineers for professional engineering services in a fixed fee amount of \$223,941, with funds to be paid from the State of Alaska, DCCED, construction funds for the Marine Service Center, Concrete Paving Phase 2 project.

Borough Manager Rooney said that this was the company that had done all previous engineering for the Marine Service Center; happy with their work; comfortable with their product; this would be a fixed fee.

Motion approved unanimously by polled vote.

13f Consideration and Appropriate Action relating to the Professional Engineering Services Contract for the Travel Lift Pier Improvements Design

Moved by Privett, seconded by McConachie, to authorize the Borough Manager to issue a contract to PND Engineers for professional engineering services in a fixed fee amount of \$94,300, to be paid from the State of Alaska, DCCED, construction funds for the Travel Lift and Pier Improvements project.

Borough Manager Rooney said that we had received funding to purchase a newer and larger travel lift; would require some improvements to the pier and dock; this is the engineering for that purpose; this was the same company who did the design for the existing pier; staff discussed the proposed fee with PND Engineers and was satisfied with the explanation of costs; this would be a fixed fee.

Assembly Member McCloskey asked if the 250 ton travel lift was the same size as the travel lift in Kodiak.

Borough Manager Rooney answered that he believed they had a larger travel lift.

Assembly Member Privett stated that we currently had a 150 ton lift; the 250 ton lift would be able to pick up a tender the size of the "Great Sea", which cannot be lifted using the existing 150 ton lift.

Mayor Maxand asked when we anticipated putting out an RFP for the site development plan for the old mill site.

Borough Manager Rooney stated that the development plan for the old mill site would be addressed once the Downtown Waterfront Plan was completed. He also stated that the RFP for the Mill Site Property Economic Study should be going out within the next 30 to 60 days. He stated that the funds for this RFP had been included in the FY 2013 approved budget.

Assembly Member Jack asked if we would still be able to use the 150 ton travel lift to lift smaller vessels; not wanting the small travel lift to sit idle while the larger travel lift was being used.

Manager Rooney said that both travel lifts would be able to be used; said if we no longer had a need for the smaller travel lift, there are other communities that had expressed interest in obtaining the smaller lift.

Motion approved unanimously by polled vote.

ATTORNEY'S FILE

None.

EXECUTIVE SESSION

Assembly Member McConachie requested to schedule a Special Meeting to enter into Executive Session to be brought up to speed on what is going on with the ongoing litigation. Assembly Members agreed unanimously to hold a Special Meeting on July 31, 2012 at 6:30 p.m.

ADJOURNMENT: 7:30 p.m.

Jeremy Maxand, Mayor

ATTEST: _____
Kim Flores, Borough Clerk

**Minutes of Special Assembly Meeting
Held July 31, 2012**

Mayor Jeremy Maxand called the special assembly meeting to order at 6:30 p.m., July 31, 2012, in the Assembly Chambers. Assembly Members McCloskey, Privett, Stokes, Jack, and McConachie were present. Borough Manager Timothy Rooney and Borough Clerk Kim Flores were also in attendance.

CONFLICT OF INTEREST:

None.

PERSONS TO BE HEARD:

None.

ITEM OF BUSINESS:

5a Executive Session –Discussion of Wrangell v. Rea, et.al. 1WR-12-55

Moved by Privett, seconded by McConachie, to move to go into Executive Session to discuss the pending litigation in Discussion of Wrangell v. Rea, et.al.1WR-12-55 involving matters, the immediate knowledge of which would clearly have an adverse effect upon the finances of the public entity. Motion approved unanimously by polled vote.

Recessed into Executive Session at 6:30 p.m.

Reconvened back to Special Meeting at 7:51 p.m.

There was no action taken by the Assembly.

Special meeting adjourned at 7:52 p.m.

Jeremy Maxand, Mayor

ATTEST: _____
Kim Flores, Borough Clerk

**Minutes of Special Assembly Meeting
Held August 6, 2012**

Mayor Jeremy Maxand called the special assembly meeting to order at 5:00 p.m., August 6, 2012, in the Assembly Chambers. Assembly Members McCloskey, Stokes, Jack, Privett, and McConachie were present. Borough Manager Timothy Rooney and Borough Clerk Kim Flores were also in attendance.

CONFLICT OF INTEREST:

None.

PERSONS TO BE HEARD:

None.

ITEM OF BUSINESS:

5a Executive Session – Discussion of Wrangell v. Rea, et.al. 1WR-12-55

Moved by Jack, seconded by McConachie, to move to go into Executive Session to discuss the pending litigation in Discussion of Wrangell v. Rea, et.al. 1WR-12-55 involving matters, the immediate knowledge of which would clearly have an adverse effect upon the finances of the public entity. Motion approved unanimously by polled vote.

Recessed into Executive Session at 5:01 p.m.

Reconvened back to Special Meeting at 6:10 p.m.

Mayor Maxand said that the assembly had received an update from the Borough Attorney on the City & Borough of Wrangell v. Rea. He stated that the Borough Attorney and Borough Manager would continue to move forward on the litigation matters between the City & Borough of Wrangell v. Rea.

Special meeting adjourned at 6:12 p.m.

Jeremy Maxand, Mayor

ATTEST: _____
Kim Flores, Borough Clerk

**Minutes of Special Assembly Meeting
Held August 13, 2012**

Mayor Jeremy Maxand called the special assembly meeting to order at 5:15 p.m., August 13, 2012, in the Assembly Chambers. Assembly Members Stokes, Jack, Privett, and McConachie were present. Assembly Member McCloskey arrived at 5:30 p.m. Acting Borough Manager Carol Rushmore and Borough Clerk Kim Flores were also in attendance.

CONFLICT OF INTEREST

None.

PERSONS TO BE HEARD

None.

ITEM OF BUSINESS

5a PROPOSED RESOLUTION #08-12-1254: A REVISION OF A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, DESIGNATING CANVASS BOARD DUTIES TO THREE ASSEMBLY MEMBERS FOR CANVASSING THE RESULTS OF THE SPECIAL ELECTION TO BE HELD AUGUST 21, 2012 (Assembly Members McConachie, Privett, and Mayor Maxand)

Assembly Member Stokes stated that she would not be in town to serve on the Canvass Board on August 23, 2012 for the upcoming Special Election to be held on August 21, 2012.

Moved by McConachie, seconded by Jack, to adopt resolution. Motion approved unanimously by polled vote.

5b Executive Session – Discussion of Wrangell v. Rea, et.al. 1WR-12-55

Moved by McConachie, seconded by Jack, to move to go into Executive Session to discuss the pending litigation in Discussion of Wrangell v. Rea, et.al. 1WR-12-55 involving matters, the immediate knowledge of which would clearly have an adverse effect upon the finances of the public entity. Motion approved unanimously by polled vote.

Recessed into Executive Session at 5:20 p.m.

Reconvened back to Special Meeting at 6:43 p.m.

Borough Clerk Flores was directed to schedule a Special Meeting for Friday, August 17, 2012 at noon to introduce a Proposed Ordinance of the Borough Assembly.

Mayor Maxand said that the Borough Attorney would forward the proposed ordinance language to the Borough Clerk.

Special meeting adjourned at 6:44 p.m.

Jeremy Maxand, Mayor

ATTEST: _____
Kim Flores, Borough Clerk

**Minutes of Special Assembly Meeting
Held August 17, 2012**

Mayor Jeremy Maxand called the special assembly meeting to order at 12:00 p.m., August 17, 2012, in the Assembly Chambers. Assembly Members Stokes, Privett, and McConachie, McCloskey were present. Assembly Member Jack was absent. Acting Borough Manager Carol Rushmore and Borough Clerk Kim Flores were also in attendance.

CONFLICT OF INTEREST

None.

PERSONS TO BE HEARD

Judy Allen, 8 ¾ Mile Zimovia Hwy., stated that as a candidate for the upcoming special election for the Wrangell Medical Center Board, that she was in full support of the proposed ordinance and that she believed that it was very necessary. She said that the current ordinance for the Wrangell Medical Center was abused by the recalled Hospital Board Members. She urged everyone to pass the proposed ordinance.

Greg Salard, 3 ½ Mile Zimovia Hwy., fully supported the proposed ordinance. He said that he believed that the changes were necessary. He also said that the proposed ordinance would prevent the problems that had occurred in the past. He said that the current and proposed ordinance limits those who are eligible to sit as WMC Board Members. He named AICS employees as a large number of qualified members who could not currently sit as WMC Board Members and expressed that the ordinance for these qualifications should be addressed at a later date. He said that other municipalities have had hospital employees on their Hospital Boards. He also said that in the future if there were a situation like we experienced where there were vacancies on the WMC Board, those vacancies should be filled by appointment of the Borough Mayor with the approval of the Hospital Board until the next regular election.

ITEM OF BUSINESS

5a PROPOSED ORDINANCE: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING TITLE 3, CHAPTER 3.32 OF THE WRANGELL MUNICIPAL CODE RELATING TO THE WRANGELL MEDICAL CENTER AND LONG-TERM CARE FACILITY BOARD (*first reading*)

Moved by Privett, seconded by McConachie, to approve first reading, and move to second with a public hearing to be held on August 28, 2012.

Assembly Member McConachie said that there were a few areas of concern that he would pass onto the Borough Manager.

Motion approved unanimously by polled vote.

Special meeting adjourned at 12:05 p.m.

Jeremy Maxand, Mayor

ATTEST: _____
Kim Flores, Borough Clerk

CITY & BOROUGH OF WRANGELL, ALASKA

BOROUGH ASSEMBLY AGENDA ITEM August 28, 2012

ITEM NO. 7 COMMUNICATIONS:

INFORMATION: The Assembly may receive items for Communications, reasons only which do not require action. This is an avenue to keep the Assembly informed, for the public to enter items on the record, if necessary. The Assembly also receives agenda communications directly by their constituents, Borough Manager, other agencies' Officers and Department Directors.

A MAIL BOX IS ALSO AVAILABLE IN THE BOROUGH CLERK'S OFFICE FOR EACH MEMBER OF THE ASSEMBLY AND SHOULD BE CHECKED ON A ROUTINE SCHEDULE.

All items appearing under Communications on the Agenda have been approved under the Consent Agenda unless removed.

- 7a Minutes of Regular School Board meeting held August 13, 2012**
- 7b Wrangell 2013 Liquor Listing Renewals**

BOARD ACTION

FOR DETAILS, CONTACT
RICH RHODES, ED. D.
SUPERINTENDENT
DIRECT PHONE 907-874-2347

**WRANGELL PUBLIC SCHOOL BOARD
REGULAR MEETING
AUGUST 13, 2012**

CITY CLERK
AUG 17 2012
RECEIVED
AGENDA
7a

- Approved the Agenda as Presented
- Reviewed the Science Curriculum Review Process
- Accepted the Minutes of the June 18, 2012 Regular Board Meeting
- Accepted the Minutes of the June 26, 2012 Special Board Meeting
- Directed the Administrative Assistant to write AASB a Letter Supporting the Resolution Packet as presented
- Discussed the Activities Eligibility
- Accepted the Nutritional Alaska Foods for School Grant Award in the amount of \$24,90.200 to purchase nutritious Alaska grown produce and seafood
- Approved the application of the Alaska Public Entity Insurance 2012-2013 Safety Equipment and Training Grant
- Offered Staff a contract addendum as presented in the board packet
- Approved the hire of Dixie Books as Food Service Director/Cook
- Reviewed the resignation of Edna Abella, Dulcey Heinzelmann and Daniel Powell as an item of information
- Reviewed Board Policy:
 - Board Policy 4020, Drug, Tobacco and Alcohol-Free Workplace
 - Board Policy 4021, Pre-employment Drug Testing
 - Board Policy 4111, Recruitment and Selection
 - Board Policy 4111.2, Legal Status Requirement
- Recessed into Executive Session
- Reconvened into Regular Session
- Waived the Requirement of Board Policy #3310, Purchasing and approved the payment totaling \$4,680.00 to the Stikine River Jet Boat Association less the prior payment of \$880.00 for the 2012 4th Grad Stikine River Field Trip
- Adjourned

Kim Flores

From: Lambert, Christine C (CED) <christine.lambert@alaska.gov>
Sent: Tuesday, August 07, 2012 2:47 PM
To: Kim Flores
Subject: RE: 2013/2014 Liquor License Renewal Notice

AGENDA

7 b`

Kim,

Yes, we will mail an individual renewal application to each licensee listed on the Excel sheet. The licensing department has approved the new applications, I have sent it on to the Director to review. The applications will be mailed in mid to late September. Please feel free to contact me with any other questions. Chris

Christine C. Lambert

Records & Licensing Supervisor / Alcoholic Beverage Control Board

269-0359 phone | 272-9412 fax | Christine.lambert@alaska.gov

From: Kim Flores [<mailto:cityclerk@aptalaska.net>]
Sent: Tuesday, August 07, 2012 1:15 PM
To: Lambert, Christine C (CED)
Subject: RE: 2013/2014 Liquor License Renewal Notice
Importance: High

Hi Christine,

Will the renewal notices be mailed to each licensee?

Thank you,
Kim

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Kim Flores  
Borough Clerk  
City & Borough of Wrangell  
P.O. Box 531  
Wrangell, AK 99929  
Ph: 907-874-2381  
Fax: 907-874-2304  
[\\*clerk@wrangell.com](mailto:*clerk@wrangell.com)  
[www.wrangell.com](http://www.wrangell.com)

*\*please make note that my email address has changed*

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**From:** Lambert, Christine C (CED) [<mailto:christine.lambert@alaska.gov>]  
**Sent:** Tuesday, August 07, 2012 12:20 PM  
**To:** [municlicenses@muni.org](mailto:municlicenses@muni.org); [jjhovenden@ci.fairbanks.ak.us](mailto:jjhovenden@ci.fairbanks.ak.us); [jjohnson@ci.homer.ak.us](mailto:jjohnson@ci.homer.ak.us); [city\\_clerk@ci.juneau.ak.us](mailto:city_clerk@ci.juneau.ak.us); Beth McEwen (Beth [McEwen@ci.juneau.ak.us](mailto:McEwen@ci.juneau.ak.us)); [smodigh@ci.kenai.ak.us](mailto:smodigh@ci.kenai.ak.us); [katys@city.ketchikan.ak.us](mailto:katys@city.ketchikan.ak.us); [deputyclerk@kgak.us](mailto:deputyclerk@kgak.us); [njavier@kidiakak.us](mailto:njavier@kidiakak.us); [clerk@city.kodiak.ak.us](mailto:clerk@city.kodiak.ak.us); [tmorna@nomealaska.org](mailto:tmorna@nomealaska.org); [tanischoneman@bristolbayboroughak.us](mailto:tanischoneman@bristolbayboroughak.us); [gail\\_pieknik@denaliborough.com](mailto:gail_pieknik@denaliborough.com); [pphillips@co.fairbanks.ak.us](mailto:pphillips@co.fairbanks.ak.us); [kring@borough.kenai.ak.us](mailto:kring@borough.kenai.ak.us); [susan.lee@matsugov.us](mailto:susan.lee@matsugov.us); [jbower@palmerak.org](mailto:jbower@palmerak.org); [clerk@ci.petersburg.ak.us](mailto:clerk@ci.petersburg.ak.us); [clerk@cityofseward.net](mailto:clerk@cityofseward.net); [colleen@cityofsitka.com](mailto:colleen@cityofsitka.com); [e.deach@skagway.org](mailto:e.deach@skagway.org); [cityclerk@ci.soldotna.ak.us](mailto:cityclerk@ci.soldotna.ak.us); [spierce@ci.valdez.ak.us](mailto:spierce@ci.valdez.ak.us); [mrager@ci.wasilla.ak.us](mailto:mrager@ci.wasilla.ak.us);

[ctyclerk@aptalaska.net](mailto:ctyclerk@aptalaska.net)

**Cc:** Gifford, Shirley A (CED); Oates, Sarah D (CED); Andrews, Maxine R (CED)

**Subject:** 2013/2014 Liquor License Renewal Notice

Local Governing Body Officials,

I attach the advance notice of liquor licenses that will be renewing this 2012 year. The Excel spreadsheet has been broken down into separate sheets for larger cities and boroughs. The first page lists the smaller governing bodies and has been highlighted for ease of distinguishing each entity. For boroughs with multiple cities, please search the tabs for each city, as well as the borough tabs to view renewals. If you have any problems viewing the spreadsheet, please contact me. Thank you, Chris

*Christine C. Lambert*

*Records & Licensing Supervisor / Alcoholic Beverage Control Board*

*269-0359 phone | 272-9412 fax | [Christine.lambert@alaska.gov](mailto:Christine.lambert@alaska.gov)*

| Lic # | Establishment Name      | License Type                                       | City Name | Service Location   | Owner Name                    | Owner Address                        | Phone          | Exp Year | Email                   |
|-------|-------------------------|----------------------------------------------------|-----------|--------------------|-------------------------------|--------------------------------------|----------------|----------|-------------------------|
| 179   | Rayme's Bar             | Beverage Dispensary                                | Wrangell  | 532 Front Street   | Rayme's Bar, Inc.             | PO Box 1201 ,<br>Wrangell, AK 99929  | (907) 874-3442 | 2012     |                         |
| 180   | Rayme's Liquor Store    | Package Store                                      | Wrangell  | 532 Front Street   | Rayme's Bar, Inc.             | PO Box 1201 ,<br>Wrangell, AK 99929  | (907) 874-3442 | 2012     |                         |
| 237   | City Market             | Package Store                                      | Wrangell  | 423 Front Street   | City Market Inc               | PO Box 140, Wrangell,<br>AK 99929    | (907) 874-3046 | 2012     | cmarketaccounts@gci.net |
| 370   | BPO Elks Lodge #1595    | Club                                               | Wrangell  | 103 Front St.      | BPO Elks Lodge<br>#1595       | PO Box 377, Wrangell,<br>AK 99929    | 907874-3716    | 2012     | wrangell1595@gci.net    |
| 698   | Marine Bar              | Beverage Dispensary                                | Wrangell  | 640 Shakes St      | Beaver Connections,<br>Inc.   | P.O. Box 2214,<br>Wrangell, AK 99929 | (907) 874-3005 | 2012     |                         |
| 701   | Marine Liquor Store     | Package Store                                      | Wrangell  | 640 Shakes St      | Beaver Connections,<br>Inc.   | P.O. Box 2214,<br>Wrangell, AK 99929 | (907) 874-3005 | 2012     |                         |
| 3073  | Alaskan Sourdough Lodge | Beverage Dispensary-<br>Tourism AS<br>04.11.400(d) | Wrangell  | 1104 Peninsula St. | Alaska Sourdough<br>Lodge LLC | PO Box 1062,<br>Wrangell, AK 99929   | (907) 874-3613 | 2012     | info@akgetaway.com      |



**TO: THE HONORABLE MAYOR AND ASSEMBLY  
CITY AND BOROUGH OF WRANGELL**

**FROM: TIMOTHY D. ROONEY  
BOROUGH MANAGER**

**RE: BOROUGH MANAGER'S REPORT**

**DATE: August 24, 2012**

*"The mediocre teacher tells. The good teacher explains. The superior teacher demonstrates. The great teacher inspires."*

*-- William Arthur Ward  
(The first day of school for Wrangell  
students is Monday, August 27, 2012)*

**MANAGERIAL:**

INITIATIVE PETITION – A third version of an initiative petition has been filed with the Borough Clerk's Office and has been reviewed and found to be in compliance by Mr. Blasco's office for accuracy and conformance. The petition intends to seek Wrangell voter approval of a reduction in sales tax from 7% to 5.5% at an upcoming election. The latest version of the petition has been attached for your information and review.

