



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

**February 25, 2014 – 7:00 p.m.**

**Location: Assembly Chambers, City Hall**

**1. CALL TO ORDER**

- a. PLEDGE OF ALLEGIANCE led by Assembly Member Wilma Stokes
- b. INVOCATION to be given by
- c. CEREMONIAL MATTERS – *Community Presentations, Proclamations, Certificates of Service, Guest Introductions*
  - i. Presentation by Steve Helgeson – 2013 Path to Prosperity community benefits.

**2. ROLL CALL**

**3. AMENDMENTS TO THE AGENDA**

**4. CONFLICT OF INTEREST**

**5. CONSENT AGENDA**

- a. Items (\*) 6a, 7a, 7b, 7c, 7d, & 7e

**6. APPROVAL OF MINUTES**

- \*a. Minutes of the Public Hearing and Regular Assembly meetings held on February 11, 2014

**7. COMMUNICATIONS**

- \*a. Notice of Permit Application (POA-2014-29) submitted by Todd White to the Dept. of the Army Corps of Engineers and the Preliminary Determination form submitted by U.S. Dept. of the Army Corps of Engineers to Todd White
- \*b. 2014 Alaska Gaming Permit Application renewal from Alaska Native Sisterhood
- \*c. Travel Summary for the month of January, 2014
- \*d. Expenditure report from Southeast Senior Services covering the second quarter period from Oct. 1, 2013 through Dec. 31, 2013
- \*e. Board Action from the Regular School Board meeting held February 17, 2014

**8. BOROUGH MANAGER'S REPORT**

**9. BOROUGH CLERK'S FILE**

**10. MAYOR/ASSEMBLY REPORTS AND APPOINTMENTS**

- a. Reports by Assembly Members

**11. PERSONS TO BE HEARD**

## **12. UNFINISHED BUSINESS**

- a. PROPOSED ORDINANCE No. 874: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING TITLE 2, ELECTIONS, OF THE WRANGELL MUNICIPAL CODE TO CLARIFY SECTION 2.04.050 ON WHO IS DECLARED ELECTED TO OFFICE AND SECTION 2.20.060 ON THE BALLOT FORM FOR OFFICES AND CANDIDATES (*second reading*)
- b. Approval to provide the TBPA Commission with a letter that commits to the future funding of TBPA Non-net billable funding

## **13. NEW BUSINESS**

- a. PROPOSED ORDINANCE No. 875: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTION 3, ADMINISTRATION AND PERSONNEL, OF THE WRANGELL MUNICIPAL CODE BY REPEALING CHAPTER 3.50, CEMETERY ADVISORY COMMITTEE, IN ITS ENTIRETY (*first reading*)
- b. PROPOSED ORDINANCE No. 876: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTIONS 5.08.005 AND 5.08.050 OF THE WRANGELL MUNICIPAL CODE RELATING TO SALES TAX TO ESTABLISH A DEFINITION OF "SINGLE-PURCHASE SALE" AND AMEND THE EXEMPTION FOR A SINGLE PURCHASE OF GOODS OR SERVICES (*first reading*)
- c. Approval of Bid Received from Petro Marine Services to furnish petroleum products for the City & Borough of Wrangell, Wrangell Public Schools, and the Wrangell Medical Center
- d. Approval of a fourth amendment to the Wrangell Marine Service Center Facility Lease Agreement for Tyler Thompson
- e. Approval of a letter to SEAPA, requesting that they consider the transfer of the Operations and Management of the Tyee Hydroelectric Project from the Thomas Bay Power Authority (TBPA) to the Southeast Alaska Power Authority (SEAPA)

## **14. ATTORNEY'S FILE**

## **15. EXECUTIVE SESSION**

## **16. ADJOURNMENT**

# Agenda Items 1 - 6

## CITY & BOROUGH OF WRANGELL

### BOROUGH ASSEMBLY

#### AGENDA ITEM

February 25, 2014

#### **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 Borough Assembly 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 Assembly Member Wilma Stokes
- b. Invocation to be given
- c. Ceremonial Matters – *Community Presentations, Proclamations, Certificates of Service, Guest Introductions*
  - i. Presentation by Steve Helgeson – 2013 Path to Prosperity community benefits.

#### **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)*

### **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 under Unfinished Business.*

### **RECOMMENDED ACTION:**

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

***\*6a, 7a, 7b, 7c, 7d, & 7e***

### **ITEM NO. 6 APPROVAL OF MINUTES:**

**INFORMATION:**

***6a*** *Minutes of the Public Hearing and Regular Assembly meetings held February 11, 2014*

**Minutes of Public Hearing  
Held February 11, 2014**

Mayor David L. Jack called the Public Hearing to order at 6:30 p.m., February 11, 2014, in the Borough Assembly Chambers. Assembly Members Blake and McCloskey were present. Assembly Member Wiederspohn was absent. Assembly Member Decker participated telephonically. Assembly Member Stokes arrived at 6:33 p.m. Assembly Member Stough arrived at 6:50 p.m. Borough Manager Jeff Jabusch and Borough Clerk Kim Lane were also in attendance.

**Public Hearing Items**

- a. Discussion and possible action concerning the possibility of changing Brueger Street to a One-way street

**WRITTEN TESTIMONY**

There was no written testimony.

**ORAL TESTIMONY**

**Amber Hommel, 1008 Case Ave.**, represented First Bank. She stated that she was there to hear what the options for Brueger Street were.

Assembly Member Blake stated that Sgt. Smith with the Wrangell Police Department had offered an alternative to making Brueger Street a one-way street; suggestion was to keep it a two-way street and eliminate parking on both sides of the street with the exception of handicapped parking in front of City Hall.

Assembly Member McCloskey stated that she was in favor of making Brueger Street a one-way street with parking on both sides of the street; this option would eliminate a blind spot on the street.

Assembly Member Stokes stated that she didn't see that there was much congestion.

Carl Johnson, Public Works Director stated that he had talked to Bob at Bob's IGA and he had suggested that if Brueger Street were to become a one-way street, that the traffic go in the Westerly direction.

**John Taylor, 318 McKinnon**, was in favor of keeping Brueger Street a two-way street and eliminating parking from the AICS parking lot dumpsters to the Elks back parking lot.

Public Hearing recessed at: 6:42 p.m.

Public Hearing reconvened at: 6:55 p.m.

Assembly Member Stough stated that he had been approached by residents who were in favor of keeping Brueger Street a two-way street with limited parking or no parking on both sides.

Assembly Member McCloskey stated that if there was no parking on Brueger Street, it would create a problem for the surrounding businesses because people would park in their parking lots.

Public Hearing adjourned at: 6:59 p.m.

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David L. Jack, Mayor

ATTEST: \_\_\_\_\_  
Kim Lane, CMC, Borough Clerk

Unapproved

**Minutes of Regular Assembly Meeting  
Held on February 11, 2014**

Mayor David L. Jack called the Regular Assembly meeting to order at 7:00 p.m., February 11, 2014, in the Borough Assembly Chambers. Assembly Members Stough, Blake, Stokes, and McCloskey were present. Assembly Member Wiederspohn was absent. Assembly Member Decker participated telephonically. Borough Manager Jeff Jabusch and Borough Clerk Kim Lane were also in attendance.

Pledge of Allegiance was led by Assembly Member Daniel Blake.

Invocation was given by Donald McConachie.

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

**AMENDMENTS TO THE AGENDA**

There were no amendments to the agenda.

**CONFLICT OF INTEREST**

There were no Conflicts of Interest declared.

**CONSENT AGENDA**

***M/S: McCloskey/Blake, to approve Consent Agenda Items marked with an (\*) asterisk; 6a, 7a, & 7b. Motion approved unanimously by polled vote.***

**APPROVAL OF MINUTES**

The Minutes of the Public Hearing and Regular Assembly meetings held January 28, 2014 were approved, as presented.

**COMMUNICATIONS**

- \*a. Minutes of the Thomas Bay Power Commission meeting held December 19, 2013
- \*b. Wrangell Chamber of Commerce request to set 2014 tax free days for Saturday, May 3<sup>rd</sup> and Saturday, October 11<sup>th</sup>, 2014

**BOROUGH MANAGER'S REPORT**

In addition to the Borough Manager's Report, Manager Jabusch reported that he had met with the Petersburg Borough Manager and Mayor; Jabusch stated that the Petersburg Assembly would be considering passing a resolution at their next meeting (February 14<sup>th</sup>), to endorse our Resolution No. 12-13-1290 in its entirety. He further stated that this would address the non-net billable 50/50 payment.

Jabusch also reported that he had talked with Representative Peggy Wilson on the Evergreen project; they are working through the engineering part of the project and should go out to bid September, 2014; project should be completed in 2015.

**BOROUGH CLERK'S FILE**

Borough Clerk Lane's Report was provided.

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

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

Assembly Member Stough expressed his concern that the property that the City had purchased on Cassiar Street last year for the purpose of a turn-around would not be used for that purpose.

Manager Jabusch stated that that piece of property might be used as a through-street in the future. He also stated that it could be an option to put that piece of property up for sale so that it could be added back to the tax rolls.

### **10b** Appointment to fill the vacancies on the following Committees:

- **Cemetery Committee**  
One vacancy (*unexpired term until **October 2016***)
- **Parks & Recreation Board**  
One vacancy (*unexpired term until **October 2014***)

With the consensus of the Assembly, Cindy Martin was appointed to fill the vacancy on the Parks & Recreation Board until October, 2014.

## **PERSONS TO BE HEARD**

There were no Persons to be heard.

## **UNFINISHED BUSINESS**

**12a** Approval to provide the TBPC with a letter that commits to the future funding of TBPA Non-net billable funding (*added from the January 28, 2014 Regular Assembly Meeting by Assembly Member Stough*)

***M/S: Stough/Blake, to postpone this item until the next meeting on February 25, 2014. Motion approved unanimously by polled vote.***

**12b** Discussion and possible action on forming an Energy Committee (*tabled at the January 28, 2014 regular Assembly Meeting*)

***M/S: Blake/Stough, to take this item from the table for discussion. Motion approved unanimously by polled vote.***

***M/S: Stough/Stokes, to form an ongoing Energy Committee.***

Assembly Member Stough spoke in favor of forming an ongoing Energy Committee.

Assembly Member Blake stated that because of the Power Sales Agreement with SEAPA, we would not be able to purchase any alternative sources outside of SEAPA.

Manager Jabusch stated that he had talked with Clay Hammer, Wrangell Light & Power Superintendent and he stated that he has meet with the larger electric users to see what they were doing and what they would be doing.

***Motion failed with Stokes and Stough voting yea; Blake, McCloskey, and Mayor Jack voting nay.***

**12c** Discussion and possible action concerning the possibility of changing Brueger Street to a One-way street

***M/S: McCloskey/Blake, to make Brueger Street a one-way street, with parking on both sides, and traffic to move in the Westerly direction.***

Assembly Member Blake expressed concern keeping it a two-way street with no parking due to the amount of parking spaces that would be lost.

Assembly Member Stough offered the option of making it a one-way street with parking on only one side.

Assembly Member McCloskey stated that would eliminate a lot of parking with overflow going into business parking lots. She said that would not be fair to the businesses.