While I reviewed the facts regarding the impact of this proposal in the last Borough Manager's Report, I feel it is important to review them again:

- 7% sales tax is estimated to bring in \$2,350,000 in FY 2012-13.
- Reducing the sales tax to 5.5% would reduce this amount to \$1,846,428. This is a reduction of \$503,572.
- Currently sales tax is divided as follows:
  - 4% to Streets
  - 28% to Schools
  - 68% to General Fund.
- If sales tax is reduced to 5.5%, the impact on those funds would be as follows:
  - Streets would receive \$20,143 less
  - Currently the City and Borough of Wrangell gives the school a total of \$667,799, of which \$590,000 is from sales tax. At 5.5%, this amount is reduced to \$517,000, less the \$29,000 for the pool, bringing the amount to \$488,000. This would create a shortfall from the amount the City gives the school to \$102,000 which would have to be picked up by the general fund.

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- The General Fund sales tax revenue would go from \$1,598,000 to \$1,255,571, a reduction of \$342,429.00.
- To balance the General Fund under the above scenario, spending would need to be reduced 8.7%.

I believe it's important to note when, how, and why the sales tax rate was established at its current rate of 7%. On March 27, 1990 and again on April 10, 1990, the Wrangell City Council reviewed in first and second reading the proposed Ordinance 560 – amending Wrangell Municipal Code, specifically Title 5, Chapter 8, Sales Tax, providing for an increase in the rate of levy of consumer sales tax from 5% to 6%. During the discussion, the minutes from the meeting reveal that the proposed budget for FY 1990-91 called for an increase in the mill levy from its then current 9 mills to 16 mills. It was the feeling of the Mayor at the time - Honorable Donald House - that an increase in the sales tax from 5% to 7% (instead of 6%) would be preferable as this would allow the mill rate to remain at 9 mills.

Councilmembers Fisher, Mason and Sims also stated at the meeting that they had received many comments regarding consideration to “increase the proposed sales tax to seven percent instead of the six percent. Several members of the audience appeared before the council and stated they were in favor of placing the consideration of a seven percent sales tax raise before the voters. Moved by Fisher, seconded by Mason, to amend the motion from 5% to 7% and include all changes. Motion passed unanimously by polled vote. Main motion as amended passed unanimously by polled vote.”

A special election was conducted on May 22, 1990 for the purposes of voting on Ordinance No. 560. The election was conducted and the certified results of that election were 422 votes in favor, 183 votes against. This represents a 70% approval of the voting public – a strong and favorable margin for the increase.

Based on the minutes of the meeting, as well as the vote of the citizenry at that time, it is clear that the sales tax was raised in order to offset the probability of an overwhelming mill rate increase from 9 to 16. A review of the mill rate history for Wrangell indicates that increasing the sales tax in 1990 from 5% to 7% was successful in preventing any increase for the next three years. While the mill rate climbed in 1994 to 10, and then again in 1999 to 12, and then to 12.75 in 2007, the increase in sales tax has been an effective tool in preventing an increase in the mill rate to anywhere near 16 – even though prior to 1990 the mill rate had been as high as 21. And it is also important to note that of the 12.75 mill rate currently in effect, 1.3 mills is utilized to pay the annual debt service on school bonds, all of which were also voter approved.

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Additionally, the public authorized the City and Borough of Wrangell to increase the mill rate from 12.75 to 13 in 2010 (by a margin of 468 to 201 – again, reflects 70% voter approval) in order to allow for the payment of G.O. Bond debt for the new playground completed at Evergreen Elementary School. Staff has recommended to the Borough Assembly each of the last two years, and the Borough Assembly has concurred, not to raise the mill rate to 13 although authorized to do so because of the ability for the sales tax to make this payment. A reduction in sales tax would inevitably result in increasing the mill rate to the authorized level of 13, if not higher, to cover this shortfall and all of the shortfalls in funding identified above.

Again, I feel it is imperative to communicate these facts so that in the event there is a vote of the people, the people are informed. The next step in the initiative petition process is for the petition sponsors – Mr. Ernie Christian and Ms. Rhonda Dawson – to obtain 94 signatures to place the initiative petition before the voters of Wrangell.

**DOWNTOWN REVITALIZATION PROJECT** – A Downtown Revitalization Project update meeting for the Downtown Revitalization Project was conducted on Thursday, August 16, 2012 at 10:00 AM at City Hall. No business owners attended the meeting. The next Downtown Revitalization Project update meeting will be conducted on Thursday, August 30, 2012 at 10:00 AM in City Hall.

In addition to the above referenced meeting, Construction Progress Update Memorandum #12 was also submitted on August 22, 2012. The following items were reported as part of that update:

- All underground water and sewer utilities installed to the end of the project (Case Avenue).
- Nearly all storm drain facilities installed to the end of the project.
- Concrete curb and gutter and sidewalk pouring operations are progressing past Episcopal Street to Case Avenue.
- Concrete subcontractor currently working to finish concrete at St. Michaels Street and Episcopal intersection.

Construction Progress Update Memorandum #12 has been attached for your information and review. Engineering progress reports for this project continue to be posted to the City and Borough of Wrangell's website ([www.wrangell.com](http://www.wrangell.com)) daily.

**LYNCH STREET** – Staff has been in the process of developing cost estimates to address paving concerns on Lynch Street. Currently, the plan is to pave it with six inches of concrete to match the work already performed on Brueger Street and the North end of Campbell Drive. Under this scenario, the City would purchase the concrete and perform the excavation and preparation for concrete installation. Quotes are now being solicited for placement of the concrete.

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It is estimated that costs will be approximately \$22,750 for concrete and about \$17,000 for contracted labor to place and finish the concrete. \$3,000 to \$5,000 will also be needed for some equipment rental. Total costs for the project should not exceed \$45,000. Providing the quotes received for the labor to place and finish the concrete remain under \$25,000, this is a project within the Borough Manager's spending authority.

Unless concerns are expressed by the Borough Assembly, staff plans to move forward with this project. A budget amendment, utilizing reserve funds, will be necessary in order to fund this work and is another example of the type of project that would not be able to be completed if a reduction in sales tax becomes reality.

COASTAL IMPACT ASSISTANCE GRANT FUNDING - Wrangell, as a Coastal District, was automatically entitled to Coastal Impact Assistance Program funds (CIAP) in 2009. The amount of the City's award was \$85,692. There were very strict eligibility requirements for projects – all having to benefit the coastal waters and shorelines. It has been a very long process consisting of the original submission of 5 proposals to the State; the State's approval of each project proposal and inclusion into the State's plan; Federal approval of each local proposal as well as the State's plan; and final award of one of the proposals. The CIAP plan and program is different from the Coastal Zone Management program.

The City and Borough of Wrangell received notification this month that the final approval has been made on our top priority project proposal. The project was titled "Protecting Coastal Areas through Waste Management Improvements." This grant will allow the City and Borough of Wrangell to clean up several illegal remote trash dumping areas on the Spur Road or other shoreline areas, allow for the purchase of a piece of equipment towards a recycling effort, and to develop a recycling and operational plan.

If you have any questions regarding this item, please contact Ms. Rushmore.

WMC REPLACEMENT PROJECT – Project status meetings have been temporarily suspended until such time that the both the new WMC Board is seated and staff has had an opportunity to visit with the USDA to discuss plans to move forward. As presented in the July 20, 2012 Borough Manager's Report, the USDA will be doing nothing regarding the project loan until the new WMC Board is elected and seated. Also noteworthy is that although the source of the loan funding may change from ARRA funds, the USDA remains committed and excited about the project. Please note that a review of available revenues from WMC will still be required prior to the closing of any loan and would still require Borough Assembly approval.

**MUNICIPAL MATCHING GRANT PROGRAM** – The City and Borough of Wrangell has applied for two projects with the Alaska Department of Environmental Conservation as part of the annual Municipal Matching Grant Program:

- **Sewer Pump Replacement** – Replacing equipment pumping sewage from 80% of residents to the treatment plant. The request is for grant funds totaling \$345,512 or 70% of an estimated \$493,589 project.
- **Water Plant Pilot Study** – Analyzing treatment solutions to improve the filtration process and to minimize the maintenance costs associated with the same. The request is for grant fund of \$99,414 or 70% of an estimated \$142,000 project.

If you have any questions regarding this item, please contact Ms. Rushmore.

**BYFORD JUNK YARD SITE** – Ms. Rushmore and Ms. Al-Haddad recently participated in a teleconference with the Department of Environmental Conservation regarding the Byford Junk Yard Site and the next phase of the clean-up process. Notes from the August 8, 2012 teleconference have been attached for your information and review.

**PERSONNEL POLICY MANUAL** – While the revised Personnel Policy Manual had originally been scheduled to be placed on the August 28, 2012 regular meeting of the Borough Assembly for action, staff has pulled this item in order to ensure all employees have ample time to review and comment on the document, as well as allow for review of the document by Mr. Blasco. The Personnel Policy Manual will be scheduled for action by the Borough Assembly at the September 11, 2012 regular meeting.

**ANIMAL CONTROL ORDINANCE** – The Animal Ordinance Review Committee conducted a meeting on Tuesday, August 7, 2012 at 6:00 PM at City Hall. The purpose of the meeting was to provide a final review of a revised Animal Control Ordinance. The ordinance is now being reviewed by Mr. Blasco. Upon the completion of his review, the proposed animal control ordinance will be forwarded to the Borough Assembly for action.

**SOUTHEAST SENIOR SERVICES** – The most recent report identifying the services provided to Wrangell Senior Citizens was submitted by Southeast Senior Services. A copy of the letter from Southeast Senior Services is attached for your information and review.

**BOROUGH LAND SELECTION** – Staff was notified this week that the Alaska Department of Natural Resources has completed agency review, land status and other pertinent research and are in the process of writing the Preliminary Decision regarding the entitled land parcel selections made by the Borough. Ms. Sandra Jensen is assigned the responsibility for the preparation of the Preliminary Decision and this is her primary

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focus at this time. DNR intends to keep focused on Preliminary Decision preparation and a document should be ready for review shortly.

This is the final step in the Borough formation process; one that Representative Peggy Wilson greatly assisted the City and Borough of Wrangell in order to be able to secure a total of 9,006 acres for municipal entitlement purposes.

**SOUTHEAST CONFERENCE** – Southeast Conference will be conducting its Annual Membership Meeting September 25-27, 2012 in Craig, Alaska. While final adjustments and additions are being made to the agenda, a draft copy of the agenda has been attached for your information and review.

Southeast Conference was formed in 1958 as an association of communities joined to advocate for the establishment of the Alaska Marine Highway System. While their commitment to its development and efficient operation continues, Southeast Conference has greatly expanded both its membership and its overall mission. Today, Southeast Conference is a regional, nonprofit corporation that advances the collective interests of the people, communities, and businesses in southeast Alaska.

At the Annual Membership Meeting, I will be assuming the role of President through September of 2013. It is both an honor and a privilege to serve on the Southeast Conference Board of Directors and I look forward to serving as their President as we celebrate the 50<sup>th</sup> Anniversary of the Alaska Marine Highway System.

**COFFEE WITH THE MAYOR** - The next "Coffee with the Mayor" meeting will be held on Friday, September 14, 2012 from 9:00 AM to 11:00 AM at City Hall. The purpose of these meetings is to provide an opportunity for citizens to meet with the Mayor and discuss issues, concerns, and ideas they would like to share in a forum other than at regularly scheduled meetings of the Borough Assembly.

If you know of any citizens or business owners that would like to meet with the Mayor, no appointment is necessary, just direct them to City Hall on the above date and time do so. Coffee and donuts will be provided.

**TIMESHEET** – My timesheet for the month of July is attached for your information and review. My office hours continue to be 7:00 AM until 4:00 PM unless requested to meet with a citizen that cannot meet during those times. I will be out of the office on Friday, August 31, 2012.

**ELECTRIC DEPARTMENT:**

OUTAGES – There are two recent power outages to report. On the afternoon of Friday, August 17, 2012, there was an approximately 45 minute power outage as a result of a technical error inside the Tyee substation. This problem was identified quickly and power was restored in a timely manner.

On Sunday afternoon, August 19, 2012, there was a second outage that lasted approximately 50 hours that required Wrangell to utilize diesel generation. The outage, while initially difficult to determine the location, was the result of a broken insulator caused by what would appear to be an intentional hit with a high powered rifle in the area of Salamander Creek.

Wrangell Municipal Light and Power crews assisted Chatham Electric crews and on Tuesday evening, August 21, 2012, at about 8:30 PM, hydro power was restored. The Police Department is investigating the apparent vandalism.

LED STREET LIGHTING – The AEA portion of the LED Street Light installation has been completed. An additional 75 lights have arrived and will be installed as soon as possible. These lights were provided as a result of a Wrangell Cooperative Association grant and have a more lenient installation schedule than those that were purchased through the AEA grant funds. Originally, there were a total number of 400 street lights and 299 have been changed to LED lighting. After the remaining 101 street lights are changed to LED lighting, the entire community will then be on LED street lighting with several spare lights for future repairs.

**UTILITY BILLING:**

AUTO PAYMENT – As you are aware, the City and Borough of Wrangell now offers customers the ability to have payments for their monthly utility bills to be deducted automatically from their bank account. To date, a total of 105 accounts out of 2,034 residential and commercial accounts have signed up for this convenient service.

If you or anyone you know is interested in this convenient new payment method, please visit City Hall to sign-up and begin this service.

**FINANCE:**

ANNUAL AUDIT – The annual audit field work has been completed and there are no major concerns to report. As is a normal part of the report, there were some accounts that were under budget and some that were over budget; however it was a good year financially for the City and Borough of Wrangell. Once Mr. Jabusch receives the final



financial statements, he is required to write an analysis of the financial statements and print it in final form. All reports should be completed by mid-October and a more detailed report will be provided to the Borough Assembly once printed reports are available. This report is also added to the City and Borough of Wrangell's website for public review.

2013 ASSESSMENT YEAR – Work has begun in preparation for the 2013 assessment year. Every three years, the City and Borough of Wrangell is required to perform a complete inventory and evaluation of every parcel. Mr. Renfro, the City and Borough of Wrangell's Assessor, plans to bring a team to Wrangell in September to begin this process.

**CAPITAL PROJECTS:**

**CITY DOCK REHABILITATION** - The Contractor, Northwest Underwater Construction (NUC), continues work on the City Dock Rehabilitation project. They have completed the installation on all anodes and continue the wrapping and jacketing of both the round-piles and H-piles. NUC's subcontractor, Pacific Pile & Marine, completed their sandblasting and zinc spray metalizing of the tops of the piles and have demobilized from the project site. Performance issues with the foam billets, utilized with the H-piles' protective system, were resolved with the Contractor and their pile wrap manufacturer, Denso Inc. who have been proactive and solution-oriented in correcting the problem areas. The planned work remains on schedule.

**COMMUNITY CENTER ROOF REPLACEMENT** - Johnson Construction, Inc. began reconstruction of the Community Center Roof Replacement project on August 14, 2012. Construction began with the demolition of the low slope roof on the east side of the building which was known to include a fair amount of rot, requiring replacement. A cost estimate was received for a portion of the rot which could be identified prior to demolition. The concealed framing rot was scheduled to be replaced on a Time-and-Material basis. Demolition and replacement of the originally-scheduled roof work resumed on August 20, 2012. The Contractor will complete the west side of the Gym roof replacement before moving to the east side of the Gym roof, followed by the completion of the low slope roof on Reid Street. The planned work remains on schedule.

**COMMUNITY GARDEN GRANTS –**

**COMMUNITY GREENHOUSE** - Following the City and Borough of Wrangell's letter to the USDA requesting a time extension to the Community Greenhouse grant, in an effort to maintain the funds for the project, the USDA is requesting that a grant agreement be executed between the USDA and the City and Borough of Wrangell, as one did not previously exist. A grant agreement will be presented to the Borough

Assembly for review and approval for the Community Greenhouse project at the August 28, 2012 regular meeting.

FARMER'S MARKET - A draft of the Farmer's Market feasibility plan is currently underway with the joint efforts of staff and the University of Alaska.

WIND TURBINE - The Farmer's Market Promotional Program, a division of the USDA, has granted a six-month extension in order to complete the terms of an agreement with SEAPA, for a grid-connected wind turbine to be used as a Research and Development (R&D) project. The agreement with SEAPA is pending notification from the USDA's Alaska Rural Development division that a time extension will be granted for the associated Community Garden greenhouse project.

ETOLIN STREET AND MEDICAL CAMPUS UTILITIES - At the Etolin Street and Medical Campus Utilities project, the sanitary sewer system was complete and subsequently placed into operation on July 6, 2012. On July 23, 2012 the City and Borough of Wrangell received the Alaska Department of Environmental Conservation's Interim Approval to Operate. Following this approval, the water line extension was placed into service on July 26, 2012 and Ketchikan Ready Mix and Quarry achieved substantial completion of the project on July 28, 2012. Both the water and sewer utilities are complete and now available for use at the AICS Clinic.

EAST CHANNEL PADDLE CRAFT TRAIL - Proposals for the East Channel Paddle Craft Trail were due on July 31, 2012. Four proposals were received, ranging from \$9,900 to \$24,725. A construction contract was issued to the low bidder, Ketchikan Ready Mix, who anticipates completing the 6' wide x 265' long trail project by September 1, 2012.

ELECTRIC VEHICLE STUDY - The City and Borough of Wrangell received the grant award for the Electric Vehicle Feasibility Study from the Alaska Energy Authority (AEA). The goal of the project is to prepare a reconnaissance report to project the feasibility of using electric vehicles and plug-in hybrid electric vehicles in Wrangell, given the availability of hydroelectric power generation from the SEAPA grid. Staff and WHPacific Engineers have met to review WH Pacific's performance of the work. The final feasibility report is anticipated to be delivered to the Borough by April 2013.

HERITAGE HARBOR PHASE III - Southeast Earthmovers is awaiting the arrival of two replacement pumps for the lift station at Heritage Harbor before proceeding with closeout of the project.

**MARINE SERVICE CENTER CONCRETE PAVING** - Following substantial completion of Area 1 of the Marine Service Center Concrete Paving project, S&S General Contractors achieved the required 80% compressive concrete strength in Area 2 and Area 3 without delay. The concrete placement continues in both Area 4 and Area 6, with Area 5 to soon follow. The Contractor is currently ahead of schedule for the project's completion.

**MARINE SERVICE CENTER CONCRETE PAVING PHASE II** - The City and Borough of Wrangell issued a contract to PND Engineers for the design of the Marine Service Center, Concrete Paving Phase II, in order to provide concrete paving over the remainder of the boat haul-out facility. The engineering design is scheduled to be complete by March 2013, after which the construction bidding phase will follow.

The concrete surface improvements to the Marine Service Center Concrete Paving Phase II includes demolition of existing concrete surfacing, subgrade excavation and structural backfill, geotextile reinforcement, grading and drainage improvements, utility upgrades, and concrete paving to support boat-handling and seafood-related activities.

**MARINE SERVICE CENTER PIER UPGRADES** - The City and Borough of Wrangell issued a contract to PND Engineers for the design of the Marine Service Center Pier Upgrades in order to accommodate heavier vessel loads. The engineering design is scheduled to be complete by March 2013, after which the construction bidding phase will follow.

The existing marine travel lift pier was originally designed to support a 200-Ton Travel Lift. The pier is designed with precast concrete deck panels spanning between steel pile caps supported by steel bearing piles. The deck panels control the allowable load on the pier. In order for the piers to handle a new 250 Ton Travel Lift loads, the deck panels will need to be supported below deck with additional steel beams spanning between pile caps. The design concept will be further refined during the design phase.