***Motion failed with McCloskey and Blake voting yea; Stough, Stokes, and Mayor Jack voted nay.***

## **NEW BUSINESS**

**13a** PROPOSED ORDINANCE No. 874: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING TITLE 2, ELECTIONS, OF THE WRANGELL MUNICIPAL CODE TO CLARIFY SECTION 2.04.050 ON WHO IS DECLARED ELECTED TO OFFICE AND SECTION 2.20.060 ON THE BALLOT FORM FOR OFFICES AND CANDIDATES *(first reading)*

***M/S: Blake/Stough, to approve first reading and move to a second with a public hearing to be held on February 25, 2014.***

Assembly Member McCloskey stated to Clerk Lane that this was really well done and that she appreciated the work that went into it.

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

**13b** Approval to dispose of City Surplus Property

***M/S: Stough/Blake, to approve the items listed as surplus, that these items be advertised for bid as required under Wrangell Municipal Code 5.10.060, and authorize the Borough Manager to dispose of any items not bid on, in a manner that is in the best interest of the City. Motion approved unanimously by polled vote.***

**13c** Request for partial funding for a SEAPA Board Member's travel expenses

There was no action taken on this item.

**13d** Approval to allow SEAPA to run a Fiber Optic Line, utilizing CBW Power Poles, to improve communications

***M/S: McCloskey/Blake, to approve SEAPA to run a Fiber Optic Line, by utilizing 66 City & Borough of Wrangell Power Poles from the Wrangell Switch Yard (Shoemaker) to the Wrangell Substation (Public Works Yard), at no cost to SEAPA.***

At the request of Assembly Member McCloskey, Clerk Lane read Manager Jabusch's memo aloud for the listening public.

Manager Jabusch stated that this would be a communication issue and would improve Wrangell's overall communication.

Mayor Jack read the WMC Section relating to poles.

At the request of Assembly Member Stough, Manager Jabusch stated that he would write up an agreement for SEAPA to use our power poles and also for the City & Borough of Wrangell to use SEAPA power poles.

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

#### **ATTORNEY'S FILE**

Summary Report was provided to the Assembly.

#### **EXECUTIVE SESSION**

There was no Executive Session.

**ADJOURNMENT: 7:51 p.m.**

ATTEST: \_\_\_\_\_  
Kim Lane, CMC, Borough Clerk

\_\_\_\_\_  
David L. Jack, Mayor

# Agenda Item 7

## CITY & BOROUGH OF WRANGELL

### BOROUGH ASSEMBLY AGENDA ITEM February 25, 2014

#### **COMMUNICATIONS:**

INFORMATION: The Assembly may receive items for Communications, reasons only which do not require separate 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 by an Assembly Member or the Mayor and placed on the regular agenda under Unfinished Business.

- \*a. Notice of Permit Application (POA-2014-29) submitted by Todd White to the Dept. of the Army Corps of Engineers and the Preliminary Determination form submitted by U.S. Dept. of the Army Corps of Engineers to Todd White
- \*b. 2014 Alaska Gaming Permit Application renewal from Alaska Native Sisterhood
- \*c. Travel Summary for the month of January, 2014
- \*d. Expenditure report from Southeast Senior Services covering the second quarter period from Oct. 1, 2013 through Dec. 31, 2013
- \*e. Board Action from the Regular School Board meeting held February 17, 2014



Item \*7a

**DEPARTMENT OF THE ARMY**  
ALASKA DISTRICT, U.S. ARMY CORPS OF ENGINEERS  
REGULATORY DIVISION  
P.O. BOX 6898  
JBER, ALASKA 99506-0898

FEB 06 2014

Regulatory Division  
POA-2014-029

Mr. Todd White  
Post Office Box 523  
Wrangell, Alaska 99929

Dear Mr. White:

We have received your January 19, 2014, Department of the Army (DA) permit application to discharge 2,850 cubic yards of shot rock and rip rap material within 0.15-acre below the high tide line of Zimovia Strait for the construction of a single family residence. The proposed project is located within Section 24, T. 62 S., R. 83 E., Copper River Meridian; USGS Quad Map Petersburg B-2; Latitude 56.4769° N., Longitude -132.3915° W.; Block 3, Lot 1; USS 1593 in Wrangell, Alaska. It has been assigned number POA-2014-029, Zimovia Strait, which should be referred to in all correspondence with us.

Based on our review of the information you provided and available to our office, we have preliminarily determined that your proposed project would involve the placement of fill material into waters of the United States (U.S.) under our regulatory jurisdiction (Please see the attached Preliminary Jurisdictional Determination Form).

If you would like us to begin evaluation of your proposal, more information is essential for the application to be considered complete. Please provide the following:

- a. Please include the high tide line and mean high water on all applicable project drawings.
- b. We will need the foot and length of each of the project components including the house, driveway, garage, yard, utilities, rock wall, and any other associated development.
- c. The above project components (house, driveway, garage, etc.) will also need to be displayed on a plan view drawing.

Upon receipt of the requested information we will begin evaluating your application. If we do not receive the information within 30 days of the date of this letter, we will close your file. Closure of the file at such time will not preclude you from reopening the file at a later date.

A preliminary review for compliance with the Environmental Protection Agency's 404 (b)(1) guidelines indicates that the proposed discharge of dredged or fill material may not contain all appropriate and practicable steps to minimize potential impacts of the discharge on the aquatic ecosystem, nor does it appear to represent the least environmentally damaging practicable alternative. You must provide us information on the alternatives you considered for your proposed project. This information should include the availability of other sites and the use of other project designs which would avoid or minimize project impacts on the aquatic ecosystem.

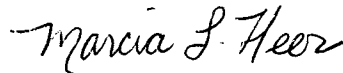
See the enclosed "Practicable Alternatives Information Sheet" for a detailed description of the alternatives information. This information must be provided by the public notice expiration date once we've determined your application is complete, and have issued a public notice.

Should a DA permit be issued, a fee will be required. Since the purpose of the project is noncommercial in nature, the fee will be \$10. You will be notified when to submit the fee.

Section 401 (a) (1) of the Clean Water Act requires that you obtain a Certificate of Reasonable Assurance or waiver of certification. This is the responsibility of the Alaska Department of Environmental Conservation (ADEC). Once we determine your application to be complete, we will forward a copy of your application to the ADEC, which they will accept as an application for a Certificate of Reasonable Assurance. A fee is charged by the ADEC for the 401 certificate. Fee information can be found online at [www.state.ak.us/dec/water/wwdp/online\\_permitting/individual\\_permit\\_fees.htm](http://www.state.ak.us/dec/water/wwdp/online_permitting/individual_permit_fees.htm) or by contacting the ADEC at WQM/401 Certification, 410 Willoughby Avenue, Juneau, Alaska 99801-1795, or by telephone at (907) 465-5321.

Please contact me via email at [Marcia.L.Heer@usace.army.mil](mailto:Marcia.L.Heer@usace.army.mil), by mail at the address above, by phone at (907) 753-5759, or toll free from within Alaska at (800) 478-2712, if you have questions or to request paper copies of the regional and/or general conditions. For more information about the Regulatory Program, please visit our website at [www.poa.usace.army.mil/Missions/Regulatory](http://www.poa.usace.army.mil/Missions/Regulatory).

Sincerely,

A handwritten signature in black ink that reads "Marcia L. Heer". The signature is written in a cursive, flowing style.

Marcia L. Heer  
Project Manager

Enclosures

## Practicable Alternatives Information Sheet

The least environmentally damaging practicable alternative may include construction in uplands or reducing the size of the proposal to the minimum discharge necessary for the project. An alternative is practicable if it is available and capable of being done after taking into consideration cost, existing technology, and logistics in light of the overall project purpose.

Some examples of alternatives are:

- a. Residential construction in uplands, which could include other lots.
- b. Alternative designs that avoid or minimize fill placement in waters of the U.S. including reducing the size of project components.
- c. Alternative construction methods such as placement of the residential structure on pilings.

Be advised that your review of alternatives for your proposal should not be limited to these examples.

Remember, failure to provide this information by the public notice expiration date could result in closure of the file, a final decision without the requested information, and/or permit denial.

For more information about the Section 404(b)(1) guidelines, visit [http://www.access.gpo.gov/nara/cfr/waisidx\\_05/40cfr230\\_05.html](http://www.access.gpo.gov/nara/cfr/waisidx_05/40cfr230_05.html).

# Preliminary Jurisdictional Determination Form

Page 1 of 2

This preliminary JD find that there "may be" waters of the United States on the subject project site that could be affected by the proposed activity based on the following information:

District Office	Anchorage Office	File/ORM #	POA-2014-29	PJD Date	Feb 3, 2014
State	AK	City/County	Wrangell	Name/ Address of Person Requesting PJD	
Nearest Waterbody	Zimovia Strait				
Project Location	Section 24	Township 62	S		
Meridian	Copper River	Range 83	E		
USGS Quad Map	Petersburg B-2	Latitude	56.476962	N	Longitude -132.39155
Subdivision Name, Block, Lot, Directions to Project Site					

Identify (Estimate) Amount of Waters in the Review Area	Stream Flow	Name of Any Water Bodies on the Site Identified as Section 10 Waters:	Tidal:	Zimovia Strait
Non-Wetland Waters:			Non-Tidal:	
Linear ft	Width 0.15	Acres		
Wetlands				
Acres	Cowardin Class: N/A	<input checked="" type="checkbox"/> Office (Desk) Determination	Date of Site Visit:	
		<input type="checkbox"/> Field Determination		

**SUPPORTING DATA:** Data Review for Preliminary JD (check all that apply - checked items should be included in case file and, where checked and requested, appropriately reference sources below)

<input checked="" type="checkbox"/> Maps, plans, plots or plat submitted by or on behalf of the applicant/consultant:	Applicant supplied plans
<input type="checkbox"/> Data sheets prepared/submitted by or on behalf of the applicant/consultant.	
<input type="checkbox"/> Office concurs with data sheets/delineation report.	
<input type="checkbox"/> Office does not concur with data sheets/delineation report.	
<input type="checkbox"/> Data Sheet prepared by the Corps	
<input type="checkbox"/> Corps navigable waters' study:	
<input type="checkbox"/> USGS NHD Data.	
<input type="checkbox"/> USGS 8 and 12 digit HUC maps.	
<input checked="" type="checkbox"/> U.S. Geological Survey map(s) Cite quad name:	Petersburg B-2
<input type="checkbox"/> USDA Natural Resources Conservation Service Soil Survey. Citation:	
<input type="checkbox"/> National Wetlands Inventory map(s):	
<input type="checkbox"/> State/Local Wetland Inventory map(s):	
<input type="checkbox"/> FEMA/FIRM map(s):	
<input type="checkbox"/> 100-year Floodplain Elevation:	
<input checked="" type="checkbox"/> Photographs:	
<input checked="" type="checkbox"/> Aerial (Name & Date)	Google Earth 2012
<input type="checkbox"/> Other (Name & Date)	
<input type="checkbox"/> Previous determination(s). File # and date of response letter:	
<input type="checkbox"/> Other Information:	

**IMPORTANT NOTE:** The information recorded on this form has not necessarily been verified by the Corps and should not be relied upon for later jurisdictional determinations.

*Marcia S. Heer February 3, 2014*

Signature and Date of Regulatory Project Manager  
(REQUIRED)

Signature and Date of Person Requesting Preliminary JD  
(REQUIRED, unless obtaining the signature is impracticable)

**EXPLANATION OF PRELIMINARY AND APPROVED JURISDICTIONAL DETERMINATIONS:** 1. The Corps of Engineers believes that there may be jurisdictional waters of the United States on the subject site, and the permit applicant or other affected party who requested this preliminary JD is hereby advised of his or her option to request and obtain an approved jurisdictional determination (JD) for that site. Nevertheless, the permit applicant or other person who requested this preliminary JD has declined to exercise the option to obtain an approved JD in this instance and at this time. 2. In any circumstance where a permit applicant obtains an individual permit, or a Nationwide General Permit (NWP) or other general permit verification requiring "preconstruction notification" (PCN), or requests verification for a non-reporting NWP or other general permit, and the permit applicant has not requested an approved JD for the activity, the permit applicant is hereby made aware of the following: (1) the permit applicant has elected to seek a permit authorization based on a preliminary JD, which does not make an official determination of jurisdictional waters; (2) that the applicant has the option to request an approved JD before accepting the terms and conditions of the permit authorization, and that basing a permit authorization on an approved JD could possibly result in less compensatory mitigation being required or different special conditions; (3) that the applicant has the right to request an individual permit rather than accepting the terms and conditions of the NWP or other general permit authorization; (4) that the applicant can accept a permit authorization and thereby agree to comply with all the terms and conditions of that permit, including whatever mitigation requirements the Corps has determined to be necessary; (5) that undertaking any activity in reliance upon the subject permit authorization without requesting an approved JD constitutes the applicant's acceptance of the use of the preliminary JD, but that either form of JD will be processed as soon as is practicable; (6) accepting a permit authorization (e.g., signing a proffered individual permit) or undertaking any activity in reliance on any form of Corps permit authorization based on a preliminary JD constitutes agreement that all wetlands and other water bodies on the site affected in any way by that activity are jurisdictional waters of the United States, and precludes any challenge to such jurisdiction in any administrative or judicial compliance or enforcement action, or in any administrative appeal or in any Federal court; and (7) whether the applicant elects to use either an approved JD or a preliminary JD, that JD will be processed as soon as is practicable. Further, an approved JD, a proffered individual permit (and all terms and conditions contained therein), or individual permit denial can be administratively appealed pursuant to 33 C.F.R. Part 331, and that in any administrative appeal, jurisdictional issues can be raised (see 33 C.F.R. 331.5(a)(2)). If, during that administrative appeal, it becomes necessary to make an official determination whether CWA jurisdiction exists over a site, or to provide an official delineation of jurisdictional waters on the site, the Corps will provide an approved JD to accomplish that result, as soon as is practicable.

## Organization Information

Federal EIN 92-██████	If renewing, enter gaming permit # 820	Phone Number (907) 874-3292	Fax Number (907) 874-4305
Organization Name Alaska Native Sisterhood		Website Address	
Mailing Address P.O. Box 2		City Wrangell	State AK Zip Code 99929
<b>Entity Type (check one)</b> <b>Organization Type (check one)</b> for definitions see AS 05.15.690 and 15 AAC 160.995.			
<input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> Association		<input checked="" type="checkbox"/> Charitable <input type="checkbox"/> Civic or service <input type="checkbox"/> Dog mushers' association <input type="checkbox"/> Educational <input type="checkbox"/> Fishing derby association <input type="checkbox"/> Fraternal <input type="checkbox"/> Labor <input type="checkbox"/> Municipality <input type="checkbox"/> Nonprofit trade association <input type="checkbox"/> Outboard motor association <input type="checkbox"/> Police or fire department <input type="checkbox"/> Political <input type="checkbox"/> Religious <input type="checkbox"/> Veterans <input type="checkbox"/> IRA/Native Village	
<input type="checkbox"/> Yes <input type="checkbox"/> No Does the organization have 25 or more members, as defined in your articles of incorporation or bylaws, who are Alaska residents?			

## Members in Charge of Games

Members in charge must be natural persons and active members of the organization or employees of the municipality and designated by the organization. Members in charge may not be licensed as an operator, be a registered pull-tab vendor or an employee of a vendor for this organization. If more than one alternate, attach a separate sheet.

Primary Member First Name Susan	M.I. P	Primary Member Last Name Ramsey	Alternate Member First Name Elizabeth	M.I. P	Alternate Member Last Name Peterman
Social Security Number 574-18-6354		Email ravens.grandmother@yahoo.co	Social Security Number ██████████		Email tispeterman@gmail.com
Daytime Phone Number (907) 874-3292		Mobile Number	Daytime Phone Number (907) 874-3097		Mobile Number (907) 305-0120
Home Mailing Address P.O. Box 247			Home Mailing Address P.O. Box 695		
City Wrangell	State AK	Zip Code 99929	City Wrangell	State AK	Zip Code 99929
Has the primary member passed the test? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			Has the alternate member passed the test? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Permit # under which test was taken: 820			Permit # under which test was taken: 150		

## Legal Questions These questions must be answered. If you answer Yes to either question, see instructions.

<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Does any member of management or any person who is responsible for gaming activities have a prohibited conflict of interest as defined by 15 AAC 160.954?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Has any member of management or any person who is responsible for gaming activities ever been convicted of a felony, extortion, or a violation of a law or ordinance of this state, or another jurisdiction, that is a crime involving theft or dishonesty, or a violation of gambling laws?
---	--

We declare, under penalty of unsworn falsification, that we have examined this application, including any attachments, and that, to the best of our knowledge and belief, it is true and complete. We understand that any false statement made on the application or any attachments is punishable by law. By our signatures below we, the primary member, the alternate member, and if applicable, the manager of games, agree to allow the Department of Revenue to review any criminal history we may have, in accordance with 15 AAC 160.934.

Primary Member In Charge's Signature <i>Susan H. Ramsey</i>	Printed Name Susan Ramsey	Date 12/13/2013
President or Other Officer's Signature (see instructions) <i>Christine Jenkins</i>	Printed Name Christine Jenkins	Date 12/13/2013
Alternate Member In Charge's Signature <i>Elizabeth Peterman</i>	Printed Name Elizabeth Peterman	Date 12/13/2013
Manager of Games Signature <i>Susan H. Ramsey</i>	Printed Name Elizabeth Peterman <i>Susan Ramsey</i>	Date 12/13/13

DEPARTMENT USE ONLY
Validation #
Date Stamp

One copy of the completed application must be sent to the nearest municipality or borough. See instructions for mandatory attachments.

Pay online with OTIS at [www.tax.alaska.gov](http://www.tax.alaska.gov) or make check payable to State of Alaska. New applicants must pay by check.

## Permit Fee

The permit fee is based on the 2013 estimated gross receipts. Check the appropriate box.

<input type="checkbox"/> New applicant	\$20
<input checked="" type="checkbox"/> \$0 - \$20,000	\$20
<input type="checkbox"/> \$20,001 - \$100,000	\$50
<input type="checkbox"/> \$100,001 or more	\$100

# 2014 Alaska Gaming Permit Application

826

Gaming Permit # 820	Organization Name Alaska Native Sisterhood
------------------------	---

## Facility-Based Games (self-directed) If more than two facilities, attach a separate sheet.

Facility Name Wrangell Cooperative Associati	Physical Address 104 Lynch St., C-2	City Wrangell	State AK	Zip Code 99929
Facility Type (check one) <input type="checkbox"/> Owned <input checked="" type="checkbox"/> Leased <input type="checkbox"/> Donated	Game Type (check all that apply) <input type="checkbox"/> Bingo <input checked="" type="checkbox"/> Raffle <input checked="" type="checkbox"/> Pull-tabs <input type="checkbox"/> Animal classic (chicken)* <input type="checkbox"/> Animal classic (rat race)* <input type="checkbox"/> Special draw raffle ** <input type="checkbox"/> Calcutta pool**			
Facility Name	Physical Address	City	State AK	Zip Code
Facility Type (check one) <input type="checkbox"/> Owned <input type="checkbox"/> Leased <input type="checkbox"/> Donated	Game Type (check all that apply) <input type="checkbox"/> Bingo <input type="checkbox"/> Raffle <input type="checkbox"/> Pull-tabs <input type="checkbox"/> Animal classic (chicken)* <input type="checkbox"/> Animal classic (rat race)* <input type="checkbox"/> Special draw raffle ** <input type="checkbox"/> Calcutta pool**			

## Area-Based Games If more than two areas, attach a separate sheet. \*restricted game type \*\*see instructions for mandatory attachments

Area	Game type (check all that apply) <input type="checkbox"/> Raffle <input type="checkbox"/> Contest of skill <input type="checkbox"/> Fish derby <input type="checkbox"/> Dog musher' contest <input type="checkbox"/> Classic/ <input type="checkbox"/> Other (specify) _____
Area	Game type (check all that apply) <input type="checkbox"/> Raffle <input type="checkbox"/> Contest of skill <input type="checkbox"/> Fish derby <input type="checkbox"/> Dog musher' contest <input type="checkbox"/> Classic/ <input type="checkbox"/> Other (specify) _____

## Manager of Games Required only for self-directed pull-tabs and bingo.

Manager First Name Susan	MI	Manager Last Name Ramsey	Social Security Number [REDACTED]	Daytime Phone Number (907) 874-3292
Home Mailing Address P.O. Box 247			Email ravens.grandmother@yahoo.	Mobile Phone
City Wrangell	State AK	Zip Code 99929	Has the manager of games passed the test? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Permit # under which test taken 820

## Vendor Information Attach 2013 vendor registration form(s) and fee(s) for each vendor listed below.

Bar or Liquor Store Name	Physical Address	City	State AK	Zip Code
Bar or Liquor Store Name	Physical Address	City	State AK	Zip Code
Bar or Liquor Store Name	Physical Address	City	State AK	Zip Code
Bar or Liquor Store Name	Physical Address	City	State AK	Zip Code
Bar or Liquor Store Name	Physical Address	City	State AK	Zip Code

## Operator Information

Designate operator who will conduct activities on the organization's behalf. Attach signed operating contract(s). If more than one operator, attach a separate sheet.

Operator License #	Operator	Facility Name	Game Type(s)
Physical Address		City	State Zip Code

## Multiple-Beneficiary Permittee Information (MBP)

Designate the MBP with which the organization has signed a partnership or joint venture agreement.

MBP Permit #	MBP Name	Facility Name	Game Type(s)
Physical Address		City	State Zip Code

## Dedication of Net Proceeds Describe in detail how the organization will use the net proceeds from gaming activities.

Charitable Activities, Scholarships
-------------------------------------

826

[illegible]



Dignity • Care • Compassion

419 6th Street

Juneau, AK 99801

Telephone: 907.463.6100

Fax: 907.586.9018

www.ccsjuneau.org

January 31, 2014

CITY CLERK  
FEB 10 2014  
RECEIVED

Mr. Jeff Jabusch, Borough Manager  
City and Borough of Wrangell  
P O Box 531  
Wrangell, AK 99929

Dear Mr. Jabusch:

A copy of the Quarterly Expenditure Reports for Southeast Senior Services' Wrangell program is enclosed. These reports cover the second quarter period from October 1, 2013 through December 31, 2013.

The following services were provided during the second quarter of Fiscal Year (FY) 2014:

- \* 33 individuals received 843 home-delivered meals.
- \* 61 individuals received 835 congregate meals.
- \* 36 individuals received 775 assisted rides.
- \* 1 individual received a total of 31 hours of Family Caregiver Support Home-maker services.
- \* 1 disabled individual, under the age of 60, received 11 home-delivered meals.
- \* 1 disabled individual, under the age of 60, received 52 congregate meals.
- \* 1 disabled individual, under the age of 60, received 106 assisted rides.

\*\* Family Caregiver Support Home-maker services are provided through a Title VI Caregiver Support Grant and services for the disabled individual, under the age of 60, were funded by the Medicaid Waiver Program.

Figures this quarter reflect 5 days of service all months of this quarter.