**POWER PLANT SCADA SYSTEM** - Electrical Power Systems (EPS) is currently in the design phase of the Power Plant SCADA system project.

**WOOD STREET** - The City and Borough of Wrangell recently received \$1,000,000 from the State of Alaska, DCCED, for the Wood Street Access Road and Utility Improvements project. The purpose of the project is to improve the vehicular and pedestrian routes and utilities systems for access to the Wrangell medical campus.

The roadways and utilities project consists of a major reconstruction to the existing Wood Street. The major components of the project include clearing and grubbing, subgrade excavation and structural backfill, grading and drainage improvements, electrical service

improvements, water service improvements, storm drain improvements, widening of roadways for two-way vehicular traffic, asphalt concrete paving, curb and gutter, ADA-compliant pedestrian sidewalks, surveying, and environmental.

The City and Borough of Wrangell began the engineered design in 2011, through a contract with PND Engineers, and anticipates design completion, including necessary environmental assessments, by spring 2013. To date, a U.S. Army Corps of Engineer's construction permit has been secured. Competitive construction bidding will follow after completion of design. The construction work is anticipated to begin after both the hospital site work is complete and the hospital modular units have been transported to the site.

**NOLAN CENTER :**

RASMUSON FOUNDATION GRANT – Staff was notified in early August that the Nolan Center had received a \$500 grant from the Rasmuson Foundation. The grant was provided in appreciation for logistics and assistance that was provided during the Rasmuson Foundation's recent Board visit. A copy of the transmittal letter and the grant documents are attached for your information and review.

**PARKS AND RECREATION:**

MAINTENANCE - The following information is provided as a means of updating you regarding ongoing maintenance efforts of the Parks and Recreation Department:

- City Park Shelter #1 cement pad has been completed, as well as the entrance to the City Park restrooms.
- Six new fire rings for parks have arrived, 3 were placed in the RV Park and 3 in the tent campground area near Shoemaker Bay.
- City Park restroom has been painted.
- Shoemaker Shelter has been painted.
- Shoemaker Tennis Courts have been pressure washed and new court lines will be painted in the near future.
- City Park Shelter #3 roofing project has been awarded to Kevin Young with SEI Construction. Work will begin once final paperwork is received.

POOL MAINTENANCE – As you are aware, the pool was closed on Saturday, August 4, 2012 for annual maintenance. Upon being drained, it was discovered that the repair work needed on the bottom of the pool is more extensive than anticipated. As a result, while the Recreation Center will reopen to the public on August 27, 2012, the pool will remain closed until those repairs can be completed. Other maintenance work associated with the pool – the replacement of electrical outlets and ductile iron pipes and valves below the pool are also occurring at this time.

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***August 24, 2012***  
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If you would like to visit the pool to view the repairs underway, please contact Mr. Covalt.

**ATTACHMENTS:**

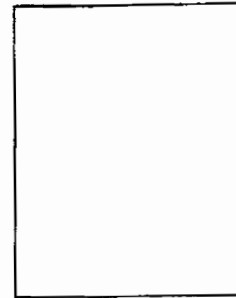
1. Copy of Initiative Petition
2. Downtown Revitalization Project Construction Update Memorandum #12
3. Byford Clean-Up Teleconference Notes
4. Southeast Senior Services Letter
5. Southeast Conference Annual Membership Meeting Draft Agenda
6. Timesheet for the month of July
7. Rasmuson Foundation Grant Transmittal Letter and Grant Documents

INITIATIVE/REFERENDUM PETITION SPONSORSHIP APPLICATION  
CITY & BOROUGH OF WRANGELL

Office of the Borough Clerk  
205 Brueger Street  
Wrangell, Alaska 99929  
[cryclerk@aptalaska.net](mailto:cryclerk@aptalaska.net)

Phone: 907-874-2381  
Fax: 907-874-3952

ORDINANCE TO BE INITIATED OR REPEALED:



For Official Use Only

THE SPONSORS OF THIS APPLICATION ARE: (At least 10 borough voters must be listed as sponsors)

\*Please provide one of the following identifiers for voter verification: Voter #, Last 4 numbers of Social Security #; or Birth Date

| Signature           | Printed Name        | Residence Address/City   | *Identifier |
|---------------------|---------------------|--------------------------|-------------|
| ✓ Danette Grover    | Danette Grover      | #10 Stough's Trailer Ct. | 7/28/61     |
| ✓ Steve Keller      | Steven E. Keller    | 1.5 mile Zimovia Hwy     | 8/18        |
| ✓ Terry Coblentz    | Terry Coblentz      | 5.3 mi. Zimovia Hwy      | 7/26/55     |
| ✓ Edith Grover      | Edith Grover        | #10 Stough's Trailer Ct. | # 11/04/90  |
| ✓ Bobbie Robbins    | Bobbie Robbins      | 9 Crest Drive            | 10/20/1962  |
| ✓ Lacey Soeteber    | Lacey Soeteber      | 3 mile Zimovia #17       | 2/12/83     |
| ✓ Phoebe Kvale      | PHOEBE KVALE        | 4.2 Zimovia              | 11-10-44    |
| ✓ Jack C. Kvale     | JACK C. KVALE SR    | 4.2 ZIMOVIA HWY          | 6-29-40     |
| ✓ James A. Stough   | James A. Stough sr. | 137 Port st.             | 8-11-49     |
| ✓ Kathryn Evers     | KATHRYN EVERS       | 11.6 mi Zimovia Hwy.     | 8-14-60     |
| ✓ Helga King        | Helga King          | 544 Shikine Ave.         | 02-01-43    |
| ✓ Dorothy Christian | Dorothy Christian   | 730 Zimovia Hwy<br>A 5   | 1-11-44     |

ALL CORRESPONDENCE RELATING TO THIS APPLICATION/PETITION SHOULD BE SENT TO:  
(List name and contact information of prime sponsor and alternate sponsor)

Prime Sponsor

Ernest Christian P.O. Box 428 (Wrangell), AK 99929  
Name Mailing Address  
721498 874-4061 305-0201  
(\*Identifier) Phone Cell Phone  
(8291)  
echristian@apt.alaska.net  
e-mail address

Alternate Sponsor

RHONDA DAWSON - PO BOX 575 - WRANGELL, AK 99929  
Name Mailing Address  
09471429 874-4061 AAA  
(\*Identifier) Phone Cell Phone  
rhondainwrangell@hotmail.com  
e-mail address

Received in the Borough Clerk's Office this 10<sup>th</sup> day of

August, 2012

X

Kim Flores

Certified this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

X

Borough Clerk





CITY AND BOROUGH OF WRANGELL  
ORDINANCE NO. \_\_\_\_

AN ORDINANCE OF THE CITIZENS OF THE CITY AND  
BOROUGH OF WRANGELL, ALASKA TO ADJUST THE  
RATE OF CONSUMER SALES TAX LEVIED WITHIN  
THE CITY AND BOROUGH OF WRANGELL, ALASKA.

BE IT ORDAINED BY THE VOTING CITIZENS OF THE CITY AND BOROUGH  
OF WRANGELL, ALASKA.

SEC. 1      Action. The purpose of this ordinance is to adjust the rate of  
Consumer sales tax within the City and Borough of Wrangell. This ordinance  
amends Section 5.08.020 of the Wrangell Municipal Code.

SEC. 2      Amendment. Section 5.08.020 of the Wrangell Municipal  
code is amended as follows:

The words: "The consumer sales tax is levied in the amount of seven percent of  
the sales price" are stricken from Section 5.08.020 of the Wrangell Municipal  
Code and replaced with the words, "The consumer sales tax is levied in the  
amount of five and one half percent (5.5%) of the sales price."

SEC. 3      Effect of the Amendment. The effect of this ordinance is that  
Section 5.08.020 of the Wrangell Municipal Code is amended to read in its  
entirety:

The consumer sales tax is levied in the amount of five and one half  
percent (5.5%) of the sales price of all retail sales, on all rents, and on  
all services, made, paid or performed within the municipality.

SEC. 4      Classification. This is a permanent code ordinance.

SEC. 5      Severability. If any portion of this ordinance or any application  
thereof to any person or circumstance is held invalid, the remainder of this  
ordinance and the application to other persons or circumstances shall not be  
affected thereby.

SEC. 6      Effective Date. This ordinance shall become effective on the first day of the month following the general election.

---

Borough Clerk

---

Mayor



THE STATE  
of **ALASKA**  
GOVERNOR SEAN PARNELL

Department of Transportation  
and Public Facilities

SOUTHEAST REGION  
Construction Section

6860 GLACIER HIGHWAY  
JUNEAU, ALASKA 99801-7999  
Main: (907) 465-1799  
Fax: (907) 465-2030  
TTY-TDD: (907) 465-4647

Local Address  
PO BOX 1364  
WRANGELL, ALASKA 99929  
Main: (907) 874-4467  
Fax: (907) 874-4469

August 22, 2012

PL #31

RE: Wrangell Road and Utilities Improvements  
HPRM-0003(135)/68828 & 67789  
Construction Progress Update Memorandum #12

Tim Rooney  
City and Borough of Wrangell  
205 Brueger Street  
Wrangell, AK 99929

Mr. Rooney,

This is to give an update of the construction progress since the last Construction Update Memo and give details of changes in costs associated with the project.

**Construction Update and Look-Ahead**

Bullet items of completed tasks since the last update are listed below.

- All underground water and sewer utilities installed to the end of the project (Case Avenue).
- Nearly all storm drain facilities installed to the end of the project.
- Concrete curb and gutter and sidewalk pouring operations are progressing past Episcopal Street to Case Avenue.
- Concrete subcontractor currently working to finish concrete at the St. Michael's Street and Episcopal intersection.

**Summary of Additional Costs**

No additional costs have been incurred during the previous two weeks of the project.

As mentioned in previous Update Memos, cost savings due to underruns and unused bid items are anticipated. These potential cost savings could be in the range of 30k-60k. As the project reaches the completion, these cost savings will become known.

The current project completion date is scheduled for September 21, 2012. This is an aggressive schedule but currently the Contractor is on schedule to complete at this time.

Please contact me if you have any questions.

Regards,

James Lowell, PE, LS  
Chief Construction Engineer

A handwritten signature in black ink, appearing to read "Eric Voorhees", is positioned above the printed name.

Eric Voorhees, PE  
Project Engineer

CC: Maureen Hansen, PE, Project Manager

## **Wrangell Junkyard (Byford's) teleconference August 8, 2012**

Background: In January of 2010, EPA approved our request to conduct a Targeted Brownfield Assessment (TBA) at Byford's Junkyard site, which will include a Phase I and II assessment. The first task was to clean-up as much surface junk as possible so that participants would know what the concerns are and so testing could be conducted. The Borough contracted with Randy Oliver for a salvage clean-up operation. That is coming to an end.

Amber and I sat in on a teleconference to discuss the next phase of the Byford's clean-up process. Below is a summary of where the clean-up process stands.

### **Participants:**

Borough: Amber Al-Haddad, Carol Rushmore

DEC: Sally Schlichting, Bill Jane?, John Carnahan (Brownfield Coordinator), Bruce Wanstall, Linda Ader?

EPA: Joanne Labaw

Randy Oliver will be completing his salvage work within the next two weeks. Borough staff will then remove tires and what batteries we can dispose of that Randy cannot (Randy's recycler will not accept batteries with broken casings, where ours will accept some).

Because the salvage and surface clean-up took longer than expected, EPA had to focus on other projects this summer. A site visit will not be made this year. Over winter a TBA plan will be developed and circulated amongst all parties and next spring (April or May) they hope to come to conduct the assessment (TBA plan).

One concern was whether the site posed an immediate health risk. Sally Schlichting of DEC had made a recent site visit in July 2012 and stated that the adjacent neighbor was concerned about contaminants leaching onto the adjacent property. SS also indicated that a staff person with her had a reaction after investigating the property with her. There were also concerns about contaminants leaching into the tidal area affecting the health of clam harvesters, and the need to post signs about 100 yards on either side of the property regarding the health risk. DEC was requesting the well on-site to be tested before the demolition of the structure, or that the well be preserved for testing after the demolition.

Potential reuse of the property will affect how the clean-up is designed. At this time the City has only had general conversations about reuse of the property, including residential, green houses, park. Notes from any previous discussions will be collected and the community can start a conversation over winter while the TBA is being developed.

Discussion also ensued on how much ground disturbance can be done while cleaning up batteries and broken battery pieces as well as during testing and if/how RCRA regulations are implemented.

As a means of eliminating more run-off from the site to the beach, EPA would like to see the crushed batteries and other crushed contaminants placed in supersacks or another type of

hazardous material storage. Additionally, the installation of silt fencing would aid in eliminating run-off.

The TBA will identify what and how the testing will occur on the site in order to analyze the extent of the contaminants; and it will generally identify clean-up options, but it does not develop a clean-up/corrective action plan. That would be prepared by the operator performing the clean-up and would be based on the assessment. The TBA could contain some sediment sampling for the shellfish areas (EPA will look into). It was agreed that sampling was needed offsite on adjacent land, tidewater area, in-stream area, and in the battery storage area.

DEC requested that the Borough install advisory signs of potential shellfish contamination and would provide sample language and work with us on a communication plan that will be necessary to respond to inquiries from the public. They also wanted the site to be blocked to minimize public access and prohibit additional dumping by locals.

It may be possible that the Borough could apply for a Brownfield grant. They provide grants up to \$200,000, with a 20% match. The grant will provide funds for clean-up, but most important is the reuse plan. A proposed reuse of residential, while doable, will increase the costs of clean-up, because that use will require the most extensive plan.

**Next steps:**

Once the tires/batteries and final salvage material is removed follow-up photos should be taken. Borough is also hoping to get some aerials of the site when downtown and possibly mill sites are photographed.

Begin a general community discussion on the reuse of the site

Establish interim control measures to prevent additional dumping and access to the site; place signs on waterfront advising of potential contamination and development of communication plan to address concerns of residents

Development of TBA plan prior to testing next spring.



Dignity • Care • Compassion

419 6th Street

Juneau, AK 99801

Telephone: 907.463.6100

Fax: 907.586.9018

www.ccsjuneau.org

July 31, 2012

Mr. Timothy Rooney, Borough Manager  
City and Borough of Wrangell  
P O Box 531  
Wrangell, AK 99929

Dear Mr. Rooney:

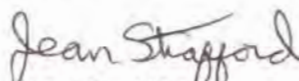
A copy of the Quarterly Expenditure Report for Southeast Senior Services' Wrangell program is enclosed. The report covers the period from April 1, 2012 through June 30, 2012.

The following services were provided during the fourth quarter of Fiscal Year (FY) 2012:

- \* 30 individuals received 1,080 home-delivered meals.
- \* 59 individuals received 542 congregate meals.
- \* 23 individuals received 760 assisted rides.
- \* 3 individuals received a total of 107 hours of Caregiver Support homemaker services.
- \* 1 disabled individual under the age of 60 received 51 congregate meals.
- \* 1 disabled individual under the age of 60 received 123 assisted rides.

On behalf of Wrangell seniors, I would like to thank you for your continued support of the Wrangell Senior Program.

Sincerely,

  
Jean Strafford  
Executive Director

JS/hi

Enclosures





# Membership Conference Annual Meeting

September 25, 26, 27, 2012  
Prince of Wales Island, Alaska



## DRAFT AGENDA

### Monday September 24, 2012

|                  |                                                                   |                         |
|------------------|-------------------------------------------------------------------|-------------------------|
| AM               | meet with volunteers to stuff bags and other duties as assigned   | ??                      |
| 1:00 PM          | Pre-conference Board planning meeting for focus                   | Shelter Cove Lodge      |
| 3:00 PM          | Southeast Alaska Economic Development caucus                      | Shelter Cove Lodge      |
| 4:00 PM          | Conference of Mayors planning meeting for focus                   | Shelter Cove Lodge      |
| 6:30PM to 9:00PM | Opening night reception BBQ hosted by the Catholic traveling kids | Hill Bar Downtown Craig |

### Tuesday September 25, 2012

|          |                                                                         |                           |
|----------|-------------------------------------------------------------------------|---------------------------|
| 7:30 AM  | Registration & Breakfast                                                | Craig High School         |
|          | Welcome Gordy Wrobel, SEC President                                     |                           |
|          | Flags Presentation                                                      |                           |
| 9:00AM   | National Anthem & Alaska Flag Song                                      |                           |
|          | Welcome by Dignitaries of POW                                           |                           |
|          | Governor Sean Parnell (Invited)                                         |                           |
| 9:45 AM  | Office of Governor Deputy Chief of Staff - Randy Ruraro                 |                           |
| 10:00 AM | Hecla Greens Creek Mine, HR and Community Relations Manager, Ron Plantz |                           |
| 10:15 AM | Coeur Alaska Kensington Gold Mine- Jan Trigg                            |                           |
| 10:30 AM | Ucore Bokan Mountain Rare Earths Mine, Randy MacGillivray               |                           |
| 11:00 AM | Heatherdale Resources Niblack Mine, Pat Smith                           |                           |
| 11:15AM  | Introduction to Mining, University of Alaska Southeast, Mike Bell       |                           |
| 11:30 AM | State of Alaska DNR, Ed Fogels                                          |                           |
| Noon     | Lunch/ SEC Candidate Forum/ Lemonade Day                                |                           |
| 1:30 PM  | Timber Presentations Panel                                              |                           |
| 2:30 PM  | McDowell modeling project- Jim Calvin                                   |                           |
| 3:00PM   | CEDS Review-Meilani Schijvens                                           |                           |
| 3:30 PM  | Alaska Department of Labor and Workforce Development, Mali Abrahamson   |                           |
| 4:00 PM  | Regional Candidate Roundtable                                           |                           |
| 6:00 PM  | Community Reception                                                     | Island Air Express Hangar |

### Wednesday, September 26, 2012

|          |                                                                                                           |                           |
|----------|-----------------------------------------------------------------------------------------------------------|---------------------------|
| 7:30 AM  | Registration & Breakfast                                                                                  | Craig High School         |
| 8:00 AM  | <b>Polling Station Opens</b>                                                                              |                           |
| Breakout | Chamber of Chambers Breakout Session (Special request from POW)                                           | Fireweed Lodge in Klawock |
| 8:30 AM  | US Fish and Wildlife Service, Field Supervisor, Bill Hanson                                               | Craig High School         |
| 9:00 AM  | Southeast Alaska Maritime Technology /Trades Presentation, Alaska Ship and Drydock, Doug Ward             |                           |
| 9:30AM   | Southeast Alaska Maritime Technology /Trades Presentation, Sitka Economic Development Assoc., Garry White |                           |
| 10:00 AM | Alaska Marine Highway System 50th Anniversary                                                             |                           |
| 10:15 AM | Marine Highways - Capt. Neussl                                                                            |                           |
| 10:30 AM | Marine Conservation Alliance Foundation, Kathy Peavey- Marine Debris                                      |                           |
| 10:45 AM | Solid Waste Authority Report, Karl Hagerman                                                               |                           |
| 11:00 AM | Alaska Industrial Development and Export Authority (AIDEA) Business Development Officer Mike Catsi        |                           |
| 11:15AM  | Telemedicine Project, Colin Underwood                                                                     |                           |
| 11:30 AM | Alaska Source Link - Samuel Callen                                                                        |                           |
| Lunch    |                                                                                                           |                           |
| 1:00 PM  | Tlingit & Haida Regional Housing Authority Letasha McKoy                                                  |                           |
| 2:00 PM  | Kake Petersburg Intertie updates                                                                          |                           |
| 2:15 PM  | Reynolds Creek updates                                                                                    |                           |
| 2:30 PM  |                                                                                                           |                           |





*Membership Conference Annual Meeting*  
*September 25, 26, 27, 2012*  
*Prince of Wales Island, Alaska*



**DRAFT AGENDA**

2:45 PM

3:00 PM **Polling Station Closes**

5:00 PM **Board Meeting**

**Classroom at Craig High School**

5:00 PM **Out of Craig High School**

6:00 PM

*Cocktail Hour*

**Craig Community Center**

7:00 PM

*UAS Presentation*

7:30 PM

*Banquet & Auction*

**Thursday, September 27, 2012**

9:00AM **Registration & Breakfast**

**Craig Community Center**

10:00AM **Membership annual business meeting**

*Immediately following*

**SEC Board Orientation**

**Craig Community Center**

# City & Borough of Wrangell

| Pay Period | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | Hours |
|------------|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|-------|
| Regular    |   | 8 | 8 | H | 8 |   |   |   | 8 | 8  | 8  | 8  | 8  |    |    | 8  | 8  | 8  | 8  | 8  |    |    | 8  | 8  | 8  | 8  | 8  |    |    | 8  | 8  |       |
| Overtime   |   |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |       |
| Sick Leave |   |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |       |
| Holiday WK |   |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |       |
| Vacation   |   |   |   |   |   | 8 |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    | 8     |

|               |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|---------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| Total Regular |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Overtime      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

Approved By: \_\_\_\_\_  
Supervisor

Approved By: Timothy D. Rooney  
Borough Manager

I hereby certify that the hours stated hereon are a true and accurate record of all hours I worked within this pay period.