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

Sincerely,

Karleen Jackson  
Interim Executive Director

KJ/hi

Enclosures



Description	1st Quarter Actual	2nd Quarter Actual	Year to date Actual
# 4001 T3 NSIP	\$ 510.53	\$ 326.82	\$ 837.35
4033 T3 Nutrition & Transportation	\$ 10,914.29	\$ 10,914.30	\$ 21,828.59
4037 T3 Health Promotion/Disease Prec	\$ 316.00	\$ 258.54	\$ 574.54
4106 City of Wrangell	\$ 2,005.25	\$ 2,005.32	\$ 4,010.57
4364 Title VI-Care Giver Support	\$ 2,309.73	\$ 2,405.50	\$ 4,715.23
4365 Title VI-NTS	\$ 12,494.85	\$ 19,020.65	\$ 31,515.50
4369 Title VI-NSIP	\$ 393.99	\$ 262.66	\$ 656.65
4410 Congregate Meal Contr-Over 60	\$ 1,080.69	\$ 1,161.62	\$ 2,242.31
4411 Congregate Meal Contr-Under 60	\$ 11.66	\$ 204.17	\$ 215.83
4412 Home Deliv Meal Contr-Over 60	\$ 361.68	\$ 185.23	\$ 546.91
4414 Transportation Contr-Over 60	\$ 358.04	\$ 328.15	\$ 686.19
4415 Transportation Contr-Under 60	\$ -	\$ -	\$ -
4553 Medicaid	\$ 5,386.53	\$ 4,926.72	\$ 10,313.25
4600 In-Kind Revenue	\$ 3,276.24	\$ 3,276.24	\$ 6,552.48
4920 Fund Raising	\$ 127.00	\$ 26.00	\$ 153.00
4950 Individual Donations	\$ -	\$ -	\$ -
4990 Miscellaneous Revenue	\$ 125.00	\$ -	\$ 125.00
<b>Total Revenue</b>	<b>\$ 39,671.48</b>	<b>\$ 45,301.92</b>	<b>\$ 84,973.40</b>
6110 Salaries & Wages Expense	\$ 20,583.65	\$ 19,304.73	\$ 39,888.38
6115 Substitute Wages Expense	\$ 4,311.43	\$ 4,501.09	\$ 8,812.52
6120 Payroll Taxes & Benefits	\$ 5,700.48	\$ 6,301.82	\$ 12,002.30
6220 Staff Travel & Training	\$ -	\$ 75.00	\$ 75.00
6224 Reimbursable Travel	\$ -	\$ 59.09	\$ 59.09
6311 In-Kind Rent	\$ 2,460.00	\$ 2,460.00	\$ 4,920.00
6320 Phone Service Charges	\$ 409.18	\$ 415.38	\$ 824.56
6330 Facility Utilities	\$ 1,223.93	\$ 1,419.72	\$ 2,643.65
6410 Office Supplies	\$ 9.15	\$ -	\$ 9.15
6420 Postage	\$ 2.25	\$ 6.00	\$ 8.25
6450 Program Supplies	\$ 104.52	\$ 2.99	\$ 107.51
6470 Household Supplies	\$ 131.35	\$ 303.21	\$ 434.56
6475 Home Delivery Containers	\$ 208.69	\$ 1,216.53	\$ 1,425.22
6480 Raw Food	\$ 7,572.59	\$ 5,370.93	\$ 12,943.52
6485 Fundraising	\$ -	\$ -	\$ -
6491 In-Kind Gas & Oil	\$ 316.26	\$ 316.26	\$ 632.52
6510 Vehicle Repair	\$ -	\$ -	\$ -
6511 In-Kind Vehicle Repair	\$ 499.98	\$ 499.98	\$ 999.96
6520 Non-Vehicle Repair	\$ -	\$ -	\$ -
6540 Equip Purch (under \$5,000)	\$ -	\$ -	\$ -
6610 Professional Services	\$ -	\$ 120.00	\$ 120.00
6620 Vehicle Insurance	\$ 252.48	\$ 458.52	\$ 711.00
6630 Property & Liability Insurance	\$ 31.54	\$ 63.08	\$ 94.62
6660 Advertising	\$ -	\$ -	\$ -
6650 Printing	\$ -	\$ -	\$ -
<b>Total Expenditure</b>	<b>\$ 43,817.48</b>	<b>\$ 42,894.33</b>	<b>\$ 86,711.81</b>
<b>Excess Revenues over (under) Expenses</b>	<b>\$ (4,146.00)</b>	<b>\$ 2,407.59</b>	<b>\$ (1,738.41)</b>

Item \*7e

**BOARD ACTION****WRANGELL PUBLIC SCHOOL BOARD  
REGULAR MEETING (PAGE 1)  
FEBRUARY 17, 2014****CITY CLERK  
FEB 19 2014  
RECEIVED**

- Approved the agenda, as presented
- Accepted the minutes of the January 20, 2014 Regular Board Meeting
- Allocated up to \$50,000.00 of the Special Revenue Grant Fund to pain the Elementary School and landscape the front of the school
- Accepted the FY'2014 Budget Revision
- Discussed the FY'2015 Budget Draft II
- Offered Britany Lindley and Scott McAuliffe extracurricular contracts
- Accepted the second reading of Board Policy #4030, Nondiscrimination in Employment
- Reviewed Board Policy #4155.1, Tax-Sheltered Annuities
- Accepted the second reading of Board Policy #4160, Absences
- Reviewed Board Policy:
  - #5126, Student Achievement Recognition
  - #5131.45, Student Arrest
  - #5131.6, Alcohol and Other Drugs
  - #5131.61, Student Extracurricular Activities Random Drug Testing
- Directed the administration to review Board Policy #5131.62, Tobacco as it relates to e-cigarettes
- Recessed into Executive Session
- Reconvened into Regular Session
- Authorized the administration to resolve employee grievance 314-01 through a non-precedent setting agreement incorporating the personnel actions described in executive session
- Adjourned

**WRANGELL PUBLIC SCHOOLS****FOR RELEASE: 12:00 PM  
FEBRUARY 18, 2014**

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

**FROM: JEFF JABUSCH  
BOROUGH MANAGER**

**RE: BOROUGH MANAGER'S REPORT**

**DATED: FEBRUARY 24, 2014**

**ECONOMIC DEVELOPMENT:**

Legislative Priorities - Staff entered into the CAPSIS system at least the top 20 priorities of Wrangell's Capital Improvement List. In the past, they had wanted projects entered as phases for funding success, but after the Mayor and Assemblywoman Decker met with Senator Stedman, he had requested slightly different information. Staff worked together to figure out the total costs of projects and submitted the additional information prior to last Friday's deadline.

DEC Loan Questionnaire - Three Loan Questionnaires (similar to pre-applications to help the State establish priority funding) were submitted to the State Department of Environmental Conservation through the Drinking Water Fund for construction of the by-pass line, linking Upper Reservoir with the Water plant; Pilot study to determine the best water filtration method for our water and how to modify our water treatment plan; and to replace water mains where continued breaks due to corrosion have occurred.

USFS Wrangell Island Sale - A cooperating partner's meeting was held on February 13, 2014 to provide an update on the process. Carol Rushmore represents the Borough on this interagency committee. An additional alternative was added to specifically look at the biological impacts. The USFS expects to have the DRAFT EIS for the sale out sometime this summer. One request that the EDC had made was to look at harvest levels over a 20-30 year time span to get a better picture as to what might be available beyond just a 10 year period. That component had since been removed from the USFS planning efforts.

Tongass Advisory Committee - The Tongass National Forest has created a Tongass Advisory Committee to provide recommendations to the Secretary of Agriculture on forest management strategies for the forest, with emphasis on young growth management. This will be a 15 member committee with members from tribes, local governments, timber industry, environmental groups, and other users groups. While it sounds like it might be another Tongass Futures Roundtable that was unsuccessful in trying to reach consensus on recommended actions, this group is smaller, and already has a specific focus, so hopefully will be more successful than the TFR. Carol has submitted her application for membership for the Committee. Applications are due February 27th. More information is at [www.fs.usda.gov/goto/R10/Tongass/TAC](http://www.fs.usda.gov/goto/R10/Tongass/TAC).

## Tourism –

- There have been two RV related articles as a result of travel writers last summer in RV West and RV Life.
- There was a short blurb about the Stikine River Birding Festival in Feb Alaska Airlines Magazine. Stikine River Birding Festival is April 24-27.
- There was an article that includes information about Wrangell in Fish Alaska.
- Article about Wrangell and Anan in Feb Alaska Magazine.
- Several web blogs also mentioned Wrangell.
- Staff attended the LA Time Travel Show, participating in the State of Alaska's booth.
- Port Commission and CVB once again manned the 10 day Seattle Boat Show, which proves to be a very valuable means of promoting the community and the harbors.
- Salty Dog Rally will be here June 17-21: 20-30 yachts traveling in a pack with the official ending destination Wrangell.

Southeast Conference will be here September 15-18, with over 200 people across the region attending the annual conference.

Brochures were distributed at Travel Shows in Chicago, Boston, New York, 2 in LA.

134 Acre Land Prospectus (former Institute property) - Last year the Assembly approved releasing an RFP and Prospectus for land development ideas for the former Institute Property. The RFP is out, on the website at [www.wrangell.com/rfps](http://www.wrangell.com/rfps), advertised in the Alaska Journal of Commerce, in the Seattle Journal of Commerce and ads will be placed in some other magazines as well. It has also been shared with the State of Alaska Department of Commerce, Community, and Economic Development.

## **PROJECTS:**

Our new project manager Ruby McMurren and Carl Johnson have been working on the following Projects:

1. City Dock Improvements - The next phase of this project is out to bid. Most of this phase is to replace the fender piling on the dock face. The bid opening is scheduled for March 4<sup>th</sup>.
2. Cassiar Street Water, Sewer, Storm Drain and Road Paving Update - This project is 99% bid ready. Once we get the design review completed by the State of Alaska Department of Environmental Conservation (DEC), we can make any changes to the design as requested by DEC. We are expecting the final clearances the week of February 24<sup>th</sup>. In addition to DEC, we have one easement to secure and then we can bid. We hope to bring the bid results to the assembly on April 8<sup>th</sup> unless there are some unforeseen setbacks.
3. Sewer Pump Station is out to bid - This project is to replace the sewer pump stations adjacent to Remy's Bar and adjacent to the power plant boat ramp. The bid opening is scheduled for February 28<sup>th</sup>.
4. Marine Center Paving bid work for next phase is being worked on by our engineers, PN&D- PN&D designed the concrete paving for the entire yard. When the past phase

was bid, the bid had a base bid and multiple alternates. We were unable to do a lot of the alternates because of the unknown materials below the surface. As the project ended, some of our fears were no near as bad as we thought and we ended up with about half of a million dollars left in the grant. In addition, the grant we had for both the travel-lift purchase and the travel-lift pier upgrades has funds remaining also about half a million dollars. We are working with Representative Wilson's office to have additional wording installed in the grant to allow us to use this on paving. Once that change is secured, we can go to bid.

5. Travel Lift Machine - This machine was scheduled to be shipped in February from Italy and to be received in April. Once it arrives with the manufacturer's representative, they will assemble it and then do the training for both operations and maintenance.
6. Front Street Contaminated Soil Issue - During the Front Street Project, we had to remove a tank that had been part of Wilcox Automotive prior to the city purchasing this land. During that process, it was determined that there was contaminated soil. This soil has been temporarily stored at the Industrial Subdivision Site on the lot we were to use for the police impound yard. It was thought that the contamination was at a point that the soil would have to be shipped out and treated at a substantial cost to the city. Recent test results look like it is possible to not have to ship and that we may be able to store this material at the same site as the material for the institute cleanup which is at the dog pound site across the road from Shoemaker Bay Harbor. Once this can be moved, we can finally continue and finish the police impound yard.

### **LIGHT DEPARTMENT:**

Training - Dwight Yancey, the Light Department line apprentice has just returned from taking a class on Thermal Imaging. The Light Department spends as much as \$5K each year to hire someone to come in and scan our system and write a report making note of any hot spots on the line that can lead to potential failures. Having someone in the department who is trained in operating a Thermal Imager should eventually allow us to scan the system on our own. It is expected that this will not only save the department money but also allow us much more flexibility in our thermal imaging program.

Mark Armstrong leaves for line training next week. The classes that he is scheduled for range from an advanced class on AC transformer theory and application, industrial capacitors and power quality as well as the latest in personal protective grounding. These classes benefit the Light Department by insuring the staff is up to speed on industry standards as well as staying on top of the very latest in line safety protocols.

Temporary Labor - Advertisements have been out for temporary laborer / brush cutters and we expect to get started on our brushing program that just as soon as the weather breaks. This is one of the most affective maintenance programs we have, reducing the number of call outs due to tree and branch strikes to almost zero in the past year.

Electric Vehicle Report - WH Pacific has completed their Electric Vehicle Report. That report is now available digitally and will soon be available in a printed version.

Tyee Lake - The Tyee Lake level continues to be well above the rule curve established by SEAPA at the beginning of winter. The most current readings indicate we are more than 30 feet above the established minimum for this time of year. The comparably wet and moderate weather this winter have lessened the demand for power as well as contributed sustaining current lake levels. By comparison we are approximately 25 feet higher at the lake than we were at this time last year.

### **FINANCE DEPARTMENT:**

Lee Burgess, our new Finance Director started work on February 18<sup>th</sup>. We are getting him working with our office staff so he understands what and how they do their jobs. In addition, we have started training him on completing grant reports and other monthly duties of the Finance Director. His training will continue in this manner. We will also schedule him for training as there are many areas that are specific to city governments that he will benefit from.

With the help of our assessor, Mike Renfro, we have almost all of the information into our tax system to complete the 2014 assessment notices. The only items we have not entered are the tax exempt amounts which include senior exemption among several others. We will be able to enter them after the due date of first part of March.

### **FIRE DEPARTMENT:**

The fire department has been active with training and other activities in January. There were 23 ambulance calls, 9 fire calls, and a planned structure burn on January 28<sup>th</sup>. They also have sent a response with our planned corrections to ISO who rates our overall fire system and applies a rating number to our community that is used for insurance rates. With the corrective plan and working with them, we are confident we can drop our rating number to remain where we have been. They rate about 50,000 systems in the United States. The rating we expect to get will put us in the top 10%.

### **LIBRARY:**

- The librarian will be attending the annual Alaska Library Association Conference in Anchorage. Workshops include digital learning, digital preservation, eBooks, and WorldCat (borrowing books from other libraries).
- The librarian and the assistant librarian will be attending an OWL (Online with Libraries) workshop at the end of March. The training is going to be focusing on digital literacy devices that are available and how they can best be utilized in Alaska libraries. Airfare, hotel, and other per diem will be covered by an OWL grant.
- The librarian has been asked by the State Library to be a presenter at a workshop for librarians in 17-18 small communities and will be brought to Anchorage. She will be sharing best practices, policies, and programs plus other experiences from her 32 years at

Wrangell's library. All costs to the (5) day workshop in Anchorage will be covered with a grant from the Alaska State Library.

- The library will be having a booth at the health fair focusing on adult health resources and early childhood literacy resources.
- A library tech aide grant is allowing the library to offer one-on-one computer assistance with internet searching, Excel and word processing. These services are offered on Monday and Saturday mornings.

### **MUSEUM:**

Chautauqua is going very well, with our highest attendance last Thursday during the Klondike Gold Rush talk. This week we will talk about the two major fires in Wrangell.

Additionally, more items have been donated by the hospital, so that collection is still being processed, but should be finished this week. These items will then be on display, either in the lobby or in the gallery hallway.

# Agenda Item 9

## CITY & BOROUGH OF WRANGELL

### BOROUGH ASSEMBLY

### BOROUGH CLERKS REPORT

**February 25, 2014**

#### Mark Your Calendar:

- 2/27 Fender Dock Fender Pile Replacement - Materials Bid opening @ 2pm in the Assembly Chambers
- 2/27 Economic Development Committee Mtg. scheduled @ 6:30 pm in the Assy. Chambers
- 2/28 Sewer Pumps Replacement Design RFP opening @2pm in the Assembly Chambers
- 3/5 Parks & Recreation Board Mtg. scheduled @ 7 pm in the Assy. Chambers
- 3/6 Port Commission Mtg. scheduled @ 7 pm in the Assy. Chambers
- 3/11 Regular Assembly Mtg. to be held @ 7 pm in the Assy. Chambers
- 3/13 Planning & Zoning Commission Mtg. to be held @ 7 pm in the Assy. Chambers
  
- TBD TBP Commission Mtg.
- 3/3-4 SEAPA Board Mtg. to be held in Petersburg, with times TBD

#### *2014 Southeast Conference Mid-Session Summit*

*March 12-14, 2014 in Juneau*

Assembly Member Decker will be traveling to Juneau from March 11-14, 2014 to attend the 2014 SE Conference Mid-Session Summit.

#### **The following Public Correspondence was received from:**

*~There was no public correspondence received.*

***Here is some parliamentary information on the use of:***

Point of Order



### Point of Order

A point of order is a claim that something procedural is being done wrong. In essence, it is a cry of “mistake.” Point of order may interrupt a speaker.

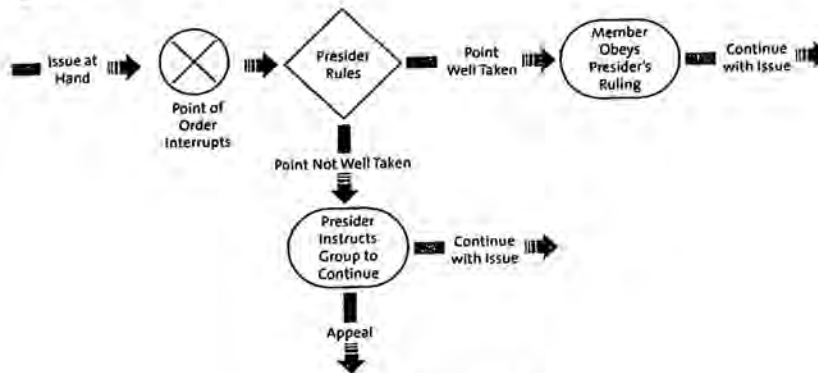


Figure 12. Point of Order

Ordinarily, this motion must be made in a timely manner. The presider rules on the motion. However, any two members can appeal the chair's ruling, and the group is the ultimate authority.

Point of order requires:

- no second,
- no debate,
- no amendment, and
- no vote—the presider rules.

The normal way this happens is that a member of the body makes the claim. He seeks recognition, and may interrupt someone who is speaking to do so. Once he has been given the floor, he says, “I rise to a point of order.” The presiding officer replies, “State your point.” He then explains the issue. Once the issue is clear, the presiding officer gives a ruling: “The point is well taken,” if she agrees, or, “The point is not well taken,” if she does not.



Sometimes members say “point of order,” because they’ve heard the term, but aren’t quite sure what the motion actually means or can’t express clearly the point they are trying to make. If someone says “point of order” but then rambles or seems confused, the presider should ask, “What rule is being broken?”

A point of order must be made in a timely manner. Members must raise the point just as soon as the offense occurs. If they fail to raise it immediately and other business takes place, it is then too late to raise it (with a few exceptions).

If the presider doesn’t want to rule on a point of order, it is fine to ask the group to vote on the matter immediately. This can be a good way to turn down the heat.

#### EXAMPLE

**Jasmine:** *Madam Mayor, I rise to a point of order.*

**Mayor Pat:** *State your point.*

**Jasmine:** *My esteemed colleague from Dinopolis has used the term “cream-faced loon” in referring to the mayor of our fair city. According to Robert’s Rules, insults are not allowed in debate.*

**Mayor Pat:** *The point is well taken. Members will refrain from using improper language.*

#### IN OUR EXPERIENCE

Robert’s Rules of Order Newly Revised gives members the right to make this motion, but we believe that it is also good for a council when staff are empowered to raise points of order. I once heard a tale of how a new mayor, emerging from executive session called to consider candidates to fill a vacancy on the council, immediately administered the oath of office to the appointee. This is not good! Newly elected officials often need help if they are to fulfill their duties properly. A clerk or other staff person should be empowered, by custom or policy, to say, “Point of order, Mr. Mayor. Under the Open Public Meetings Act, council must vote in public to appoint this candidate before the oath can be administered.” —Ann

# **Agenda Item 10a**

## **CITY & BOROUGH OF WRANGELL**

### **BOROUGH ASSEMBLY AGENDA ITEM February 25, 2014**

#### **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.

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

# **Agenda Item 12a**

## **CITY & BOROUGH OF WRANGELL**

### **BOROUGH ASSEMBLY AGENDA ITEM February 25, 2014**

#### **INFORMATION:**

**PROPOSED ORDINANCE No. 874: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING TITLE 2, ELECTIONS, OF THE WRANGELL MUNICIPAL CODE TO CLARIFY SECTION 2.04.050 ON WHO IS DECLARED ELECTED TO OFFICE AND SECTION 2.20.060 ON THE BALLOT FORM FOR OFFICES AND CANDIDATES** *(second reading)*

#### **Attachments:**

1. Memo from Kim Lane, Borough Clerk, dated February 6, 2014
2. Proposed Ordinance No. 874
3. Wrangell Municipal Code Section 2.04.050
4. Example of current ballot layout, showing proposed changes
5. Example of proposed new ballot layout

#### **RECOMMENDED ACTION:**

Move to approve Ordinance No. 874.

## **MEMORANDUM**

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

**FROM: KIM LANE, CMC  
BOROUGH CLERK**

**SUBJECT: PROPOSED ORDINANCE 874: ELECTION METHOD AND  
BALLOT FORM FOR CANDIDATES TO OFFICE**

**DATE:** February 6, 2014

Proposed Ordinance No. 874 relates to the method by which candidates are declared elected to office and the ballot form for offices and candidates.

The ordinance would amend two sections of the Elections Code to clarify that Assembly candidates will be listed on the ballot in the same manner as candidates for all of the other elected offices in Wrangell, and declared elected in the same manner as used for all of the other elected offices. I have worked with the Attorneys on this issue and they prepared the proposed ordinance for your consideration. I recommend this ordinance be adopted.

After carefully reviewing the Wrangell Charter and code, we determined that neither the Charter nor code requires or calls for the Assembly to be designated by “seats” for purposes of election. However, currently the forms for declaring Assembly candidacy has a candidate choose a designated “seat” they wish to fill on the Assembly and the election ballot lists the Assembly vacancies by “seat.” This is not the case for any of the other elected offices in Wrangell – Port Commission, School Board, or Medical Center Board – even though the same Election Code sections govern elections for those offices as govern elections for Assembly. Listing designated seats for the Assembly also has no logical basis as we do not have election districts for the Assembly, and all candidates are elected borough-wide.

The proposed ordinance would eliminate the inconsistency in how our elections for different offices are conducted, and clarify how vacancies on the Assembly are listed on the ballot and method by which the winners are declared.