Name: Timothy Rooney  
Employee

Pay Period Ending July 31, 2012

| Office Use Only |           |         |         |  |
|-----------------|-----------|---------|---------|--|
| AL _____        | Sal _____ | @ _____ | = _____ |  |
| SL _____        | HR _____  | @ _____ | = _____ |  |
| OTD _____       | OT _____  | @ _____ | = _____ |  |
| _____           | _____     | @ _____ | = _____ |  |
| _____           | _____     | @ _____ | = _____ |  |
| _____           | _____     | @ _____ | = _____ |  |
|                 | Total     |         | = _____ |  |



July 31, 2012

301 W. Northern Lights Blvd.  
Suite 400  
Anchorage, AK 99503

907.297.2700 tel  
907.297.2770 fax  
877.366.2700 toll-free in Alaska  
rasmusonfdn@rasmuson.org email  
www.rasmuson.org


Mr. Tim Rooney  
City Manager  
City and Borough of Wrangell  
PO Box 531  
Wrangell, AK 99929

Dear Mr. Rooney:

Enclosed is a \$500 grant for general support to City and Borough of Wrangell for the James and Elsie Nolan Center's charitable activities.

We have provided a grant acknowledgement for your records. Please return a signed copy as confirmation of receipt of this grant. Please refer to grant number 7097 in all correspondence regarding this grant.

Best regards,

  
Diane Kaplan  
President

BOARD of  
DIRECTORS

Edward B. Rasmuson  
*Chairman*  
Jeff Cook  
Douglas Eby  
Adam Gibbons  
Lile R. Gibbons  
Linda Leary  
Anthony Mallott  
Roberta Quintavell  
Cathryn Rasmuson  
Judy Rasmuson  
Mary Louise Rasmuson  
Natasha von Imhof

Enclosure:  
Check  
Grant Acknowledgement

CC: Terri Henson, Civic Center Director, James and Elsie Nolan Center

PRESIDENT  
Diane Kaplan

RF grant number 7097

*Thanks for a  
wonderful  
visit to our  
board  
JSM*



## IMAGE OR ARTWORK USE AUTHORIZATION FORM

**Organization or Artist Name:** City and Borough of Wrangell - James and Elsie Nolan Center

**Project Title:** In appreciation for logistics and assistance during Rasmuson Foundation's board site visits.

**Grant Number:** 7097

Rasmuson Foundation is granted permission to use images or artwork (the Work) submitted with my application or reports to promote me, my organization, my/our work; to raise awareness of the Foundation's work and funds available for grants; and to highlight the depth of creative talent that exists in Alaska.

Images or artwork may include digital documentation such as photos, videos, audio files, etc.

Artist attribution will be supplied in all uses of the Work.

Work may be featured in press releases, on the Foundation's website, in Foundation social media sites, or in Foundation publications.

I understand that granting permission to use the Work for promotional purposes is not a requirement for receiving a grant from Rasmuson Foundation. No remuneration will be provided for this promotional use.

You are affirmatively representing that the Work is your/your organization's legal property to distribute and you are granting Rasmuson Foundation permission to use these images for publicity use only.

*Please check one box below and return this form in the envelope provided.*

☒ **I AGREE** to the above statement.

☐ **I DO NOT AGREE** to the above statement.

By: Jeff Jabusch, FINANCE DIRECTOR  
Typed or printed Name and Title

  
Signature

8/22/2012  
Date

Phone 907-874-2381

Email address findir@wrangell.com



#### DISCRETIONARY GRANT ACKNOWLEDGEMENT

**Grantee:** City and Borough of Wrangell - James and Elsie Nolan Center  
**Award:** A \$500 grant in appreciation for logistics and assistance during Rasmuson Foundation's board site visits. This grant is for general support of James and Elsie Nolan Center's charitable activities.  
**Total award:** \$500  
**Date of award:** June 21, 2012  
**Award end date:** June 30, 2013  
**Grant number:** 7097

Rasmuson Foundation is obligated to document a grantee's receipt of grant funds. The grantee is also required to utilize the funds for charitable purposes consistent with the mission of the organization.

*Please acknowledge receipt and terms of this grant with signature from an authorized official from your organization.*

  
Signature

8/22/2012

Date

Jeff Jabusch, FINANCE DIRECTOR  
Typed or printed Name and Title

**BOROUGH ASSEMBLY  
AGENDA ITEM  
August 28, 2012**

**ITEM NO. 9**      **BOROUGH CLERK'S FILE:**

**Upcoming Dates to Remember**

---

- 8/28      Today is the day to vote in the Primary Election. Voters can vote at the Nolan Center until 8:00 pm
- 8/29      Code Review Committee meets @ 5:00 pm in the Assembly Chambers
- 8/31      Last day to file Declaration for Candidacy for the upcoming October 2, 2012 Regular Local Election
- 9/02      Deadline to Register to Vote for the October 2, 2012 Regular Local Election
- 9/03      City Hall will be closed in observance of Labor Day
- 9/05      Planning & Zoning Public Hearing and Regular Mtg. @ 7:00 pm in the Assembly Chambers

**Special Election of August 21<sup>st</sup>**

The Clerk's office would like to extend a big Thank You to the following departments:

*The Employees of Public Works  
The Nolan Center Staff  
The Election Workers  
To Christie Jamieson, CLJ Consulting*

The preparations for the Special Election went very well, as planned. As of July 28, 2012, Wrangell had 1,615 registered voters. This number is 24 more than the total registered voters as of May 29, 2012. The voter turnout for the Special Election of August 21, 2012 was 30% which is a decrease from the Special Election held June 19, 2012 by 22%

**AAMC/AML Conference**

I am planning on attending the Alaska Association of Municipal Clerks Conference (AAMC) which will take place in Anchorage from November 10<sup>th</sup> thru November 13<sup>th</sup>.

The Alaska Municipal League (AML) Annual Local Government Conference will take place in Anchorage from November 12<sup>th</sup> thru November 16<sup>th</sup>.

The Newly Elected Officials Training (NEO): Monday – Tuesday, November 12 & 13  
Alaska Conference of Mayors (ACOM): Tuesday, November 13  
The Annual Conference: Wednesday – Friday, November 14, 15, & 16

There may be members of the Borough Assembly attending the Newly Elected Officials training as well as the Annual Conference. I am looking for a head count of which continuing members of the assembly are planning on attending the AML Conference.

## **AGENDA PACKETS ONLINE!!**

Things to note: For the Assembly as well as the listening public, I have started posting the Full Regular Assembly Packets online. They are in PDF format and have bookmarks and links for easy navigation.

## **Update to the Wrangell Municipal Code Online**

Also, the Wrangell Municipal Code has been updated from a PDF version to a HTML (searchable) version and is still available on our website at [Wrangell.com](http://Wrangell.com). This allows for copying and pasting and easier searching. It's a great tool for both the Borough Assembly and the public.

## **Code Review Committee**

The Committee will hold their next monthly meeting on August 29<sup>th</sup> at 5:00 p.m.

The Committee will meet monthly in the Assembly Chambers to thoroughly go through each title of the Wrangell Municipal Code, and begin bringing forth proposed revisions to the Borough Assembly.

**UNTIL NEXT TIME...**



# **CITY & BOROUGH OF WRANGELL, ALASKA**

## **BOROUGH ASSEMBLY**

### **AGENDA ITEM**

**Revised**

**August 28, 2012**

#### **ITEM NO. 10**

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

INFORMATION: This agenda item is reserved for the Mayor and Assembly Member's special reports. Such information items as municipal league activities, reports from committees on which members sit, conference attendance, etc., are examples of items included here.

- a. Reports by Assembly Members
- b. Certificate of Service presented to Michael Symons, Borough Assembly
- c. Appointment to fill the vacancy of Seat "F" of the Borough Assembly



# CERTIFICATE OF SERVICE

The City & Borough of Wrangell, Alaska  
Presents this Certificate of Service to:

**Michael Symons**

for his service and dedication as Assembly Member

October 2010 – July 2012

  
Jeremy Maxand, Mayor

  
ATTEST: Kim Flores, Borough Clerk

Dated this 28th day of August, 2012



# **CITY & BOROUGH OF WRANGELL, ALASKA**

## **BOROUGH ASSEMBLY AGENDA ITEM August 28, 2012**

### **ITEM NO. 11      PERSONS TO BE HEARD:**

INFORMATION:      The Assembly has provided by Resolution an opportunity for Persons to be Heard on items not elsewhere placed on the Agenda. If the item is listed as an Agenda item, the person should be referred by the Mayor to conduct the discussion at the time when the item appears on the Agenda. If not on the Agenda, the Mayor may prescribe the time limits, require designated speakers for groups; determining redundancy and other effective meeting procedures. The Assembly is conducting the business of a major public corporation and has the right to prescribe its own methods.

The Mayor should inquire if there is anyone present who desires to address the Assembly on any item not already appearing on the Agenda.

# **CITY & BOROUGH OF WRANGELL, ALASKA**

## **BOROUGH ASSEMBLY AGENDA ITEM August 28, 2012**

**ITEM NO. 12a      PROPOSED ORDINANCE: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING TITLE 3, CHAPTER 3.32 OF THE WRANGELL MUNICIPAL CODE RELATING TO THE WRANGELL MEDICAL CENTER AND LONG-TERM CARE FACILITY BOARD**  
***(second reading)***

### **INFORMATION:**

Attachments:

1. Proposed Ordinance approved in its first reading on August 17, 2012.

**If this proposed ordinance is approved in its final passage, the Effective Date shall be August 28, 2012.**

### **RECOMMENDED ACTION:**

Move to approve second reading.

CITY AND BOROUGH OF WRANGELL, ALASKA

ORDINANCE NO. \_\_\_\_

AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND  
BOROUGH OF WRANGELL, ALASKA, AMENDING TITLE 3,  
CHAPTER 3.32 OF THE WRANGELL MUNICIPAL CODE  
RELATING TO THE WRANGELL MEDICAL CENTER AND  
LONG-TERM CARE FACILITY BOARD

WHEREAS, the Home Rule Charter of the City and Borough of Wrangell provides in Article I, Section 1-5: “The City and Borough of Wrangell, Alaska, shall have all the powers, functions, rights, privileges, franchises and immunities of every name and nature whatever, which a home-rule borough may have under the constitution and laws of the State of Alaska. The borough may exercise all powers not prohibited by law or by this charter. The powers of the borough shall be liberally construed. The enumeration or mention of particular powers by this charter shall not be deemed to be exclusive or limiting”; and

WHEREAS, Article III of the Charter, regarding the Borough Manager and Administrative Departments, provides in Section 3-9: “The borough-operated Wrangell Medical Center shall be operated by a board established by ordinance and elected by the voters”; and

WHEREAS, the Wrangell Medical Center and Long-Term Care Facility is a part of the City and Borough of Wrangell and is not a separate public entity from the City and Borough of Wrangell; and

WHEREAS, the Wrangell Medical Center and Long-Term Care Facility is not a municipal government under Title 29 of the Alaska Statutes and does not have the powers and authority of a municipal government under AS Title 29, or the powers of the City and Borough of Wrangell enumerated in Section 1-5 of the Charter and is not otherwise a quasi-public agency

or authority or separate public entity from the City and Borough of Wrangell under any state law;  
and

WHEREAS, the powers and authority of the Wrangell Medical Center and Long-Term Care Facility board are specifically limited by the Charter and state law to such powers and authority as may be provided by ordinance adopted by the Borough Assembly; and

WHEREAS, the budget for the operation and maintenance of the Wrangell Medical Center and Long-Term Care Facility consists entirely of public funds; and

WHEREAS, the Borough is responsible for obligations lawfully incurred by the Wrangell Medical Center and Long-Term Care Facility through the Borough general fund; and

WHEREAS, the budget for the operation of the Wrangell Medical Center and Long-Term Care Facility is subject to review and approval by the Borough Assembly; and

WHEREAS, the board of the Wrangell Medical Center and Long-Term Care Facility for the period of approximately January 1, 2008 through June 20, 2012, took actions detrimental to the best interests of the Borough and the Wrangell Medical Center and Long-Term Care Facility, and took actions adverse to the financial health and well-being of the Borough and the Wrangell Medical Center and Long-Term Care Facility; and

WHEREAS, the board of the Wrangell Medical Center and Long-Term Care Facility for the period of approximately January 1, 2008 through June 20, 2012, took actions which have placed the general fund of the Borough at substantial risk; and

WHEREAS, the board of the Wrangell Medical Center and Long-Term Care Facility for the period of approximately January 1, 2008 through June 20, 2012, took actions which required the Borough to institute legal proceedings to preserve and protect the general fund of the Borough and to effect the return of public funds distributed or obligated, and/or attempted to be

distributed or obligated, by the board, which distribution and/or obligation and/or attempt to obligate by the board served no purpose related to the operation or maintenance of the Wrangell Medical Center and Long-Term Care Facility; and

WHEREAS, the Borough Assembly is responsible to protect the general fund from risk of any unauthorized and/or irresponsible expenditure of Wrangell Medical Center and Long-Term Care Facility monies derived from income or other sources, as well as the from Borough general fund; and

WHEREAS, the Borough Assembly has at all times asserted that the Wrangell Medical Center and Long-Term Care Facility exists as a part of the City and Borough of Wrangell, and further that the Wrangell Medical Center and Long-Term Care Facility is not and never has been a stand alone, separate public entity from the City and Borough of Wrangell; and

WHEREAS, the Borough Assembly deems it necessary to clarify the Wrangell Municipal Code provisions relating to the board of the Wrangell Medical Center and Long-Term Care Facility to protect the Borough and the people of Wrangell from any future board exceeding the scope of its powers and authority under state law, the City and Borough of Wrangell Charter and the Wrangell Municipal Code.

NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA:

[The bolded language are the changes to the existing code and the strikethroughs are the language to be deleted from the code.]

SEC. 1.        Action. The City and Borough of Wrangell Charter, Article III, Section 3-9, authorizes the Assembly to establish, by ordinance, a board for the borough-operated Wrangell Medical Center and Long-Term Care Facility. Title 3 of the Wrangell Municipal Code addresses Administration and Personnel of the City and Borough of Wrangell; Chapter 32 of that title sets

out the Code provisions regarding the establishment, powers, authority and duties of the Wrangell Medical Center and Long-Term Care Facility board, and administration of the facility.

The Assembly of the City and Borough of Wrangell declares that Title 3, Chapter 3.32 of the Wrangell Municipal Code, shall be clarified and amended as follows:

#### Chapter 3.32

### MEDICAL CENTER AND LONG-TERM CARE FACILITY – BOARD AND ADMINISTRATION

#### Sections:

- 3.32.005 Established – Composition.
- 3.32.007 Membership – Appointment – Terms.
- 3.32.010 Oath of office.
- 3.32.020 **Physical** Property management – Purchasing ~~powers~~.
- 3.32.030 ~~Hospital administration~~ **Hospital Board – General powers and duties.**
- 3.32.040 Hospital Administrator.**
- ~~3.32.040~~ **3.32.050** Accounting procedures.
- ~~3.32.050~~ **3.32.060** Bylaws and organization.
- ~~3.32.060~~ **3.32.070** Noncompensation.
- ~~3.32.070~~ **3.32.080** Advisors to the board.
- ~~3.32.080~~ **3.32.090** Hospital board liaison.
- ~~3.32.090~~ **3.32.100** Annual reports to assembly – Annual budget and annual audit.

#### Section 3.32.005 Establishment – Composition.

There is established a board, **subject to the ordinances set out and adopted in this chapter**, to be known as the "Wrangell Medical Center and Long-Term Care Facility Board," designated in this chapter as "board" or "hospital board," presently composed of nine members.

Board members shall be qualified electors of the borough. [Ord. 826 § 1,2008; Ord. 797 § 1,2007; Ord. 442 § 4, 1983; prior code § 3.63.010.]

#### 3.32.007 Membership – Appointment – Terms.

The Wrangell Medical Center and Long-Term Care Facility board shall consist of nine members. No member of the board shall be an employee of the Wrangell Medical Center and





[Ord. 334 § 5, 1975; prior code § 3.63.030.]

Section 3.32.020 **Physical Property management – Purchasing powers.**

A.     The ~~eustody and~~ **physical** management of the municipal hospital building, the land upon which the **building is located, same is situated** and the equipment and furnishings ~~and property in the building situated thereon and therein~~ is entrusted to the board by the **assembly, and subject to the control and review by the borough assembly as deemed necessary by the assembly in the best interest of the borough. which shall have full power and authority to make all repairs and improvements thereto which are necessary to maintain the same in good condition, but no addition to or replacement of real property shall be made by the board** The board shall have the authority to make repairs and improvements to the hospital building as necessary to maintain the building in good condition, provided the board has no authority to approve or make additions or replacements or enter any contracts or agreements to do so in excess of \$25,000, including contracts for professional services or consulting contracts, without approval of the borough assembly. The board shall review and make recommendations to the assembly for proper maintenance of the Wrangell Medical Center and Long-Term Care Facility or any future facility, and the real property, for all projects in excess of \$25,000;

B.     The board shall have the power to purchase, sell, exchange, operate, maintain and repair all personal property **necessary for the daily operation and maintenance of the hospital** ~~which it deems advisable~~; provided, however, that no property or equipment other than supplies shall be purchased until and unless the board has funds ~~either~~ derived from the operation of the hospital and ~~or~~ appropriated for that purpose by the borough assembly. **All personal property**

of any kind and any nature existing at the Wrangell Medical Center and Long-Term Care Facility or any future facility (both the existing facility and future facility may be referred to as “hospital”) or purchased in the future shall be the property of the borough and shall not disposed of or sold in any manner inconsistent with the Wrangell Municipal Code provisions governing the disposal or sale of personal property. [Ord. 250 § 5, 1969; prior code § 3.63.040.]