The proposed ordinance amends WMC 2.20.060 to clarify that candidates for full term vacancies on the Assembly will be shown by a single list on the ballot, not by designated “seat” (such as Seat A, etc.). The words “Vote for no more than \_\_\_\_” will appear on the ballot so that voters are informed that when there are two full term vacancies on the Assembly, they may vote for two of the listed candidates.

The ordinance also amends WMC 2.04.050 to clarify that the method for determining who is declared elected would be the same for the Assembly as it is for all of the other elected bodies: in an election in which multiple vacancies for full terms are being filled,

the candidates receiving the greatest number of votes, and whose standing in the count is at least equal to the number of full term vacancies to be filled, would be declared elected. Thus, for example, if there are two vacancies for full terms on the Assembly up for election, the ballot would have a single list of candidates for those vacancies and the top two vote-getters would be declared elected to office.

The proposed ordinance continues the current distinction for vacancies for unexpired terms on any of the elected bodies: unexpired vacancies will be listed separately on the ballot and the top vote-getting candidate for each unexpired term vacancy will be declared elected. This way, a candidate can choose to run for a vacancy for an unexpired term or for vacancy for a full term on any of the bodies, including the Assembly.

In June 2013, the Haines Borough amended its code to provide for election of assembly and school board members through single lists of candidates rather than by designated seats. The Haines election code had provided that for purposes of election, each assembly position was to be designed by seat (again, neither the Wrangell Charter nor code has such a provision). Haines Borough Assembly Member Debra Schnabel conducted a survey of other Alaska municipalities on this issue. She found that the following municipalities designated assembly seats on the ballot:

- City & Borough of Juneau (Juneau has assembly election districts so designated seats are necessary)
- City & Borough of Wrangell

The following municipalities do not designate the seats on the ballot:

- Haines Borough (changed in June 2013)
- Petersburg Borough
- City of Craig
- City of Hoonah
- City of Ketchikan
- Ketchikan Gateway Borough
- City of Kodiak
- City and Borough of Sitka

Assembly Member Schnabel included this quote in her memo to the Haines Assembly:

*“Under our system, we don’t get the candidates who have the most support of voters. We get only the candidates who had more voter support than their opponent or opponents for a given seat.”*

*Editor, Chilkat Valley, October 13, 2011*

CITY AND BOROUGH OF WRANGELL, ALASKA

ORDINANCE NO. 874

AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING TITLE 2, ELECTIONS, OF THE WRANGELL MUNICIPAL CODE TO CLARIFY SECTION 2.04.050 ON WHO IS DECLARED ELECTED TO OFFICE AND SECTION 2.20.060 ON THE BALLOT FORM FOR OFFICES AND CANDIDATES

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

[The changes to the existing code are shown as follows: the words that underlined are to be added and the words that are bolded and in brackets are to be deleted.]

SEC. 1.        Action. The purpose of this ordinance is to amend Section 2.04.050 and Section 2.20.060 of the Wrangell Municipal Code to clarify the provisions on who is declared elected to vacancies being filled at an election and the ballot form for offices and candidates.

SEC. 2.        Amendment. Section 2.04.050 of the Wrangell Municipal Code is amended to read:

2.04.050       Who is Declared Elected.

- A. In a Borough election, the top vote-getting candidate for the office of Mayor[, or for the **unexpired term of a specific Assembly, School Board, Port Commission or Medical Center Board vacancy,**] shall be declared elected.
- B. In a Borough election[s] in which multiple Assembly, School Board, Port Commission, or Medical Center Board vacancies for full terms [seats] are being filled, the candidate(s) receiving the greatest number of votes, and whose standing in the vote count is at least equal to the number of full term vacancies [seats] to be filled, shall be declared elected.
- C. In a Borough election in which a vacancy or vacancies for an unexpired term(s) on the Assembly, School Board, Port Commission, or Medical Center Board is being filled, the top vote-getting candidate for each unexpired term vacancy shall be declared elected.

SEC. 3.        Amendment. Section 2.20.060 of the Wrangell Municipal Code is amended to read:

2.20.060      Ballots – Listing of offices and candidates.

- A. All candidates to the same office shall be shown on one ballot. The offices to be filled shall be listed by title and length of term for the vacancy or vacancies in that office; the vacancy or vacancies shall not be listed or identified on the ballot by designated seat(s) such as “Seat A.” The title of each office to be filled shall be followed by the printed names of all candidates for that office **[and provision shall be made for write-ins equal in number to the positions to be filled]**, below which shall be blank lines equal in number to the candidates to be elected to such office.
- B. On the ballot between the title of the office and the names of the candidates shall be placed the **[instruction “Vote for One” or “Vote for Two,” as the case may be]** words “Vote for no more than \_\_\_\_\_,” with the appropriate number replacing the blank.
- C. The **[phrases “for one-year term,” “for two-year term,” and/or “for three-year term, as the case may be,]** words “Three Year Term,” or “Unexpired Term Until \_\_\_\_\_,” as applicable, with the appropriate month and year replacing the blank, shall be placed after the titles of the **[officers]** offices on the ballot as necessary to identify whether the vacancy or vacancies [on the assembly being] to be filled at [an] the election are for full or an unexpired terms.
- D. Where there is more than one candidate for an office, the names of **[such]** the candidates shall be arranged in alphabetical order.

SEC. 4.      Classification. This ordinance is of a permanent nature and shall be codified in the Wrangell Municipal Code.

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 be effective upon adoption.

PASSED IN FIRST READING:      February 11, 2014.

PASSED IN SECOND READING: \_\_\_\_\_, 2014.

By \_\_\_\_\_  
David L. Jack, Mayor

ATTEST:

\_\_\_\_\_  
Kim Lane, CMC, Borough Clerk

**2.04.050 Who is declared elected.**

A. In a borough election, the top vote-getting candidate for the office of mayor, or for the unexpired term of a specific assembly, school board, port commission or medical center board vacancy, shall be declared elected.

B. In borough elections in which multiple assembly, school board, port commission or medical center board seats are being filled, the candidate(s) receiving the greatest number of votes, and whose standing in the vote count is at least equal to the number of seats to be filled, shall be declared elected. [Ord. 827 § 4, 2008.]

CURRENT - Showing Strikethrough

**FOR BOROUGH MAYOR  
UNEXPIRED TERM UNTIL  
OCTOBER 2014  
VOTE FOR ONE**

David L. Jack (oval)  
Kipha L. Valvoda (oval)  
\_\_\_\_\_ (oval)

**FOR ASSEMBLY MEMBER  
~~SEAT B~~  
UNEXPIRED TERM UNTIL  
OCTOBER 2014  
VOTE FOR ONE**

Ernest Christian (oval)  
Maxlyn J. Wiederspohn (oval)  
Billie Younce (oval)  
\_\_\_\_\_ (oval)

**FOR ASSEMBLY MEMBER  
SEAT E  
THREE YEAR TERM  
VOTE FOR ONE-TWO**

Daniel W. Blake (oval)  
Julie Decker (oval)  
\_\_\_\_\_ (oval)  
\_\_\_\_\_ (oval)

**~~FOR ASSEMBLY MEMBER  
SEAT F  
THREE YEAR TERM  
VOTE FOR ONE~~**

~~Daniel W. Blake (oval)~~  
~~\_\_\_\_\_ (oval)~~

**FOR PORT COMMISSION  
UNEXPIRED TERM UNTIL  
OCTOBER 2015  
VOTE FOR ONE**

John M. Martin (oval)  
\_\_\_\_\_ (oval)

**FOR PORT COMMISSION  
THREE YEAR TERM  
VOTE FOR TWO**

David W. Silva (oval)  
John A. Yeager (oval)  
\_\_\_\_\_ (oval)  
\_\_\_\_\_ (oval)

**FOR SCHOOL BOARD  
THREE YEAR TERM  
VOTE FOR TWO**

Rinda K. Howell (oval)  
Cynthia Waddington (oval)  
\_\_\_\_\_ (oval)  
\_\_\_\_\_ (oval)

**FOR HOSPITAL BOARD  
FOUR YEAR TERM  
VOTE FOR TWO**

Terri Henson (oval)  
Bernie Massin (oval)  
\_\_\_\_\_ (oval)  
\_\_\_\_\_ (oval)

**FOR BOROUGH MAYOR  
UNEXPIRED TERM UNTIL  
OCTOBER 2014  
VOTE FOR ONE**

David L. Jack (oval)  
Kipha L. Valvoda (oval)  
\_\_\_\_\_ (oval)

**FOR ASSEMBLY MEMBER  
UNEXPIRED TERM UNTIL  
OCTOBER 2014  
VOTE FOR ONE**

Ernest Christian (oval)  
Maxlyn J. Wiederspohn (oval)  
Billie Younce (oval)  
\_\_\_\_\_ (oval)

**FOR ASSEMBLY MEMBER  
THREE YEAR TERM  
VOTE FOR TWO**

Daniel W. Blake (oval)  
Julie Decker (oval)  
\_\_\_\_\_ (oval)  
\_\_\_\_\_ (oval)

**FOR PORT COMMISSION  
UNEXPIRED TERM UNTIL  
OCTOBER 2015  
VOTE FOR ONE**

John M. Martin (oval)  
\_\_\_\_\_ (oval)

**FOR PORT COMMISSION  
THREE YEAR TERM  
VOTE FOR TWO**

David W. Silva (oval)  
John A. Yeager (oval)  
\_\_\_\_\_ (oval)  
\_\_\_\_\_ (oval)

**FOR SCHOOL BOARD  
THREE YEAR TERM  
VOTE FOR TWO**

Rinda K. Howell (oval)  
Cynthia Waddington (oval)  
\_\_\_\_\_ (oval)  
\_\_\_\_\_ (oval)

**FOR HOSPITAL BOARD  
FOUR YEAR TERM  
VOTE FOR TWO**

Terri Henson (oval)  
Bernie Massin (oval)  
\_\_\_\_\_ (oval)  
\_\_\_\_\_ (oval)

# Agenda Item 12b

## CITY & BOROUGH OF WRANGELL

### BOROUGH ASSEMBLY AGENDA ITEM February 25, 2014

#### INFORMATION:

**Approval to provide the TBPC with a letter that commits to the future funding of TBPA Non-net billable funding** *(postponed from the February 11, 2014 Regular Assembly Mtg.)*

#### Attachments:

1. Letter that was read by Assembly Member Stough, and provided by TBPA General Manager Michael Nicholls (Jan. 28, 2014)
2. Petersburg Resolution No. 2013-21 (Sept. 27, 2013)
3. Wrangell Resolution No. 12-13-1290 (Dec. 10, 2013)
4. Legal Questions regarding the ending of TBPA Contracts, provided by Assembly Member Stough (Jan. 14, 2014)
5. Response to legal questions from Borough Manager Jabusch (Jan. 15, 2014)

**Clerk's Note:** This item was postponed to this meeting. Therefore, there is no motion necessary to discuss this item. A motion must be made if the Assembly is to take any action.

#### RECOMMENDED ACTION:

Assembly Discussion and Possible Action.

During the Thomas Bay Power Commission meeting of January 27, 2014, Commissioner Robert Larson brought forth a question regarding the continued operation of Thomas Bay Power Authority (TBPA). With Petersburg refusing to pay their share of the non-net billable (NNB) budget, where will the funds come from to continue operating Thomas Bay Power Authority?