**Section 3.32.030. ~~Hospital administration~~ Hospital Board – General powers and duties.**

~~A. The board has full power and authority to operate and maintain the hospital; to employ an administrator who shall have the active management of the hospital, subject to the supervision and control of the board; and to delegate to such administrator authority to hire and discharge such subordinate employees as it may deem advisable.~~

**A. The hospital board shall review and make recommendations through the borough manger to the assembly on all hospital construction, consulting, engineering, and architectural services contracts before submitting such contracts to the assembly for approval. No such contracts shall be executed without review by the borough manager and the borough attorney, and such contracts in excess of \$25,000 shall be executed only after approval by the assembly. All contracts shall be executed in the name of the city and borough;**

**B. The board shall review and make recommendations through the borough manager to the assembly for review and approval by the assembly of proposals or plans for development of any new hospital construction and improvements;**

**C. The board shall have the authority to solicit grants and funds from any sources for the furtherance of the provision of medical care at the hospital. Any solicitations from federal or state agencies shall be subject to prior approval of the borough manager. The board shall keep the borough manager advised of grants and funds being sought by a written report from the board or hospital administrator;**

**D. The board shall adopt personnel policies for hospital employees, subject to annual review by the assembly during May of each year. The personnel policies shall be consistent with the personnel rules and regulations of the borough, and shall be subject to modification by the assembly;**

**E. The board shall employ a hospital administrator by contract, which contract shall be subject to review and approval by the borough manager. No administrator may be employed without a contract approved by the borough manager and the borough attorney. The administrator's contract may not be modified, amended or changed without approval of the borough manager and the borough attorney. The board shall only terminate or remove the administrator after consultation with the borough manager and the borough attorney and approval by the borough manager;**

**F. B. The board shall determine all salaries and wages to be paid to each classification of labor employed at the hospital, except that the salary and any other wages or monies or benefits to be paid or provided to the hospital administrator shall be only as provided in the administrator's contract.**

~~G. E.~~ The board shall determine, charge and collect ~~such~~ fees and charges for the services rendered and furnished by the hospital. ~~as it shall deem advisable.~~ **The rates as determined by the board shall be in full compliance with federal and state laws. The rates as determined by the board** ~~Said rates, however,~~ shall be subject to modification by the borough assembly, which may change the rates at any time. ~~No rates, however, will be changed by the borough assembly without the board being advised of a proposal to review such rates and until the board has an opportunity to be present and be heard with respect thereto.~~

~~H. D.~~ **The board** ~~It~~ shall have authority to take all ~~lawful necessary~~ action to collect all accounts owing to the hospital and the borough for services rendered or furnished by the hospital. ~~and the board.~~ **No legal action shall be instituted unless reviewed and approved by the borough manager and borough attorney.**

~~I. E.~~ The board shall require that all persons admitted to the hospital be under the supervision and care of a licensed physician.

~~J. F.~~ **Subject to review and approval by the assembly, The board shall have the power and authority to make such rules and regulations as it deems advisable or necessary for the efficient and safe operation of the hospital, provided that any rules and regulations shall be consistent with federal and state law and the Wrangell Municipal Code and be in the best interests of the borough and in accordance with sound business practices. The board must submit the rules and regulations through the manager to the assembly for review and approval. The assembly may modify or amend any rules and regulations.**[Ord. 263 § 6, 1971; prior code § 3.63.050.]

**K. The board shall undertake the annual budget, annual audit, and annual reports for the hospital as required by 3.32.100. The board shall make no expenditure of funds or obligation of funds unless the expenditure or obligation is in conformance with the annual budget, or a budget amendment, that has been approved and adopted by the assembly.**

**Section 3.32.040 Hospital Administrator [new section].**

**A. General. The hospital administrator shall be responsible for the overall supervision of the hospital in a manner consistent with all federal and state laws, the City and Borough of Wrangell Charter, and Wrangell Municipal Code, and in a fiscally responsible manner in the best interests of the borough and in accordance with sound business practices. The borough manager shall have governing power over the administrator, except as related to the selection of the administrator pursuant to 3.32.030E, in the same manner as the borough manager has governing power over all other administrative department heads pursuant to 3.06.020A.**

**B. The authority and duties of the hospital administrator are as follows:**

- (1) To be responsible for carrying out all applicable federal and state laws, the Wrangell Charter and Code, borough resolutions, and the hospital rules and regulations;**
- (2) To be responsible for carrying out policies established by the hospital board and the assembly;**

- (3) To prepare and submit to the hospital board for approval, a plan of organization and a job classification plan for the personnel at the hospital;**
- (4) To prepare an annual report and an annual budget as required by 3.32.100;**
- (5) The administrator shall have the authority to hire and discharge subordinate employees at the hospital in a manner consistent with federal and state laws and in accordance with the personnel policies of the hospital, the borough code, and the borough personnel rules and regulations;**
- (6) To work with the professional staff and with those concerned with the rendering of professional services at the hospital to the end that the best possible care may be rendered to all patients;**
- (7) To prepare such reports as may be required on any phase of hospital activity by the board, the assembly, or the borough manager;**
- (8) To attend all meetings of the hospital board and of standing committees of the board except where otherwise specified by the board;**
- (9) To perform any other duty that may be in the best interests of the borough as assigned by the board, the assembly, or the borough manager.**

**Section ~~3.32.040~~ 3.32.050 Accounting procedures.**

The board shall establish a system of accounts and procedure for collecting revenues from the operation of the hospital which revenues shall be deposited periodically as determined by the board in a bank in Wrangell, Alaska, and a system for paying of all expenses of operation and costs of services and equipment purchased. **The City and Borough of Wrangell shall be**

named on all accounts. The borough manager shall be a signatory on all accounts. [Ord. 250 § 5, 1969; prior code § 3.63.060.]

**Section ~~3.32.050~~ 3.32.060 Bylaws and organization.**

A. The board shall adopt bylaws governing its own proceedings ~~and elect from the membership of the board a president, a secretary, and such other officers as it deems necessary,~~ which bylaws shall be submitted to the assembly for review and approval and ~~where duties shall be set forth in the bylaws,~~ which may be amended by the assembly. A copy of the bylaws shall be filed with the borough clerk together with all rules and regulations made by the board.

B. The board shall elect annually from its membership a president, a secretary, and such other officers as it deems necessary.

[Ord. 263 § 6, 1971; prior code § 3.63.070.]

**Section ~~3.32.060~~ 3.32.070 Noncompensation.**

No member of the board shall be paid for any services rendered or duties performed in connection with the administration and operation of the hospital. [Ord. 250 § 5, 1969; prior code § 3.63.080.]

**Section ~~3.32.070~~ 3.32.080 Advisors to the board.**

Subject to the limitations and provisions of 3.06.020, the ~~The~~ hospital board may appoint ~~such~~ persons in an advisory capacity, other than consultants referenced in 3.32.030A, as it deems advisable, except that any consultant agreement or contract in excess of \$5,000,

or which may potentially exceed \$5,000, must be reviewed by the borough manager and the borough attorney and approved by the borough assembly before the consultant may retained. The board will consult with all physicians and surgeons practicing in the borough from time to time so as to determine, understand and take such action upon the views and recommendations of such physicians and surgeons as the board considers advisable. [Ord. 250 § 5, 1969; prior code § 3.63.090.]

**Section ~~3.32.080~~ 3.32.090 Hospital board liaison.**

~~The assembly of the City and Borough of Wrangell hereby declares that the~~ The borough assembly shall appoint from its membership a liaison to the **Wrangell Medical Center and Long-Term Care Facility** ~~Wrangell medical center board~~. The borough assembly liaison shall represent the assembly and attend and participate in all ~~Wrangell medical center~~ hospital board meetings and all executive sessions of the ~~Wrangell medical center~~ board. **The board has no authority to exclude the assembly liaison from any executive session.** The assembly liaison will not participate as a voting member of the ~~Wrangell medical center~~ board and the presence of the assembly liaison shall not be used to establish a quorum to convene a meeting of the ~~Wrangell medical center~~ board.

**Section ~~3.32.090~~ 3.32.100 Annual reports to assembly - Annual audit and annual budget.**

A. The board shall annually submit a **detailed report to the borough manager and the assembly** setting forth the principal facts regarding its policies, rules, regulations procedure and statistics in connection with the operation of the hospital **and submit the annual audit to the borough manager and the assembly** . ~~which report will be filed by the president and secretary of the board.~~



**B. The board shall annually, on or before the fifteenth day of May of each year, submit a detailed budget setting forth the anticipated income and expense of the hospital operations for the ensuing year starting July 1st. The hospital administrator shall prepare the budget in accordance with approved City and Borough procedure and shall submit it to the hospital board for approval. The hospital board shall submit the budget to the borough manager with its recommendations in the same manner as the budgets are submitted by the other government departments of the borough, and the borough manager will submit the budget to the assembly. The purpose of the budget is to allow the assembly to provide appropriate necessary funds for operations; to insure that the proposed expenditures and financial obligations in the budget are in the best interests of the borough and the people of Wrangell; to insure that the budget reflects sound business practices; to insure that none of the proposed expenditures or obligations place the general fund of the borough at risk, and to use excess revenue of the hospital in the general fund of the borough. The board shall not obligate or expend by contract or otherwise any funds generated by hospital income or funds from the general fund of the borough unless such obligation or expenditure has been identified with specificity in the budget and the budget has been reviewed by the borough manager and approved and adopted by the assembly. The Wrangell Medical Center and Long-Term Care Facility budget as submitted to the borough manager and assembly is not final and may not be implemented until approved by the assembly.**

**C. The borough assembly at any time may request from the hospital additional reports or information the assembly deems necessary and the board shall direct the administrator to prepare the requested reports and provide the reports to the borough manager within the time frame established by the assembly.**

SEC. 2.       Classification. This ordinance is of a permanent nature and shall be codified in the Wrangell Municipal Code.

SEC. 3.       Severability. If any portion of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

SEC. 4.       Purpose. The purpose of this ordinance is to clarify and amend Wrangell Municipal Code Ch. 3.32, consistent with the historical authority of the Borough Assembly, the Charter of the City and Borough of Wrangell, and Title 29 of the laws of the State of Alaska, and in the public interest and the best interests of the borough.

SEC. 5.       Effective Date. This ordinance shall be effective upon adoption by the assembly.

PASSED IN FIRST READING: \_\_\_\_\_, 2012.

PASSED IN SECOND READING: \_\_\_\_\_, 2012.

Attest: \_\_\_\_\_  
Kim Flores  
Borough Clerk

\_\_\_\_\_  
Jeremy Maxand  
Mayor

# **CITY & BOROUGH OF WRANGELL, ALASKA**

## **BOROUGH ASSEMBLY AGENDA ITEM August 28, 2012**

**ITEM NO. 13a      PROPOSED RESOLUTION: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING AN ELECTRICAL RATE INCENTIVE FOR THE NEW CONSTRUCTION FACILITIES FOR SEA LEVEL SEAFOODS, LLC. AND ESTABLISHING THE TERMS AND CONDITIONS OF SUCH INCENTIVE**

### **INFORMATION:**

Attachments:

1. Proposed Resolution.
2. Letter from Sea Level Seafoods, LLC, dated August 6, 2012

### **RECOMMENDED ACTION:**

Move to Adopt Resolution

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING AN ELECTRICAL RATE INCENTIVE FOR THE NEW CONSTRUCTION FACILITIES FOR SEA LEVEL SEAFOODS, LLC. AND ESTABLISHING THE TERMS AND CONDITIONS OF SUCH INCENTIVE

WHEREAS, WMC §15.22.233 provides that upon a finding of beneficial public interest, the Assembly may offer an electrical rate incentive to new or expanded commercial or industrial users; and

WHEREAS, it would be in the beneficial public interest to grant Sea Level Seafoods, Inc. an electrical rate incentive for the newly constructed facilities on land leased from the City/Borough.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA:

1. Beneficial Public Interest. The assembly finds that it would be in the beneficial public interest to grant an electrical rate incentive to Sea Level Seafoods, LLC for the newly constructed facilities on land leased from the City/Borough.

2. Rate of Electrical Rate Incentive. Sea Level Seafoods, LLC is granted an electrical rate incentive rate of \$0.08 per KWH for the newly constructed facilities on land leased from the City/Borough, subject to the requirements of WMC §15.22.233 and the terms and conditions of this resolution.

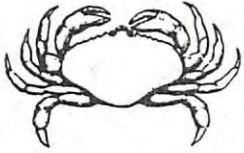
3. Other Charges. All other customer charges related to the delivery of electrical service shall be charged as provided for in WMC Chapter 15.12.

4. Term of Incentive. The electrical rate incentive rate authorized by this resolution shall commence with the billing cycle following the adoption of this resolution. Said incentive rate shall end five years after the adoption of this resolution, upon termination of the lease agreement, or seven (7) days after any billing for electrical services becomes delinquent, whichever occurs first.

ADOPTED: \_\_\_\_\_, 2012

Attest: \_\_\_\_\_  
Kim Flores  
Borough Clerk

\_\_\_\_\_  
Jeremy Maxand  
Mayor



# Sea Level Seafoods, LLC

Attachment #2

SHRIMP • SALMON • CRAB • HALIBUT • BOTTOMFISH  
FRESH • FROZEN • LIVE



P.O. BOX 2085  
WRANGELL, ALASKA 99929

(907) 874-2401, 874-2274, 874-3530  
FACSIMILE (907) 874-2158, 874-3526

August 6, 2012

CITY CLERK  
AUG 06 2012  
RECEIVED

City of Wrangell

Box 531

Wrangell, Alaska 99929

Attention: Kim

We would like to request the electrical rate incentive per ordinance #15.12.223 for the new construction facilities at Sea Level Seafoods.

Your consideration is appreciated.

Sincerely,

Vern Phillips

General Manager

END  
EMPS

END  
EMPS

65.00 (65.00)

EXISTING 10' SEWERLINE EASEMENT

LOT 1-87

68.55  
N

70°16'35" E  
N 70°16'35" E

EXISTING  
ELECTRICAL  
EASEMENT

EXISTING  
ACCESS  
EASEMENT

LOT 7-A

3. 107

EXISTING 10'  
SEWERLINE EASEMENT

20°02'40" E 10.01  
57°20" E 14.33

R.O.W.

315.00

N 31.41



# **CITY & BOROUGH OF WRANGELL, ALASKA**

## **BOROUGH ASSEMBLY AGENDA ITEM August 28, 2012**

### **ITEM NO. 13b      Approval of City Tidelands Annual Reassessments for Silver Bay Logging**

#### **INFORMATION:**

##### **Attachments:**

1. Letter of appraisal for two (2) Tideland Lease Sites by Michael C. Renfro of Appraisal Company of Alaska, dated August 2, 2012.
2. Lease Agreement for Silver Bay Logging ATS 1249 / ATS 1143.

Note: These two (2) Tideland Lease sites were not assessed as scheduled in 2010. Per Michael C. Renfro, Borough Attorney Blasco stated that we would move forward with the lease reassessments and that the difference in fees would not be retroactive.

The Borough's appraiser has appraised the value for ATS 1249 (30.807 acre) at \$154,000.00 X .06 = \$9,240.00 yearly lease fee.

The Borough's appraiser has appraised the value for ATS 1143 (6.632 acre) at \$53,000.00 X .06 = \$3,180.00 yearly lease fee.

#### **RECOMMENDED ACTION:**

Move to approve the Tidelands Reassessments for the two (2) Silver Bay Logging sites as recommended by Michael C. Renfro of Appraisal Company of Alaska

Fax  
(907) 563-1368

## Appraisal Company of Alaska, LLC

3940 ARCTIC BOULEVARD, SUITE 103  
ANCHORAGE, ALASKA 99503  
office@appraisalalaska.com

Telephone  
(907) 562-2424

Attachment # 1

CITY CLERK  
AUG 06 2012  
RECEIVED

August 2, 2012

Kim Flores, Borough Clerk  
City and Borough of Wrangell  
PO Box 531  
Wrangell, Alaska 99929

Re: Two Tideland Lease Sites for the City and Borough of Wrangell  
Wrangell, Alaska

Dear Ms. Flores:

Pursuant to your request, I have prepared a limited appraisal report on the fair market value of the above parcels as if vacant. The appraisal date is August 2, 2012. The purpose of the report is to determine the fair market value for lease purposes. A description and current status of each site preceeds the valuation section of each lease.

The reader is referred to the City and Borough of Wrangell comparable lease and sales book for a complete description of the comparable leases and sales utilized in this report.

A brief summary of the leases to be valued are as follows:

| No. | Leasee             | Legal    | Area<br>Acre | Filled<br>Tidelands | Fee<br>Value |
|-----|--------------------|----------|--------------|---------------------|--------------|
| 48  | Silver Bay Logging | ATS 1249 | 30.807       | No                  | \$ 154,000   |
| 49  | Silver Bay Logging | ATS 1143 | 6.632        | No                  | \$53,000     |





August 2, 2012  
Page 2

A description of each site and the analyses which lead to the fair market value conclusion follows by lease number in this report. The comparable data is included in a separate report which should be retained in your files.

If you have any questions regarding this limited appraisal report please do not hesitate to call me.

*APPRAISAL COMPANY OF ALASKA*



Michael C. Renfro,  
Contract Assessor  
City and Borough of Wrangell

WRANGELL TIDELANDS LEASE  
Lease No. 48

LOCATION: NHN Zimovia Highway, at Shoemaker Bay

LEGAL DESCRIPTION: ATS 1249

LESSOR: City and Borough of Wrangell      INSTRUMENT: Lease

LESSEE: Silver Bay Logging, Inc.

FEE VALUE: \$154,000      DATE OF LEASE: 5/1985

TERM: 55 years      ZONING: WFD

AREA: 30.807/Acre      USE AT LEASE: Vacant

ANTICIPATED USE: Unknown

ACCESS: Good      ASSESSMENTS: None Noted

UTILITIES: Electric/Telephone      EASEMENTS/RESTRICTIONS: None

CONFIRMED WITH: City and Borough of Wrangell      BY/DATE: MCR 08-12

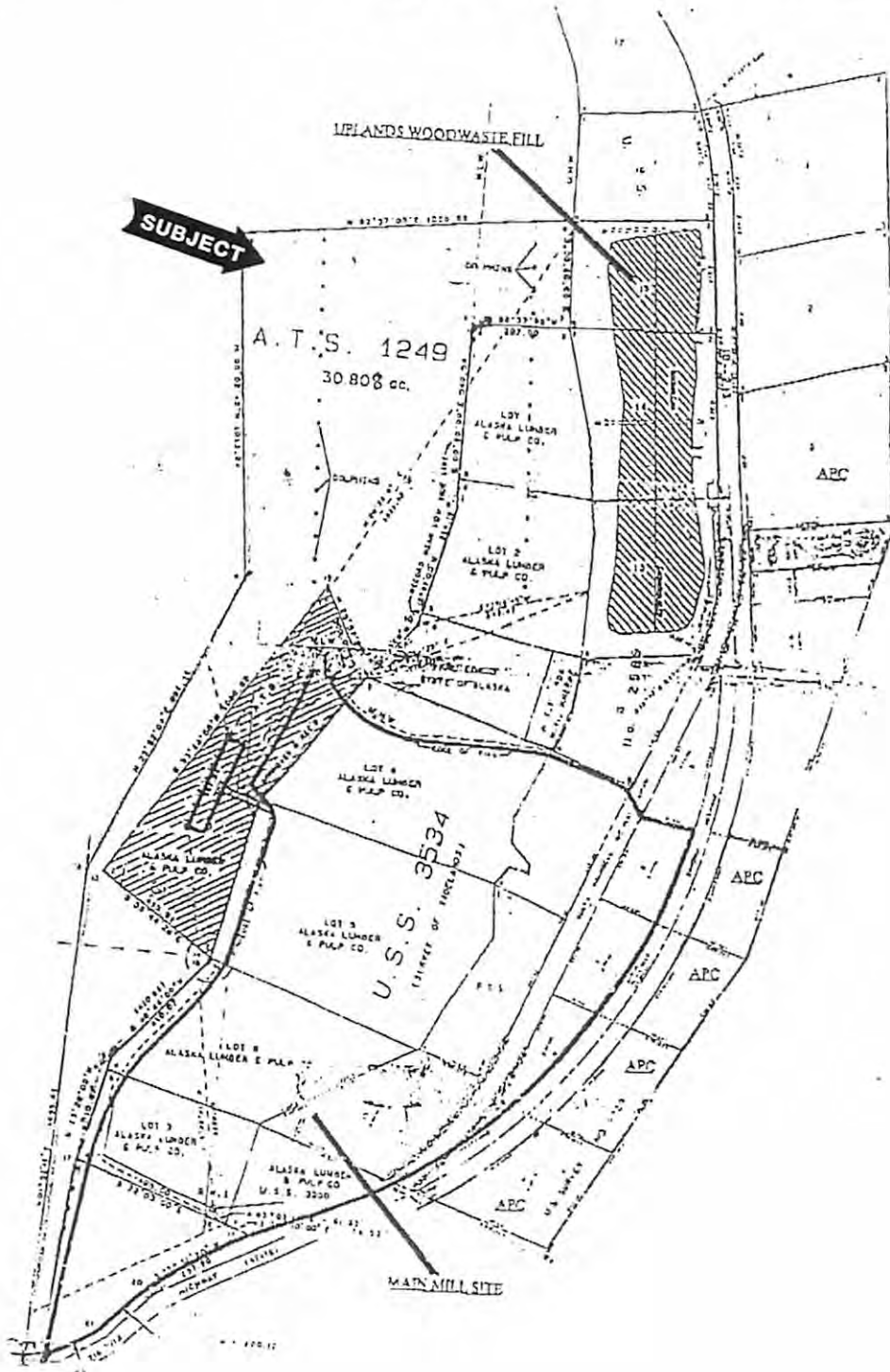
PROPERTY DESCRIPTION: Submerged tidelands adjoining the old mill site

ANALYSIS: 2012       $\$154,000/30.807 \text{ acre} = \$4,998/\text{acre}$

$\$154,000 \times .06 = \$9,240/\text{year}$



# ATS 1249 Plat



LAND VALUE: There have been limited sales of similar submerged tideland lots. The sales provided are considered to be representative of the market for undeveloped land.

COMPARABLE LAND SALES

| NUMBER | LEGAL                    | DATE  | SALE PRICE | AREA/acre | PRICE SF  | REMARKS                                |
|--------|--------------------------|-------|------------|-----------|-----------|----------------------------------------|
| 1      | 5B Spur Rd               | 03/99 | \$175,000  | 4.67      | \$37,473  | Industrial Waterfront Lot              |
| 2      | Tracts A&B<br>ATS 1114   | 04/12 | \$63,400*  | 1.94      | \$32,680  | Submerged Tidelands Inside Harbor      |
| 3      | Lots 2,3 & 4<br>SBPL Sub | 06/10 | \$69,000*  | .57       | \$121,052 | Level Industrial Lots at Shoemaker Bay |

\*Capitalized Value of Lease



**WRANGELL TIDELAND LEASES**  
**LEASE 48(continued)**

**Adjustment Grid:** The following grid shows the estimated adjustments for each sale bringing it into conformity with the subject.

|                      | #1       | #2       | #3        |
|----------------------|----------|----------|-----------|
| Price/Acre           | \$37,473 | \$32,680 | \$121,052 |
| Time                 | +13%     | +0%      | +2%       |
| Net After Time       | \$42,344 | \$32,680 | \$123,473 |
| Terms                | 0        | 0        | 0         |
| Size                 | -60%     | -60%     | -80%      |
| Location/Access      | 0%       | -20%     | -10%      |
| Utilities            | 0        | 0        | 0         |
| Net Adjustment       | -60%     | -80%     | -90%      |
| Indicated Value/acre | \$16,938 | \$6,536  | \$12,347  |

**Conclusion**

Submerged tidelands generally sell between 20% to 30% of the adjoining uplands. Both comparables one and three are uplands sites and would be adjusted downward.

After adjustment the indicated value for comparable one is \$5,081 per acre for tidelands and comparable three would be \$3,704 per acre.

After adjustments the range in value for the tidelands is between \$3,700 and \$6,500 per acre rounded.

After analysis of the property differences, including the subject's size and location, the market value of the subject's 30.807 acres is concluded to be \$5,000 per acre or \$154,035, rounded to \$154,000.



WRANGELL TIDELANDS LEASE  
Lease No. 49

LOCATION: NHH Zimovia Highway at Shoemaker Bay

LEGAL DESCRIPTION: ATS 1143

LESSOR: City of Wrangell

INSTRUMENT: Lease

LESSEE: Silver Bay Logging, Inc.

FEE VALUE: \$53,000

DATE OF LEASE: 08/1981

TERMS: 55 years

ZONING: WFD

AREA: 6.632 Acres

USE AT LEASE: Dock Site

ANTICIPATED USE: Dock Site

ACCESS: Good

ASSESSMENTS: None Noted

UTILITIES: Electric/Telephone

EASEMENTS/RESTRICTIONS: None

CONFIRMED WITH: City of Wrangell

BY/DATE: MCR 8-2012

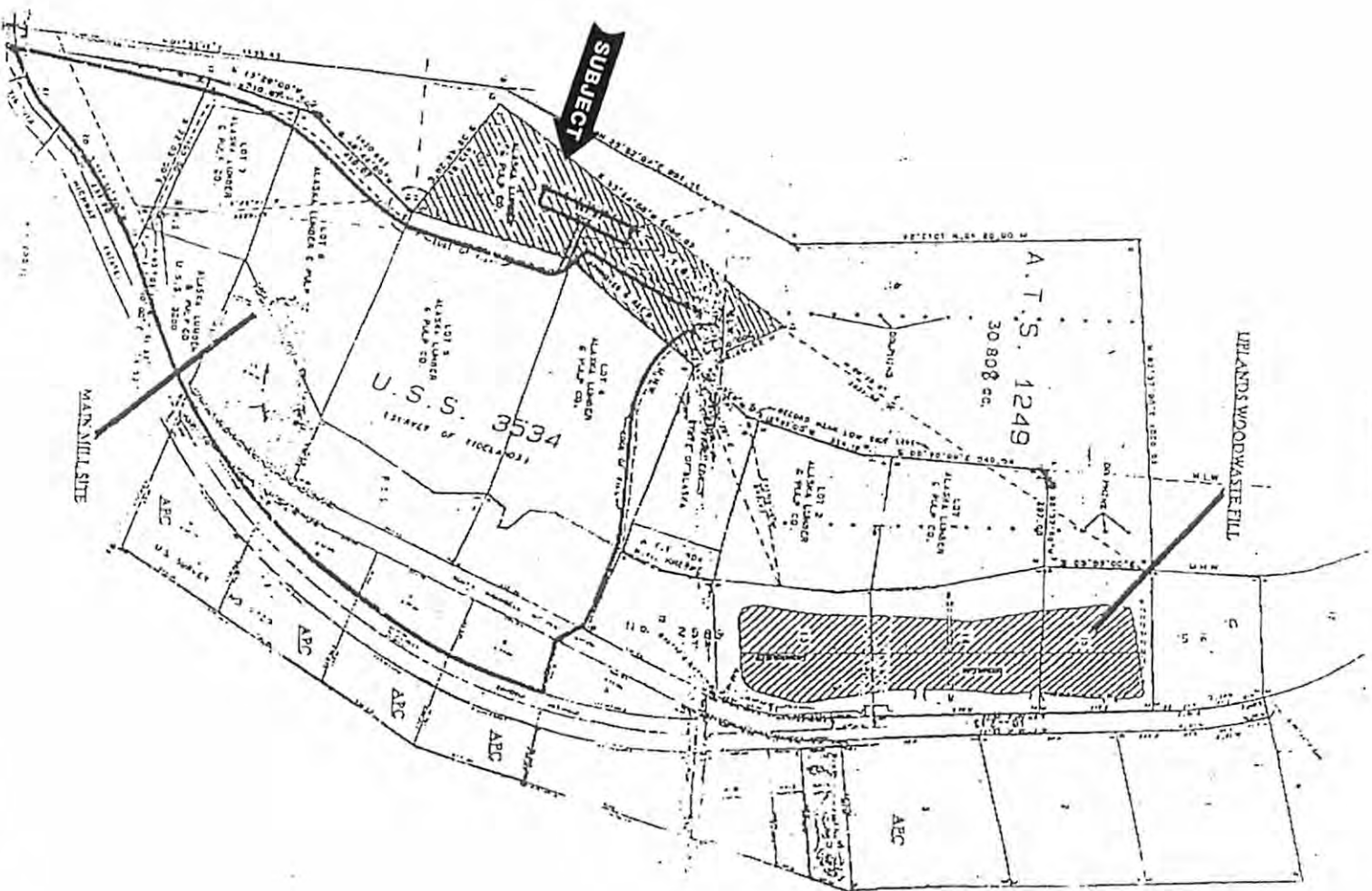
PROPERTY DESCRIPTION: Submerged tidelands adjoining the old mill site.

ANALYSIS: 2012      \$ 53,100/6.632 Acre = \$7991.56/Acre

$\$53,000 \times .06 = \$3,180/\text{year}$



ATS 1143



LAND VALUE: There have been limited sales of similar submerged tideland lots. The sales provided are considered to be representative of the market for undeveloped land.

COMPARABLE LAND SALES

| NUMBER | LEGAL                    | DATE  | SALE PRICE | AREA/acre | PRICE SF  | REMARKS                                |
|--------|--------------------------|-------|------------|-----------|-----------|----------------------------------------|
| 1      | 5B Spur Rd               | 03/99 | \$175,000  | 4.67      | \$37,473  | Industrial Waterfront Lot              |
| 2      | Tracts A&B<br>ATS 1114   | 04/12 | \$63,400*  | 1.94      | \$32,680  | Submerged Tidelands Inside Harbor      |
| 3      | Lots 2,3 & 4<br>SBPL Sub | 06/10 | \$69,000*  | .57       | \$121,052 | Level Industrial Lots at Shoemaker Bay |

\*Capitalized Value of Lease





WRANGELL TIDELANDS LEASES  
LEASE NO. 48 (Continued)

Adjustment Grid: The following grid shows the estimated adjustments for each sale bringing it into conformity with the subject.

|                      | #1       | #2       | #3        |
|----------------------|----------|----------|-----------|
| Price/Acre           | \$37,473 | \$32,680 | \$121,052 |
| Time                 | +13%     | +0%      | +2%       |
| Net After Time       | \$42,344 | \$32,680 | \$123.473 |
| Terms                | 0        | 0        | 0         |
| Size                 | -50%     | -50%     | -70%      |
| Location/Access      | 0        | -20%     | -10%      |
| Utilities            | 0        | 0        | 0         |
| Net Adjustment       | -50%     | -70%     | -80%      |
| Indicated Value/Acre | \$21,172 | \$9,804  | \$24,674  |

Conclusion

Submerged tidelands generally sell between 20% to 30% of the adjoining uplands. Both comparables one and three are uplands sites and would be adjusted downward.

After adjustments the indicated value for comparable one is \$6,352 per acre for tidelands and comparable three would be \$7,408 acre.

After adjustments the range in value for the tidelands is between \$6,350 and \$9,800 per acre rounded.

After analysis of the property differences, including the subject's size and location, the market value of the subject's 6.632 acres is concluded to be \$5,000 per acre or \$53,056 rounded to \$53,000.

### CERTIFICATION

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report and I have no personal interest or bias with respect to the parties involved.
4. My compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
5. This appraisal was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
6. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
7. I made a personal inspection of the property that is the subject of this report.
8. No one provided significant professional assistance to the person signing this report.
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.



Michael C. Renfro

CONSENT TO ASSIGNMENT OF LEASE AND ASSUMPTION THEREOF

Pursuant to Wrangell City Code 16.08.240, the City of Wrangell, as the Lessor of the following legally described Tidelands Leases to ALASKA PULP CORPORATION (APC), SITKA HOUSING, INC., (Sitka Housing) and ALASKA-WRANGELL LUMBER COMPANY, INC. (AWL), (hereinafter collectively referred to as "Lessees"):

Alaska Tidelands Survey 1143, located within protracted Section 20, Township 63 South, Range 84 East, Copper River Meridian, containing 6.46 acres, more or less, according to the survey plat filed in the Wrangell Recording District on December 12, 1980 as plat No. 80-10, First Judicial District, State of Alaska. (Expires August 23, 2036)

Alaska Tidelands Survey 1249, located within protracted Sections 17 and 20, Township 63 South, Range 84 East, Copper River Meridian, containing 30.807 acres, more or less, according to the survey plat filed in the Wrangell Recording District September 19, 1983 as plat No. 83-13, First Judicial District, State of Alaska. (Expires May 22, 2000)

hereby consents to the Assignment by said Lessees, of all their right, title and interest in and to said leases to SILVER BAY LOGGING, INC., of Cube Cove No. 2, Juneau, Alaska, which accepts all responsibility under said leases to the City of Wrangell and warrants to hold APC, Sitka Housing and AWL harmless therefor.

The Wrangell City Council, at a regular meeting held on April 14, 1998, has by action taken, consented to this Assignment.

Dated this 20<sup>th</sup> day of April, 1998.

ATTEST: Christie L. Jamieson

Christie L. Jamieson, Clerk

By: William B. Privett

William B. Privett, Mayor  
City of Wrangell, Alaska

## ASSIGNMENT

ALASKA PULP CORPORATION of 4600 Sawmill Creek Road, Sitka, Alaska 99835, SITKA HOUSING, INC., of 4600 Sawmill Creek Road, Sitka, Alaska 99835 and ALASKA-WRANGELL LUMBER COMPANY, INC., of 4600 Sawmill Creek Road, Sitka, Alaska 99835, hereinafter collectively referred to as "Assignors" hereby assign to SILVER BAY LOGGING, INC., of Cube Cove No. 2, Juneau, Alaska, hereinafter referred to as "Assignee," all of their right, title and interest in and to the following described Tideland Leases:

Alaska Tidelands Survey 1143, located within protracted Section 20, Township 63 South, Range 84 East, Copper River Meridian, containing 6.46 acres, more or less, according to the survey plat filed in the Wrangell Recording District on December 12, 1980 as plat No. 80-10, First Judicial District, State of Alaska. (Expires August 23, 2036)

Alaska Tidelands Survey 1249, located within protracted Sections 17 and 20, Township 63 South, Range 84 East, Copper River Meridian, containing 30.807 acres, more or less, according to the survey plat filed in the Wrangell Recording District September 19, 1983 as plat No. 83-13, First Judicial District, State of Alaska. (Expires May 22, 2000)

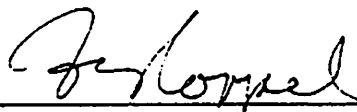
effective upon Assignee's acceptance of this Agreement.

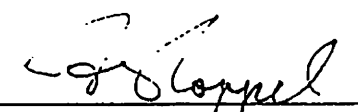
Dated: March 31, 1998

Assignors:

SITKA HOUSING, INC.

ALASKA-WRANGELL LUMBER  
COMPANY, INC.

By:   
Franklin C. Roppel,  
Its: Vice-President

By:   
Franklin C. Roppel  
Its: Vice-President

## ACCEPTANCE OF ASSIGNMENT

Assignee hereby accepts the foregoing assignment of the above described tideland leases and agrees to abide by all of their terms and conditions.

Assignee shall indemnify, hold harmless and defend Assignors from and against any and all liability, damages, costs or expenses, including attorney's fees arising from any violation or claim of violation of one or both of the said leases.

Dated: March 31, 1998

Assignee:

SILVER BAY LOGGING, INC.

By: Dick Buhler  
Dick Buhler,  
Its: President

STATE OF ALASKA                    )  
                                              : ss.  
FIRST JUDICIAL DISTRICT        )

THIS IS TO CERTIFY that on this 31<sup>st</sup> day of March, 1998, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **DICK BUHLER**, the President of Silver Bay Logging, Inc., to me known and known to me to be the identical individual described in and who executed the within **Acceptance of Assignment**, and acknowledged that he was authorized to sign the same in behalf of Silver Bay Logging, Inc., as a free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND and official seal the day, month and year last above written.

James F. Clark  
Notary Public, State of Alaska  
My commission expires: December 4, 1998



ALASKA PULP CORPORATION

By: Franklin C. Roppel  
Franklin C. Roppel,  
Its: Executive Vice-President

STATE OF ALASKA                    )  
                                              : ss.  
FIRST JUDICIAL DISTRICT    )

THIS IS TO CERTIFY that on this 31<sup>st</sup> day of March, 1998, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **FRANKLIN C. ROPPEL**, the Executive Vice-President of Alaska Pulp Corporation, the Vice-President of Sitka Housing, Inc., and the Vice-President of Alaska-Wrangell Lumber Company, Inc., to me known and known to me to be the identical individual described in and who executed the within **Assignment** acknowledged that he was authorized to sign the same in behalf of Alaska Pulp Corporation, Sitka Housing, Inc., and Alaska-Wrangell Lumber Company, Inc., as a free and voluntary act and deed, for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND and official seal the day, month and year last above written.

James F. Clark  
Notary Public, State of Alaska  
My commission expires: December 4, 1998

After recording, send to:  
City Clerk  
City of Wrangell  
P.O. Box 531  
Wrangell, AK 99929

# **CITY & BOROUGH OF WRANGELL, ALASKA**

## **BOROUGH ASSEMBLY AGENDA ITEM August 28, 2012**

**ITEM NO. 13c**      Consideration and Appropriate Action relating to the interim management services for the Wrangell Medical Center

### **INFORMATION:**

### **RECOMMENDED ACTION:**

Move to approve the interim management services contract for the Wrangell Medical Center.

# **CITY & BOROUGH OF WRANGELL, ALASKA**

## **BOROUGH ASSEMBLY AGENDA ITEM August 28, 2012**

**ITEM NO. 13d      Consideration and Appropriate Action relating to the Community Facilities Grant Agreement between the USDA and the City and Borough of Wrangell for the Community Garden Greenhouse**

### **INFORMATION:**

#### **Attachments:**

1. Memo from Amber Al-Haddad, Projects Manager dated August 22, 2012
2. Proposed Community Facilities Grant Agreement between the USDA and the City and Borough of Wrangell

### **RECOMMENDED ACTION:**

Move to authorize the Borough Manager to enter into an Agreement with the USDA for the administration of the construction of a Community Garden Greenhouse. Through USDA grant funds, reimbursement for all costs associated with grant administration and compliance, shall not exceed the amount of \$100,000.



## MEMORANDUM

**TO: HONORABLE MAYOR AND MEMBERS OF THE ASSEMBLY  
CITY AND BOROUGH OF WRANGELL**

**FROM: AMBER AL-HADDAD  
PROJECTS MANAGER**

**SUBJECT: USDA GRANT AGREEMENT  
COMMUNITY GARDEN GREENHOUSE**

**DATE: August 22, 2012**

### **BACKGROUND**

In April 2011, the Assembly authorized the Borough Manager to enter into a Memorandum of Understanding with Wrangell Medical Center for grant administration of a USDA Rural Development, Community Facilities Grant for construction of a Community Garden Greenhouse. Since that time, the federal government revised regulations related to the grant, and the City and Borough of Wrangell and Wrangell Medical Center requested a time extension in an effort to maintain the funds for the project.