A non-net billable (NNB) budget amount was submitted for FY2014 in the amount of \$110,000 to be equally shared by Wrangell and Petersburg. Petersburg rejected the budget refusing to pay their share of the budget. Wrangell passed the budget agreeing to pay their share of \$55,000. Now 6 months into FY14, that amount is rapidly being approached. As of the period ending December 31, 2013, NNB expenses are as follows:

M-T-D	Y-T-D
\$14,780.32	\$40,833.89

Continued operation of Thomas Bay Power Authority is in jeopardy. Should NNB funds be withheld serious consequences will arise because the TBPA Administrative Accounts Clerk position is covered under a three year IBEW Collective Bargaining Agreement. Clauses in the agreement state: **Section 1.2** *"The Employer agrees that no bargaining unit personnel employed will be laid off or lose normal hours of work due to work being performed by non bargaining unit personnel."* and **Section 2.2** *"No regular employee shall be laid off, terminated, or discharged by the Employer as the result of the Employer subcontracting any work."*

Due to the above clauses, TBPA would effectively cease to be functional should the Administrative Accounts Clerk be laid off due to non-funding; furthermore, TBPA would be unable to pay the City of Wrangell to provide accounting services to TBPA. This would create an untenable condition as there would be no way to provide payments to employees, vendors, or any other billable service to TBPA.

Now, it is my understanding the City and Borough of Wrangell Council previously discussed the above conditions in an open council meeting deciding to fund TBPA until such time as a permanent solution could be determined. With reference to Commissioner Larson's question, a written statement of the commitment to provide TBPA future funding is requested.

Remember under Wrangell Municipal Code Chapter 3.40, Wrangell is required through the Thomas Bay Power Commission to run the hydroelectric project known as the "Lake Tyee Hydroelectric Project".

Isn't the city required by ordinance to finance anything legally required through municipal code?

**PETERSBURG BOROUGH, ALASKA  
RESOLUTION #2013-21**

**A RESOLUTION INFORMING THE CITY AND BOROUGH OF WRANGELL ASSEMBLY THAT THE PETERSBURG ASSEMBLY ACCEPTS THE SOUTHEAST ALASKA POWER AGENCY'S AUGUST 19, 2013 OFFER TO TAKE OVER THE COSTS OF OPERATIONS OF THE TYEE HYDROELECTRIC PROJECT AND TO ABSORB THE CURRENT AND PAST EMPLOYMENT CASH LIABILITIES INCURRED BY THOMAS BAY POWER AUTHORITY AND SUGGESTS THAT THE NON-NET BILLABLE EXPENSES BE PAID BY SEAPA; AND URGING THE WRANGELL ASSEMBLY DO THE SAME**

**WHEREAS**, the formation of Southeast Alaska Power Agency (SEAPA) in late 2008, carried forward a 1996 Operation and Maintenance Agreement contract between the Thomas Bay Power Authority (TBPA) and the Alaska Energy Authority (AEA), whereby SEAPA assumed the rights and responsibilities of the operation and maintenance authority, and costs, of the Tyee Lake Hydro project; and

**WHEREAS**, in the mid 1970's the communities of Wrangell and Petersburg voters jointly approved formation of the TBPA for the purpose of hydro development and operation, and

**WHEREAS**, for many years, the Petersburg municipality has been voluntarily supporting and funding one-half of the Non-Net Billable portion of the annual TBPA budget. The Non-Net Billable budget provides mostly for the expenses to employ two positions within TBPA that are outside of the general operations & maintenance crew costs covered by the O&M Agreement with SEAPA. It also provides the administrative costs associated with the TBPA Board of Directors, and

**WHEREAS**, on May 6, 2013, the Petersburg Borough Assembly by a vote of 6-1 determined not to fund the proposed FY 13/14 TBPA Non-Net Billable budget. It was consensus of the Assembly that responsibility for this budget item was an issue which should be resolved between TBPA and SEAPA; and

**WHEREAS**, the CEO for SEAPA, in a memo dated August 19, 2013 addressed to the TBPA President, proposed a very fair solution, subject to SEAPA Board approval, to absorb all existing TBPA employees, to relieve the Petersburg and Wrangell boroughs from absorbing a substantial retirement liability cost incurred over the years for two employment positions, and to add and fund an additional employment position within the Tyee Project, and

**WHEREAS**, it was apparent at the joint work session held between the Wrangell and Petersburg Borough Assemblies on September 10, 2013 the Wrangell representatives may not fully appreciate the effects of the generous offer made by SEAPA that will benefit both communities.

**NOW THEREFORE BE IT RESOLVED**, the Petersburg Borough Assembly finds the August 19, 2013 memo from the SEAPA CEO to the President of TBPA regarding the Operation and Maintenance Agreement for the Tyee Hydroelectric Project to be acceptable and is willing to work with the SEAPA and TBPA boards to make the offer, or a similar negotiated offer, a permanent agreement.

**RESOLVED FURTHER**, the Petersburg Borough Assembly urges the City and Borough of Wrangell Assembly to acknowledge acceptance of the proposed August 19, 2013 SEAPA terms, or

similar terms that could be negotiated, to save TBPA in excess of \$750,000 in immediate cash liability, as well as retain the ability to influence regional hydro site analysis in the future, is a benefit to both communities.

**FINALLY RESOLVED**, failure of the City and Borough of Wrangell to accept the August 19, 2013 memo terms, or similar terms to be negotiated between SEAPA and TBPA, leaves the Petersburg Borough with no alternative but to take the position that 1) the unfunded PERS liability, exceeding \$750,000, will be the sole liability of the City and Borough of Wrangell should SEAPA determine to terminate the agreement with TBPA; and 2) Petersburg Borough will not fund any future Non-Net Billable items as currently presented in the TBPA budgets.

**Passed and Approved by the Petersburg Borough Assembly on Friday, September 27, 2013.**

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**Mark Jensen, Mayor**

**ATTEST:**

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**Kathy O'Rear, Clerk**

CITY OF WRANGELL, ALASKA

RESOLUTION NO. 12-13-1290

A RESOLUTION OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, RECOMMENDING THAT THE OPERATIONS AND MANAGEMENT OF THE TYEE HYDROELECTRIC PROJECT BE TRANSFERRED FROM THOMAS BAY POWER AUTHORITY (TBPA) TO SOUTHEAST ALASKA POWER AUTHORITY (SEAPA) AND TO WORK COOPERATIVELY WITH THE PETERSBURG BOROUGH AND SEAPA TO FORMULATE A COMPREHENSE CONVERSION PLAN TO MEET THIS GOAL

**WHEREAS**, Thomas Bay Power Authority is under contract with SEAPA to operate and maintain the Tyee Hydroelectric Facility; and

**WHEREAS**, TBPA was created by the Cities of Wrangell and Petersburg to operate and maintain the Tyee Hydro project Facility, and

**WHEREAS**, SEAPA is the owner and holds the Federal Energy Regulatory Commission (FERC) permit for the Tyee Hydroelectric project, and

**WHEREAS**, Wrangell recognizes the many contributions that TBPA has made over the years, the bond it has helped create between Petersburg and Wrangell and believes that TBPA should go into an inactive state rather than eliminate it so it may reactivate it in the future if the need arises ; and

**WHEREAS**, SEAPA has proposed to operate the Tyee facility for the communities of Wrangell and Petersburg; and

**WHEREAS**, Petersburg has passed a resolution that states that they want to accept the offer made by SEAPA's CEO dated August 19, 2013 and that they are willing to work with SEAPA and others to make the offer, or a similar negotiated offer, a permanent agreement and encouraged Wrangell to also accept the SEAPA offer; and

**WHEREAS**, Both Wrangell and Petersburg believe there are economic and operation advantages for SEAPA to operate the Tyee facility; and

**WHEREAS**, Wrangell believes that in this transfer of operations, it is important that the employees of TBPA that will be absorbed into the SEAPA system are given assurances that they will "kept whole" during the transfer and that the positions will be kept in Wrangell for a period of two years; and

**WHEREAS**, Wrangell currently is paying for 100% of the non-net billable costs of TBPA since July 1st, 2013 and believes that these costs need to be equally shared from July 1, 2013 up to the time that the conversion is completed; and

**WHEREAS**, Without TBPA, it is important that Wrangell, Petersburg, and SEAPA make every effort to continue to improve open and transparent communications with each other on both the Tyee Project and the SEAPA system as a whole and believes both a longer retention of SEAPA's Digital Audio Recording of meetings and having an assembly member on the SEAPA board will help both SEAPA community members and Wrangell achieve progress in area of better communications and transparency; and

**WHEREAS**, Wrangell believes that it is important that from time to time that the three communities: Ketchikan, Petersburg, and Wrangell revisit the existing MOU, including updates that may be needed, and the underlying reasons why it was part of the original divestiture and urges Ketchikan and Petersburg to participate in this process; and

**WHEREAS,** SEAPA's offer to run the Tyee Hydroelectric Project included absorbing all costs related to the Public Employees Retirement System (PERS) unfunded liability, transferring all employees to SEAPA and integrating them into the various benefit packages that SEAPA would provide; and

**WHEREAS,** Wrangell recognizes that the ARECA Insurance Rebate of approximately \$259,798 is an asset of TBPA and that it is not unreasonable to apply this amount to the unfunded liability debt incurred by its employees while working for TBPA and would encourage Petersburg to take a similar stance; and

**WHEREAS,** Wrangell understands that the conversion of various payroll, accounting and other records to SEAPA may take some time and Wrangell is committed to making that process as smooth as possible and is willing to assist in any way that we can to less the impact this transition has on the employees of TBPA.

**NOW THEREFORE BE IT RESOLVED,** THE CITY AND BOROUGH OF WRANGELL BOROUGH ASSEMBLY directs the Borough Manager to enter into negotiations with SEAPA and the Petersburg Borough to develop a conversion plan to transfer the operations and maintenance of the Tyee Hydroelectric Facility to SEAPA and to bring back the plan to the respective boards for approval.

**RESOLVED FURTHER,** THE CITY AND BOROUGH OF WRANGELL BOROUGH ASSEMBLY would like the following features included as part of the conversion plan:


1. That the conversion plan be completed and presented to the respective boards by January 31, 2014.
2. The current TBPA employees are "kept whole" as it relates to wages and benefits through the conversion process.
3. That the current employee contracts with both IBEW and the TBPA manager are "kept whole" during the conversion process or if some changes have to be made every effort will be made to minimize any negative impacts to the employees.
4. That the City and Borough of Wrangell will work cooperative with SEAPA with all matters related to payroll and other accounting records to help reduce any impact on both the TBPA employees and SEAPA.
5. That SEAPA will be responsible for all of the TBPA PERS unfunded liability and that to help lessen that impact, Wrangell and Petersburg agree to contribute the ARECA Insurance Rebate of approximately \$259,798 or the amount of the unfunded liability, whichever is less.
6. That there is a date set in the future that would require the City and Borough of Wrangell, the City and Borough of Ketchikan and the Petersburg Borough to review the Power Sales Agreement and the organization of SEAPA to see if it is in all of our best interest to continue as is or if there are changes that could be made for the mutual benefit of all communities.
7. That the non-net billable costs that Wrangell has paid since July 1, 2013 to the date of the final conversion are shared by the other parties to this agreement.

**FINALLY RESOLVED,** THE CITY AND BOROUGH OF WRANGELL ASSEMBLY would like the following items adopted in order to promote open communications between Wrangell, SEAPA, Petersburg Borough, and the City and Borough of Ketchikan:

1. Direct the Borough Manager to send a letter to the SEAPA Board requesting them to retain the Digital Audio recordings of their meetings for a period of two years.
2. That the City and Borough of Wrangell would make as policy that the SEAPA board appointment from Wrangell each year would first be chosen, if a candidate is available, from the borough assembly prior to any other candidates being considered.
3. That Wrangell send a letter to both the City and Borough of Ketchikan and the Petersburg

Borough urging them to participate in revising the existing MOU to meet current conditions and to adopt a date in the future that the three communities would participate in reviewing this revised MOU.