Following the request for an extension of time, the USDA contacted the City and Borough of Wrangell requesting that a grant agreement for this project be executed between the USDA and the City and Borough of Wrangell, as one did not previously exist between the USDA and the Wrangell Medical Center.

By accepting obligations under the Grant Agreement, the City and Borough of Wrangell agrees to complete the grant's objectives, which is the construction of a commercial-style greenhouse for the Community Garden. The project funds provided by the USDA, for combined administration and programmatic costs, shall not to exceed \$100,000. Under the requirements of the grant, the City and Borough of Wrangell would agree to provide a \$33,500 match. As previously planned, we would provide this match through the donation of the land upon which the project will be constructed. For the purpose of determining the value of the land, a property value assessment was performed by Appraisal Company of Alaska, establishing the value of the parcel at \$189,000, well exceeding the match requirement.

If approved, the City and Borough of Wrangell would administer the grant according to subsequent grant award regulations set forth by the USDA Rural Development, Community Facilities grant program.

### **RECOMMENDATION**

Staff recommends the Assembly authorize the Wrangell Borough Manager to enter into an Agreement with the USDA for the administration of the construction of a Community Garden Greenhouse. Through USDA grant funds, reimbursement for all costs associated with grant administration and compliance, shall not exceed the amount of \$100,000.

### **ATTACHMENTS**

1. Grant Agreement between the USDA and the City and Borough of Wrangell for the construction of a Community Garden Greenhouse.

Form RD 3570-3  
(Rev. 5-99)

Form Approved  
OMB No. 0575-0173

United States Department of Agriculture  
Rural Housing Service

COMMUNITY FACILITIES GRANT AGREEMENT

THIS GRANT AGREEMENT (Agreement) dated \_\_\_\_\_, is a contract for receipt of grant funds under the Community Facility Grant program (7 C.F.R. part 3570, subpart B). These requirements do not supersede the applicable requirements for receipt of Federal funds stated in 7 C.F.R. parts 3015, "Uniform Federal Assistance Regulations," 3016 "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," or 3019, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Nonprofit Organizations." Further, 7 C.F.R. part 3570, subpart B, and all relevant regulatory requirements apply to applicants whether contained in here or not.

**THIS GRANT AGREEMENT EXPIRES ON SEPTEMBER 30, 2013**

BETWEEN \_\_\_\_\_ City Of Wrangell Dba Wrangell Med Ctr \_\_\_\_\_

a public body, nonprofit corporation, or Indian tribe (Grantee) and the United States of America acting through the Rural Housing Service (RHS), Department of Agriculture, (Grantor)

WITNESSETH:

All references herein to "Project" refer to a community facility to serve a rural community generally known as \_\_\_\_\_ Community Garden Greenhouses \_\_\_\_\_ The principal amount of the grant is \$ \_\_\_\_\_ 100,000.00 (Grant Funds) which is \_\_\_\_\_ 74.9100 percent of Project costs.

WHEREAS

Grantee has determined to undertake the acquisition, construction, enlargement, capital improvement, or purchase of equipment for a project with a total estimated cost of \$ \_\_\_\_\_ 133,500.00 Grantee is able to finance and has committed \$ \_\_\_\_\_ 33,500.00 of Project costs.

The Grantor has agreed to give the Grantee the Grant Funds, subject to the terms and conditions established by the Grantor. Provided, however, that any Grant Funds actually advanced and not needed for grant purposes shall be returned immediately to the Grantor. The Grantor may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of this Agreement or the applicable regulation.

As a condition of this Agreement, the Grantee assures and certifies that it is in compliance with and will comply in the course of the Agreement with all applicable laws, regulations, Executive Orders, and other generally applicable requirements, including those contained in 7 C.F.R. § 3015.205(b), which are incorporated into this agreement by reference, and such other statutory provisions as are specifically contained herein.

NOW, THEREFORE, in consideration of said grant;

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0173. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.



Grantee agrees that Grantee will:

A. Cause said Project to be constructed within the total sums available to it, including Grant Funds, in accordance with any architectural or engineering reports, and any necessary modifications, prepared by Grantee and approved by Grantor;

B. Provide periodic reports as required by Grantor and permit periodic inspection of the Project by a representative of the Grantor. For grant-only Projects, Form SF-269, "Financial Status Report," and a project performance report will be required on a quarterly basis (due 15 working days after each of each calendar quarter). A final project performance report will be required with the last "Financial Status Report." The final report may serve as the last quarterly report. Grantees shall constantly monitor performance to ensure that time schedules are being met, projected work by time periods is being accomplished, and other performance objectives are being achieved. The project performance reports shall include, but not limited to, the following:

1. A comparison of actual accomplishments to the objectives established for that period;
2. Reasons why established objectives were not met;
3. Problems, delays, or adverse conditions which will affect attainment of overall project objectives, prevent meeting time schedules or objectives, or preclude the attainment of particular project work elements during established time periods. This disclosure shall be accomplished by a statement of the action taken or planned to resolve the situation; and
4. Objectives and timetables established for the next reporting period.

C. Manage, operate, and maintain the facility, including this Project if less than the whole of said facility, continuously in an efficient and economical manner;

D. Not use grant funds to replace any financial support previously provided or assured from any other source. The Grantee agrees that the Grantee's level of expenditure for the Project shall be maintained and not reduced as a result of Grant Funds;

E. Make the public facility or services available to all persons in Grantee's service area without discrimination as to race, color, religion, sex, national origin, age, marital status, or physical or mental disability at reasonable rates, including assessments, taxes, or fees. Grantee may make modifications as long as they are reasonable and nondiscriminatory;

F. To execute any agreements required by Grantor which Grantee is legally authorized to execute. If any such agreement has been executed by Grantee as a result of a loan being made to Grantee by Grantor contemporaneously with the making of this grant, that agreement applies equally to the grant and another identical agreement need not be executed in connection with this grant;

G. Upon any default under its representations or agreements contained in this instrument, Grantee, at the option and demand of Grantor, will immediately repay to Grantor the Grant Funds with any legally permitted interest from the date of the default. Default by the Grantee will constitute termination of the grant thereby causing cancellation of Federal assistance under the grant. The provisions of this Agreement may be enforced by Grantor, at its option and without regard to prior waivers of previous defaults by Grantee, by judicial proceedings to require specific performance of the terms of this Agreement or by such other proceedings in law or equity, in either Federal or State courts, as may be deemed necessary by Grantor to assure compliance with the provisions of this Agreement and the laws and regulations under which this grant is made;

H. Use the real property including land, improvements, structures, and appurtenances thereto, for authorized purposes of the grant as long as needed;

1. Title to real property shall vest in the Grantee subject to the condition that the Grantee shall use the real property for the authorized purpose of the original grant as long as needed.

2. The Grantee shall obtain Grantor's approval to use the real property in other projects when the Grantee determines that the property is no longer needed for the original grant purposes. Use in other projects shall be limited to those under other Federal grant programs or programs that have purposes consistent with those authorized for support by the Grantor.

3. When the real property is no longer needed, as provided in paragraphs 1 and 2 above, the Grantee shall request disposition instructions from the Grantor. The Grantor will observe the following rules in the disposition instructions:

(a) The Grantee may be permitted to retain title after it compensates the Federal government in an amount computed by applying the Federal percentage of participation in the cost of the original Project to the fair market value of the property;

(b) The Grantee may be directed to sell the property under guidelines provided by the Grantor and pay the Federal government an amount computed by applying the Federal percentage of participation in the cost of the original Project to the proceeds from sale (after deducting actual and reasonable selling and fix-up expenses, if any, from the sales proceeds). When the Grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practicable and result in the highest possible return;

(c) The Grantee may be directed to transfer title to the property to the Federal government provided that in such cases the Grantee shall be entitled to compensation computed by applying the Grantee's percentage of participation in the cost of the program or Project to the current fair market value of the property;

**This Grant Agreement covers the following described real property (use continuation sheets as necessary).** community greenhouse located in Wrangell, Alaska

I. Abide by the following conditions pertaining to equipment which is furnished by the Grantor or acquired wholly or in part with Grant Funds. Equipment means tangible, non-expendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. A Grantee may use its own definition of equipment provided that such definition would at least include all equipment as defined below:

1. Use of equipment.

(a) The Grantee shall use the equipment in the Project for which it was acquired as long as needed. When no longer needed for the original project, the Grantee shall use the equipment in connection with its other federally sponsored activities, if any, in the following order of priority:

(i) Activities sponsored by the Grantor.

(ii) Activities sponsored by other Federal agencies.

(b) During the time that equipment is held for use on the project for which it was acquired, the Grantee shall make it available for use on other projects if such other use will not interfere with the work on the project for which the property was originally acquired. First preference for such other use shall be given to Grantor sponsored projects. Second preference will be given to other federally sponsored projects.

2. Disposition of equipment. When the Grantee no longer needs the property as provided in paragraph 1 (a) and (b) above, the equipment may be sold or used for other activities in accordance with the following standards:

(a) Equipment with a current fair market value of less than \$5,000. The Grantee may use the property for other activities without reimbursement to the Federal government or sell the property and retain the proceeds.

(b) Equipment with a current fair market value of \$5,000 or more. The Grantee may retain the property for other uses provided that compensation is made to the Grantor. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original Project to the current fair market value of the property. If the Grantee has no need for the equipment and the equipment has further use value, the Grantee shall request disposition instructions from the Grantor.

(c) The Grantor shall determine whether the equipment can be used to meet RHS or its successor agency's requirements. If no such requirements exist, the availability of the property shall be reported, in accordance with the guidelines of the Federal Property Management Regulations (FPMR), to the General Services Administration by the Grantor to determine whether a requirement for the equipment exists in other Federal agencies. The Grantor shall issue instructions to the Grantee no later than 120 days after the Grantee's request and the following procedures shall govern:

(i) If so instructed or if disposition instructions are not issued within 120 calendar days after the Grantee's request, the Grantee shall sell the equipment and reimburse the Grantor an amount computed by applying to the sales proceeds the percentage of Federal participation in the cost of the original project or program. However, the Grantee shall be permitted to deduct and retain from the Federal share 10 percent of the proceeds or \$500, whichever is less, for the Grantee's selling and handling expenses.

(ii) If the Grantee is instructed to ship the property elsewhere, the Grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the Grantee participation in the cost of the original grant Project or program to the current fair market value of the equipment plus any reasonable shipping or interim storage costs incurred.

(iii) If the Grantee is instructed to otherwise dispose of the equipment, the Grantee shall be reimbursed by the Grantor for such costs incurred in its disposition.

3. The Grantee's property management standards for equipment shall include:

(a) Property records which accurately provide for: a description of the equipment; manufacturer's serial number or other identification number; acquisition date and cost; source of the equipment; percentage (at the end of budget year) of Federal participation in the cost of the Project for which the equipment was acquired; location, use, and condition of the equipment and the date the information was reported; and ultimate disposition data including sales price or the method used to determine current fair market value if the Grantee reimburses the Grantor for its share.

(b) A physical inventory of equipment shall be taken and the results reconciled with the equipment records at least once every two years to verify the existence, current utilization, and continued need for the equipment.

(c) A control system shall be in effect to ensure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft of equipment shall be investigated and fully documented.

(d) Adequate maintenance procedures shall be implemented to keep the equipment in good condition.

(e) Proper sales procedures shall be established for unneeded equipment which would provide for competition to the extent practicable and result in the highest possible return;

**This Grant Agreement covers the following described equipment (use continuation sheets as necessary).**

**J. Provide Financial Management Systems which will include:**

1. Accurate, current, and complete disclosure of the financial results of each grant. Financial reporting will be on an accrual basis.
2. Records which identify adequately the source and application of funds for grant-supported activities. Those records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.
3. Effective control over and accountability for all funds, property, and other assets. Grantees shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes.
4. Accounting records supported by source documentation.

K. Retain financial records, supporting documents, statistical records, and all other records pertinent to the grant for a period of at least three years after grant closing except that the records shall be retained beyond the three-year period if audit findings have not been resolved. Microfilm or photo copies or similar methods may be substituted in lieu of original records. The Grantor and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the Grantee's which are pertinent to the specific grant program for the purpose of making audits, examinations, excerpts, and transcripts;

L. Provide either an audit report, annual financial statements, or other documentation prepared in accordance with Grantor regulations to allow the Grantor to determine that funds have been used in compliance with the proposal, any applicable laws and regulations, and this Agreement;

M. Agree to account for and to return to Grantor interest earned on grant funds pending their disbursement for program purposes when the Grantee is a unit of local government. States and agencies or an instrumentality of a State shall not be held accountable for interest earned on Grant Funds pending their disbursement;

N. Not encumber, transfer or dispose of the property or any part thereof, furnished by the Grantor or acquired wholly or in part with Grantor funds without the written consent of the Grantor except as provided in Item H and I; and

O. Not duplicate other Project purposes for which monies have been received, are committed, or are applied to from other sources (public or private).

Grantor Agrees That It:

A. Will make available to Grantee for the purpose of this Agreement not to exceed \$ 100,000.00 which it will advance to Grantee to meet not to exceed 74.9100 percent of the Project development costs in accordance with the actual needs of Grantee as determined by Grantor.

B. Will assist Grantee, within available appropriations, with such technical assistance as Grantor deems appropriate in planning the Project and coordinating the plan with local official comprehensive plans for essential community facilities and with any State or area plans for the area in which the project is located.

C. At its sole discretion and at any time may give any consent, deferment, subordination, release, satisfaction, or termination of any or all of Grantee's grant obligations, with or without valuable consideration, upon such terms and conditions as Grantor may determine to be (1) advisable to further the purpose of the grant or to protect Grantor's financial interest therein and (2) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it is made.

Termination of This Agreement **THIS GRANT AGREEMENT EXPIRES ON SEPTEMBER 30, 2013**

This Agreement may be terminated for cause in the event of default on the part of the Grantee or for convenience of the Grantor and Grantee prior to the date of completion of the grant purpose. Termination for convenience will occur when both the Grantee and Grantor agree that the continuation of the Project will not produce beneficial results commensurate with the further expenditure of funds.

IN WITNESS WHEREOF, Grantee has this day authorized and caused this Agreement to be executed

By \_\_\_\_\_  
\_\_\_\_\_

and attested with its corporate seal affixed (if applicable) by  
\_\_\_\_\_  
\_\_\_\_\_

Attest: \_\_\_\_\_  
\_\_\_\_\_

By \_\_\_\_\_  
\_\_\_\_\_

(Title) \_\_\_\_\_

UNITED STATES OF AMERICA  
RURAL HOUSING SERVICE

By \_\_\_\_\_  
\_\_\_\_\_

(Name)

(Title)

# **CITY & BOROUGH OF WRANGELL, ALASKA**

## **BOROUGH ASSEMBLY AGENDA ITEM August 28, 2012**

**ITEM NO. 13e**      **Consideration to Cancel the November 13, 2012 Borough  
Assembly Meeting**

### **INFORMATION:**

Attachments:

1. Memo from Borough Manager Timothy Rooney, dated August 24, 2012.

### **RECOMMENDED ACTION:**

Move to approve the cancellation of the November 13, 2012 Borough Assembly meeting, and conduct only one meeting on November 27, 2012.



**MEMORANDUM**

**TO: HONORABLE MAYOR AND MEMBERS OF THE ASSEMBLY  
CITY AND BOROUGH OF WRANGELL**

**FROM: TIMOTHY ROONEY  
BOROUGH MANAGER**

**SUBJECT: CANCELLATION OF NOVEMBER 13, 2012 MEETING**

**DATE: August 24, 2012**

**BACKGROUND:**

For the past 3 years, the Borough Assembly has only had one meeting in November. Either the first or the second meeting in November was cancelled due to the amount of Assembly members that would be out of town on Thanksgiving week or due to conflicts with the AML Annual Meetings.

This year, the Alaska Municipal League, the Alaska Municipal Clerks, and the Alaska Municipal Managers Association are having their annual conferences the week of November 12, 2012 in Anchorage. Due to the amount of staff and Assembly members that will be attending this conference, it would be staff's preference to cancel the November 13, 2012 meeting and conduct only one meeting on November 27, 2012.

**RECOMMENDATION:**

Staff recommends the Borough Assembly cancel the November 13, 2012 meeting and conduct only one meeting on November 27, 2012.

# **CITY & BOROUGH OF WRANGELL, ALASKA**

## **BOROUGH ASSEMBLY AGENDA ITEM August 28, 2012**

### **ITEM NO. 13f      Discussion and Possible Action relating to a Letter of Support for SEAPA's Hydrogen Feasibility Study**

#### **INFORMATION:**

Attachments:

1. HydroPower Surplus to Stored Hydrogen Request for Feasibility Study
2. Draft Letter of Support to AEA

#### **RECOMMENDED ACTION:**

Move to Authorize a Letter of Support for SEAPA's Hydrogen Feasibility Study to the Alaska Energy Authority.

## HYDROPOWER SURPLUS TO STORED HYDROGEN REQUEST FOR FEASIBILITY STUDY



The spill event shown above at SEAPA's Swan Lake facility occurred during the spring of 2012. Once water is spilled, it cannot be used for generation.

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August 2012

# SOUTHEAST ALASKA POWER AGENCY

## Section 1

### Abstract

The Southeast Alaska Power Agency (SEAPA) operates a transmission system and hydroelectric plants (hydroplants) that serve electrical loads in Ketchikan, Wrangell, and Petersburg, Alaska. The SEAPA system is part of a region that is nearly 100% hydro based and electrically isolated. When surplus hydro generation conditions occur, typically all hydro operators in the region are fully utilized; with an isolated system, there is no alternative other than spilling surplus energy over a spillway (see cover photo). The region is also experiencing significant winter load growth that has caused and will continue to cause both energy and capacity shortages. These shortages are met with diesel-electric generation that dispatches at a cost differential of four-to-one over the current hydro cost of 6.8 cents/kWh. High winter electrical loads occur during times when inflows to reservoirs are low. Conversely, late summer and fall low electrical loads occur during the season of highest inflows. A further complication encountered as hydro operators manage water levels is that the wettest part of the year, September through November, is also the most volatile time of year with respect to inflow prediction. As operators fill the reservoirs for the oncoming winter heating season, there is significant risk that above normal precipitation will be spilled. All of these system characteristics: uniform base of hydro-generators, electrical isolation, and loads not coincident with inflow, cause spill in the SEAPA region that in other parts of the continental United States would be an energy or capacity sale.

Hydrogen production and storage during times of surplus may be an alternative to spill. This stored energy would then be used for generation either by supplementing diesel combustion or through the operation of fuel cell technology during times of hydroelectric shortages. A feasibility study should be conducted to determine if a proof of concept hydrogen prototype should be designed, constructed, and operated.

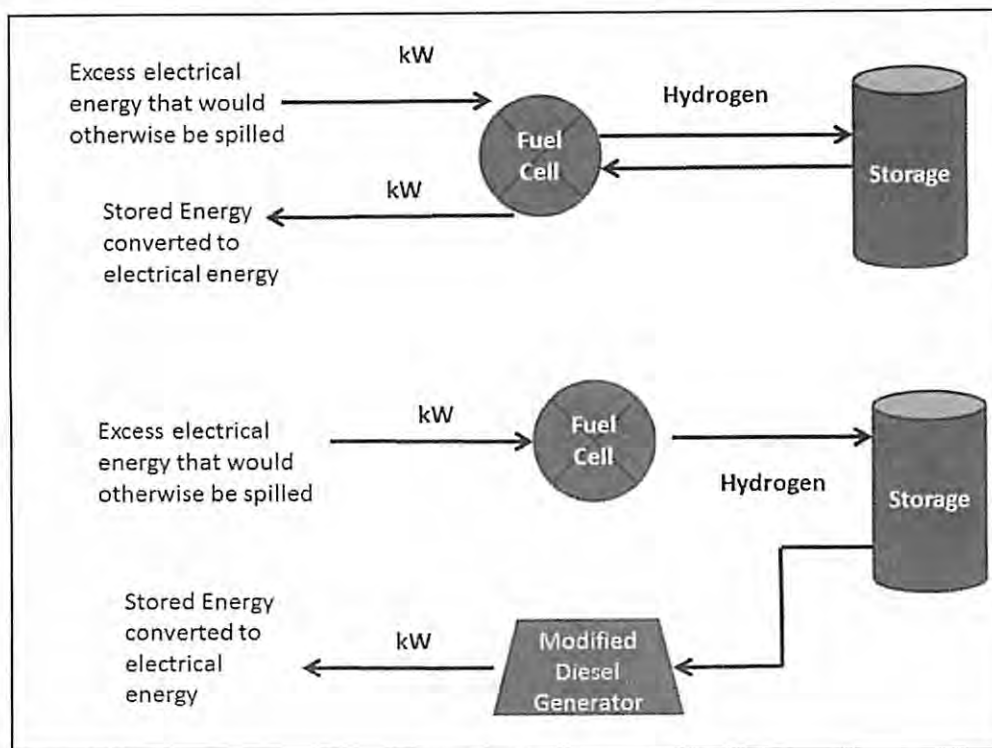


Figure 1 - Conceptual Schematic of Hydro-to-Hydrogen System.

# SOUTHEAST ALASKA POWER AGENCY

## Section 2 Background Information

### 2.1 Project Location - Southeast Alaska



Figure 2- SEAPA transmission from Ketchikan to Swan Lake is shown as blue, Swan Lake to Tyee Lake as red, and from Tyee Lake to Wrangell and Petersburg as purple. SEAPA hydro generation is located at Tyee Lake and Swan Lake with additional hydro generation owned and operated by Petersburg and Ketchikan.

## SOUTHEAST ALASKA POWER AGENCY

### 2.2 System Logistics

The Tye Lake and Swan Lake Power Plants can be accessed by boat or charter aircraft; there are no roads to these generation facilities. The hydroplants operated by Petersburg Municipal Power & Light and Ketchikan Public Utilities have road access. Wrangell Municipal Light & Power does not have a hydroplant. All three municipal utilities purchase wholesale energy from SEAPA. Ancillary services such as load following and voltage support are assumed included with the energy sale. Each municipality has standby diesel generation for cases of hydro unit failure or transmission interruption. At this very preliminary stage, the equipment and storage facilities for a prototype hydro-to-hydrogen conversion are thought to reside in one of the municipalities where support services, road access, and commercial flights are available.

### 2.3 System Spill and Diesel History

Figure 3, below, shows the historic spill at Swan Lake and diesel generation in Ketchikan. The full pool elevation at Swan Lake is 330 feet; the minimum operating level is 271.5 feet. Since all municipal and SEAPA hydroplants are electrically interconnected, excess generation at any hydroplant can be used for hydrogen production.

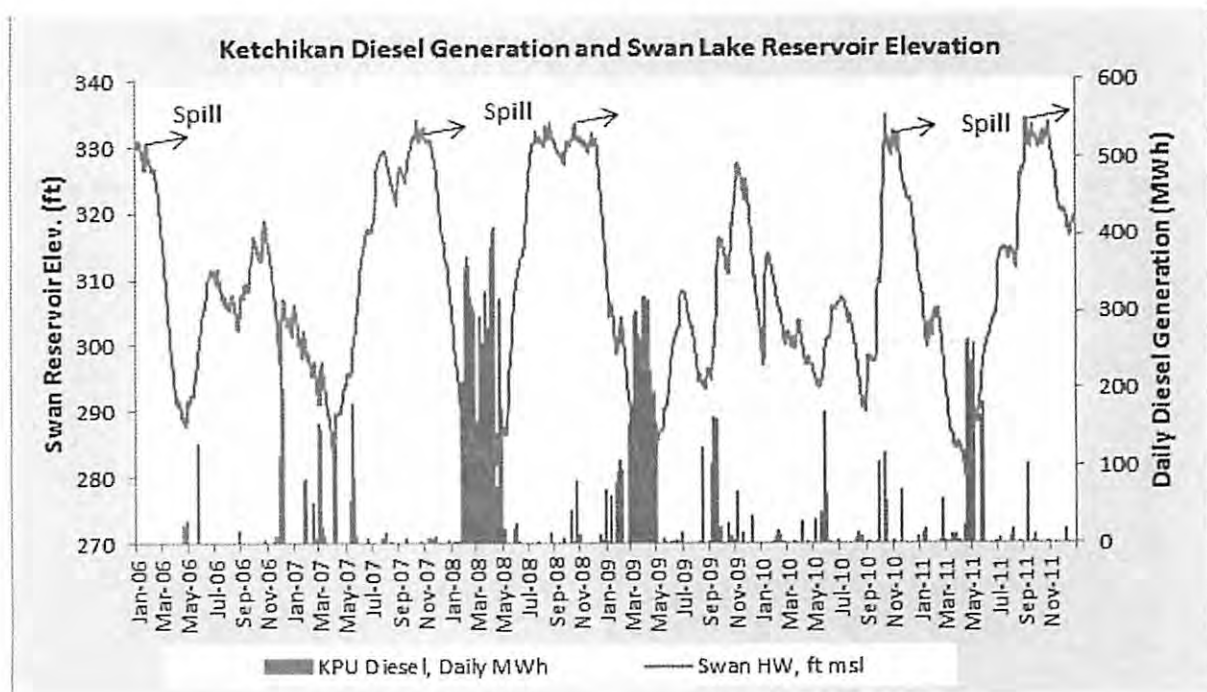


Figure 3 - Wet season spill at Swan Lake preceding winter diesel generation in Ketchikan.



# SOUTHEAST ALASKA POWER AGENCY

## Section 3

### SEAPA System Characteristics

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#### 3.1 Dispatch Order and Inflow Prediction

SEAPA hydroelectric projects are dispatched last in the region's hydro-resource stack. This is because the Power Sales Agreement between SEAPA and the member utilities stipulates that hydroplants existing before the construction of Tyee Lake and Swan Lake should be fully utilized (original municipal benefit preserved) before the members are required to purchase SEAPA energy. The effect of this requirement is that reservoir operations become problematic if there is no time to react to shifts in inflow patterns. As an example, suppose an unforeseen early January warm front hits the area and member utilities suddenly increase generation. This immediately reduces the net load to SEAPA, which may result in spill of the valuable warm front precipitation. This spill is more likely to occur if the preceding period had been drier than normal forcing the SEAPA operations plan to aggressively fill reservoirs for the winter heating season. If a hydro-to-hydrogen system was available, the SEAPA control system would automatically feed the fuel cell load and thus store the excess electricity as hydrogen for later use.

#### 3.2 Load Not Coincident with Inflows

Over the course of the year, inflows are not coincident with loads; larger inflows occur when loads are low, and lower inflows occur when loads are high.

Examples of coincidence and non-coincidence:

Coincidence: Spring runoff and high irrigation pumping, late season fish processing, and early fall precipitation.

Non-coincidence: Winter freeze-up and space heating.

Because our load profile is shifting towards winter space heating, our future loads will be even less coincident with inflow. This means we are likely to have surplus hydro in the late fall for an extended period. If a new hydroplant is constructed in the future, the spill and diesel cycle will be repeated. A hydrogen storage system would "shift" wet season spilled water to winter heating capability, and this same hydrogen system could add storage capability to a future planned hydroplant that had reduced or limited reservoir storage. Figure 4, below, shows the relationship of inflow to load for the Tyee Lake hydroplant. Historic average annual inflow is approximately 117,000 ac-ft; active reservoir storage is 52,000 ac-ft, or in terms of the number of tank fills of fuel, Tyee receives on average  $2\frac{1}{4}$  tanks ( $52,000 \times 2.25 = 117,000$  ac-ft). Note that the full range of reservoir is used yet spill occurred in the October to November time frame. Even with future load growth, SEAPA expects to spill during the October to November period.

## SOUTHEAST ALASKA POWER AGENCY

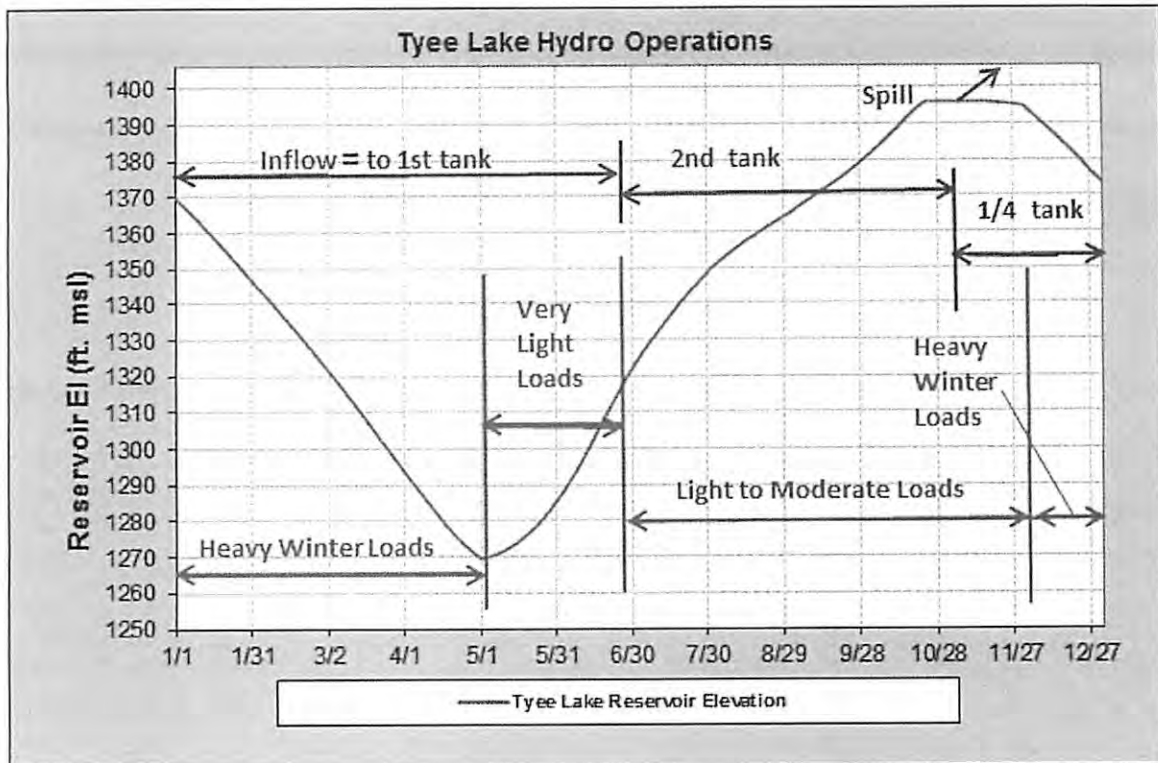


Figure 4 - Tyee Lake timing of inflows and loads relative to reservoir level.

### 3.3 Estimated Excess Energy

SEAPA is actively pursuing a project to increase reservoir storage at Swan Lake. This project would absorb between 7,000 and 10,000 MWh of excess energy that would be redirected to winter loads. When the Swan Lake Reservoir expansion project is complete, there will continue to be additional spill available to generate hydrogen. The estimate for this future spill volume, expressed as available hydrogen generation, is between 2,500 MWh and 13,000 MWh. The variance in the estimate is a function of inflow conditions, winter temperatures, and fish processing volume. Additionally, line connections to Metlakatla and Kake, and the Whitman project, are also factored into the estimate. The base level electrical load used the Southeast Alaska Integrated Resource Plan (SEIRP) expected case load growth of .5%. Thirty years into the future, excess hydro energy will still be available as a generic hydroplant consistent with the SEIRP, will be constructed but not fully utilized during the summer and fall months.

## Section 4

### Feasibility Study Scope, Schedule, and Budget, Discussion

#### 4.1 Feasibility Study Scope of Work, Schedule, and Budget

A suggested scope of work, schedule, and cost estimate is listed in Table 1, below.



## SOUTHEAST ALASKA POWER AGENCY

|      |                                                                                                                                                                                                | <u>Start Date =&gt;</u> |       | <u>3/11/2013</u> |            |           |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------|------------------|------------|-----------|
| Task | Description                                                                                                                                                                                    | Effort Est.<br>(hrs.)   | Rate  | Cost             | Start Date | End Date  |
| 1    | Review previous utility hydrogen storage studies and create an electronic library comprised of PDF documents                                                                                   | 120                     | \$165 | \$19,800         | 3/11/2013  | 4/1/2013  |
| 2    | Review existing SEAPA electrical system energy and power data                                                                                                                                  | 40                      | \$165 | \$6,600          | 3/11/2013  | 3/18/2013 |
| 3    | Perform thermodynamic analysis & comparisons                                                                                                                                                   | 150                     | \$165 | \$24,750         | 4/1/2013   | 4/27/2013 |
| 4    | Study and analyze storage options                                                                                                                                                              | 300                     | \$165 | \$49,500         | 4/27/2013  | 6/18/2013 |
| 5    | Estimate cost of system                                                                                                                                                                        | 120                     | \$165 | \$19,800         | 6/18/2013  | 7/9/2013  |
| 6    | Iterate cost with thermo analysis and storage mechanism                                                                                                                                        | 200                     | \$165 | \$33,000         | 7/9/2013   | 8/13/2013 |
| 7    | Compile review into preliminary report                                                                                                                                                         | 120                     | \$165 | \$19,800         | 8/13/2013  | 9/3/2013  |
| 8    | Modify preliminary to final report                                                                                                                                                             | 80                      | \$165 | \$13,200         | 9/3/2013   | 9/17/2013 |
|      | Report to contain:<br>Engineering nomographs/tables/plots<br>Answers to top level questions<br>Answers to detailed questions<br>Discussion of options considered<br>Suggested best Alternative |                         |       |                  |            |           |
|      | <b>Subtotal Cost</b>                                                                                                                                                                           |                         |       | <b>\$186,450</b> |            |           |
|      | Contingency                                                                                                                                                                                    | 15%                     |       | \$27,967.50      |            |           |
|      | Project Management                                                                                                                                                                             | 15%                     |       | \$27,968         |            |           |
|      | Project Management Travel                                                                                                                                                                      |                         |       | \$2,000          |            |           |
|      | <b>Total Project Cost</b>                                                                                                                                                                      |                         |       | <b>\$244,385</b> |            |           |

**Table 1- Listing of Feasibility Study Scope, Schedule, and Budget**

The following top level questions should be answered by the feasibility study:

- What are the fundamental issues with fuel cell conversion? Discuss technology use by utilities, cost, mature technologies, commercially available components and controls.
- What are the fundamental issues with hydrogen storage? Discuss volume, safety, methods, materials, losses, and life cycle.

The following specific questions would also be answered by the feasibility study:

## **SOUTHEAST ALASKA POWER AGENCY**

- How much input energy is required to store 5,000 MWh of hydrogen as a liquid, gas, or combined in a metal hydride?
- How much output energy is produced from the stored 5,000 MWh of hydrogen?
- What are the options for generating with hydrogen?
- What are the options for storing hydrogen?
- What is the relationship between storage volume, pressure, and temperature for liquid and gas storage? This could be conveyed with a nomograph for different levels of energy storage, 1000 MWh, 2500 MWh, 5000 MWh, etc.
- What are the power requirements to pressurize hydrogen from the fuel cell nominal pressure to the storage pressure? If a gas system were deployed, what would the optimum storage pressure be? What is the relationship between storage costs, charging pressure, and kW to H<sub>2</sub> conversion for a fuel cell option?
- What other options should SEAPA pursue other than fuel cell generated hydrogen?
- How big should the hydrogen station be? A couple of homes, municipal building size, etc.?

### **4.2 Discussion**

The feasibility study could be managed by either the Alaska Energy Authority (AEA), SEAPA, or a third party. Since the technology would be readily transferable to other utilities (as opposed to a specific hydro project), 100% funding is requested. If SEAPA conducts the project management, then no reimbursement for SEAPA labor would be requested. Any travel and meetings requested by the AEA would have travel expenses reimbursed, which costs are estimated at \$2,000. A start date of March 11, 2013 has been suggested, with all work complete by the end of 2013.

Attachment #2

[Date]

Mr. Shawn Calfa  
Grant Administrator  
Alaska Energy Authority  
813 West Northern Lights Boulevard  
Anchorage, Alaska 99503

**Letter of Support for Renewable Energy Fund Grant (Round VI)**  
**SEAPA Hydropower Surplus to Stored Hydrogen Feasibility Study**

Dear Mr. Calfa:

I am writing to you on behalf of the City of Wrangell. It is my understanding that The Southeast Alaska Power Agency ('SEAPA') is preparing grant applications to study the feasibility of hydrogen production and storage as an alternative to underutilized hydro.

The Southeast Region has experienced significant winter load growth, which has caused, and will continue to cause, both energy and capacity shortages. The shortages are currently met with diesel-electric generation that dispatches at a cost differential of four-to-one over the current hydro cost. Many benefits could be realized if it is determined that hydrogen production and storage is feasible for this region. The City and Borough of Wrangell, Alaska supports SEAPA's efforts in studying the feasibility of turning its surplus hydro into stored hydrogen as a source of energy.

If you have any questions, please do not hesitate to contact me at (907) 874-2381.

Sincerely,

Jeremy Maxand, Mayor  
City and Borough of Wrangell

# **CITY & BOROUGH OF WRANGELL, ALASKA**

## **BOROUGH ASSEMBLY AGENDA ITEM August 28, 2012**

**ITEM NO. 14**

**ATTORNEY'S FILE:**

Invoice is attached.

# AGENDA

14

HOFFMAN & BLASCO, LLC  
9360 Glacier Highway, Suite 202  
Juneau, AK 99801

TAX ID NO. 45-2170544  
TEL: (907) 586- 3340

CITY AND BOROUGH OF WRANGELL  
P.O. BOX 531  
WRANGELL AK 99929

ATTN: TIM ROONEY

ACCOUNT NO: 08/07/2012  
14243M

|                                                    | BALANCE            |
|----------------------------------------------------|--------------------|
| 14243-08031 SPECIAL PROJECT: Hospital Construction | \$437.50           |
| 14243-08032 GENERAL                                | \$6,681.66         |
| 14243-12061 NOEL REA CONTRACT                      | \$18,691.05        |
| 14243-12062 WMC GENERAL                            | \$1,715.00         |
|                                                    | <u>\$27,525.21</u> |

# **CITY & BOROUGH OF WRANGELL, ALASKA**

## **BOROUGH ASSEMBLY AGENDA ITEM August 28, 2012**

### **ITEM NO. 15      EXECUTIVE SESSION**

#### **1. Borough Manager's Annual Evaluation**

#### **INFORMATION:**

#### **RECOMMENDED ACTION:**

I move, pursuant to 44.62.320 (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 Borough Manager's Annual Evaluation.