ADOPTED: December 10, 2013



David L. Jack, Mayor

ATTEST:



Kim Lane, Borough Clerk



### **Legal Questions regarding the ending of TBPA contracts**

1. How can the TBPA Commission President negotiate for the Commission without explicit permission from the Commission i.e. a motion to do so? See TBPA Commission Policy No. 03 (Updated 1-2013) Paragraph II.e.

Excerpt:

Each Commissioner shall recognize that he has no authority outside of the Commissioner meeting, except and unless he is specifically authorized or assigned a project with authority to act or speak for the Commission. The Commission recognizes that should any Commissioner undertake in private conversation with others to make commitments for the Commission, that Commissioner becomes involved in a serious breach of policy.

2. Can an early opt out by mutual agreement end the Operations & Maintenance Contract (O&M Agreement) without such a provision being specifically spelled out in said agreement?
3. Can non-signatories to a contract negotiate to end any contract:
  - a) i.e. the City Manager and SEAPA CEO negotiate the end of the O&M Agreement – the only signers are the TBPA President and AEA Executive Director;
  - b) i.e. the City Manager and SEAPA CEO negotiate the end of the TBPA General Managers Contract – the only signers are the TBPA General Manager, the TBPA President, and the TBPA Secretary/Treasurer; or,
  - c) i.e. the City Manager and SEAPA CEO negotiate the end of the Collective Bargaining Agreement between TBPA and the IBEW Local 1547 – the only signers are the TBPA General Manager, 2 of the TBPA Commissioners, Local 1547 Business Manager, 1547 Assistant Business Manager, and 1547 Shop Steward?
4. Can the Cities of Wrangell or Petersburg negotiate the demise of TBPA? By ordinances of both communities the TBPA Commission was given the following under the Wrangell Municipal Code Chapter 3.40:

Excerpt:

The commission shall have the following powers and duties:

- a) Generally, to have full and complete supervision, management and control of the study, design, construction, maintenance, operation and improvement of the hydroelectric project known as the "Lake Tyee Hydroelectric Project," together with any other hydroelectric project proposed by the commission within the area of Petersburg/Wrangell or such area which can reasonably and feasibly serve the hydroelectric power needs of the Petersburg and Wrangell communities;
- b) To prepare and file with the city council copies of all budget estimates, including any budget amendment which may subsequently be proposed to be made upon final adoption by the commission; and upon request of the council to furnish such further details as may be necessary to a reasonable understanding of any such budget estimate or proposed budget amendment; the commission shall adopt the annual budget estimate no later than April 1<sup>st</sup> in each year and shall immediately forward the estimate to the city manager for inclusion in the annual budget estimate of the city

See attachment for full copy of Wrangell Municipal Code Chapter 3.40!!

**NOW in light of the above mentioned Code chapter - how then can SEAPA take over operations and maintenance of Tyee when city code specifically gives that duty to Thomas Bay Power Authority; to wit, full and complete supervision, management and control of the study, design, construction, maintenance, operation and improvement of the hydroelectric project known as the "Lake Tyee Hydroelectric Project"?**

**How can this be done without changing city code?**

**Are the City and Boroughs of Wrangell and Petersburg breaking their own Municipal Codes?**

## MEMORANDUM

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

**FROM: JEFF JABUSCH  
BOROUGH MANAGER**

**SUBJECT: QUESTIONS FROM ASSEMBLY MEMBER STOUGH**

**DATE: January 15, 2014**

**Response to Question #1:** The resolution that the Assembly passed to have me negotiate a document that would then come back to the Assembly requires (in my opinion) a member of all of the involved parties. It seems to me that the City and Borough of Wrangell had given me clear directions in the Resolution that was passed and to be successful, I believe the Petersburg Manager, Mayor and the President of TBPA should be at the table. In the case of the President of TBPA, he seems like the logical choice as he has been appointed by the other board members. This doesn't necessarily mean when the document comes back that there will not be additional discussion and debate. But having a small group normally gets more done and is more efficient. I understand that the president does not have more say than any other board member. As that goes, I don't have any say on what our Assembly does. However, that doesn't mean I can't be on a negotiating committee that will bring a document back to the table for review and modification, and adoption or not.

I believe the path we are on, under the directions that were given me in the Resolution, is being done in the most logical and efficient process. I would recommend continuing this direction. Remember, Petersburg is not interested in continuing to pay their half of TBPA and that action alone at this point says there is no funding to continue as of January 1<sup>st</sup>, 2014.

**Response to Question #2:** This could be a legal question, but generally any agreement (if all the parties to the agreement want to end the agreement) it is not a problem. We can run this Bob, but normally if someone in the party isn't happy and sues; it is because they didn't want this to happen. But if everyone agrees, then there is not an issue.

**Response to Questions #3:** Remember, one of the main issues here is funding. Both the Wrangell and Petersburg Assemblies approve the budget to fund the non-net billable each year. Without the funding the TBPA cannot function. The approving bodies have every right not to fund an item in their budget or what would be the point of the approval. That process was put in motion when Petersburg did not want to fund their portion any longer and wanted to accept SEAPA's offer. My role in this is to get the necessary parties to together as I explained in #1 above and take as my guide, the Resolution passed by the Borough Assembly, and bring back a document that will need to be approved by the appropriate boards. I understand that we will eventually need to also include the Union. But the first step is to be sure both Wrangell and Petersburg agree to the terms we would like to see adopted before moving any further. TBPA is an entity made up by the Petersburg and Wrangell Assemblies and I believe that they have the right to appoint someone to represent them in this process. Again, if the Assembly is not satisfied with this, we can run this by the attorney.

**Response to Question #4:** I cannot answer this as this is certainly a legal question for Bob. However, I will say this: it appears to me that the action that the Borough Assembly has taken and the action that Petersburg Borough Assembly has taken clearly shows that both believe moving in the direction of SEAPA running Tyee is in the best interest of both communities. Are there some that disagree? From these questions alone the answer is “yes”. It just would not make sense to me that two communities that create something cannot do away with it. Again, this is a legal question and should be answered by the attorney.

# **Agenda Item 13a**

## **CITY & BOROUGH OF WRANGELL**

### **BOROUGH ASSEMBLY AGENDA ITEM February 25, 2014**

#### **INFORMATION:**

**AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTION 3, ADMINISTRATION AND PERSONNEL, OF THE WRANGELL MUNICIPAL CODE BY REPEALING CHAPTER 3.50, CEMETERY ADVISORY COMMITTEE, IN ITS ENTIRETY, AND ESTABLISHING AN EFFECTIVE DATE *(first reading)***

#### **Attachments:**

1. Memorandum from Clerk Lane, dated February 12, 2014
2. Proposed Ordinance No. 875
3. WMC Section 3.50 – Cemetery Advisory Committee

#### **RECOMMENDED ACTION:**

Move to approve first reading and move to a second with a public hearing to be held on March 11, 2014.

## MEMORANDUM

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

**FROM: KIM LANE, CMC  
BOROUGH CLERK**

**SUBJECT: CEMETERY ADVISORY COMMITTEE**

**DATE:** February 12, 2014

### **BACKGROUND:**

The Cemetery Committee is made up of four members of the general public. Currently, there are only two members on the committee.

The code section on the Cemetery Advisory Committee states that the committee shall hold regular meetings at least once each calendar quarter. There has not been a Cemetery Advisory Committee meeting in almost two years. Therefore, at this time, the Committee is in an "inactive" status.

It is my understanding that the Cemetery Committee was tasked with researching for a proposed new cemetery site. I have been told that they had identified some potential new sites and that the City would need to do some in-house investigating and make a determination in the future.

In the future, if there was a task that required a Cemetery Committee, there could be the option of forming a Special Cemetery Committee that could be tasked with a specific task for a specific period of time. After which, the Special Cemetery Committee could be dissolved.

### **There are a few options:**

1. Repeal sections 3.50.010 and 3.50.020 of the WMC by ordinance, and if a cemetery advisory committee is desired in the future, the Assembly can establish it by resolution.
2. Leave the ordinance in the WMC, and do nothing. That would leave things "as is", with an inactive committee. If the committee is needed in the future, the Mayor can appoint members with the consensus of the Assembly.
3. Leave the ordinance in the WMC and take action to put the committee in inactive status and disband the current membership. This would take a motion like: "I move that the Assembly approve the Cemetery Advisory Committee being placed in inactive status, that the current members of the committee are released, and that in the event that the Assembly decides to reactivate the committee in the future, new members will be appointed".

### **Recommended Action:**

I would recommend that the Cemetery Committee section of the WMC be repealed in its entirety.

CITY AND BOROUGH OF WRANGELL, ALASKA

ORDINANCE NO. 875

AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTION 3, ADMINISTRATION AND PERSONNEL, OF THE WRANGELL MUNICIPAL CODE BY REPEALING CHAPTER 3.50, CEMETERY ADVISORY COMMITTEE, IN ITS ENTIRETY

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

[The changes to the existing code are shown as follows: the words that are bolded and in brackets are to be deleted.]

SEC. 1.        Action. The purpose of this ordinance is to repeal Chapter 3.50, Cemetery Advisory Committee, of the Wrangell Municipal Code in its entirety.

SEC. 2.        Repeal. Chapter 3.50 of the Wrangell Municipal Code is repealed in its entirety as follows:

**[Chapter 3.50  
CEMETERY ADVISORY COMMITTEE**

**Sections:**

**3.50.010 Established – Membership – Organization.**

**3.50.020 Powers and duties.**

**3.50.010 Established – Membership – Organization.**

**A. There shall be a cemetery advisory committee which shall consist of four members, qualified and selected as set forth below:**

**1. The present membership of the board is hereby confirmed. Future members shall be appointed by the mayor with the approval of the assembly. A member may be removed by the mayor with the approval of the assembly for the good of the service.**

**2. All members of the committee shall be residents of the borough and serve without compensation.**

**3. The term of a member shall be for three years or until a successor is appointed.**

**B. The committee shall hold regular meetings at least once each calendar quarter at such times as its chair may determine. The chair shall give each member at least 48 hours' prior written or oral notice of the date, time and place of each meeting.**

**C. The committee shall give reasonable public notice of its meetings, its meetings shall be open to the public, and reasonable opportunity shall be provided for the public to be heard at each meeting.**

**D. Three members of the committee shall constitute a quorum for the transaction of business. Actions of the committee are taken by the vote of a majority of the members duly present at a meeting of the committee duly held at which a quorum is present. The committee shall keep minutes of its proceedings and records of its official actions.**

**E. Any member who misses more than two regular meetings in a consecutive 12-month period without being excused by the committee shall automatically forfeit membership on the committee.**

**F. The committee shall annually elect from among its members a chair, vice chair and secretary-treasurer.**

**G. Committee members shall conduct their activities in such a way that no conflict of interest arises between their other interests and the policies, interests and operation of the municipal cemeteries.**

**H. The committee may establish its own rules, regulations and policies consistent with this chapter and subject to the approval of the assembly.**

#### **3.50.020 Powers and duties.**

**The powers and duties of the committee shall be as follows:**

**A. Receive, consider and evaluate public opinions and make recommendations regarding the staffing, equipping, care, maintenance, and managing of the municipal cemeteries;**

**B. Advise the borough manager and borough assembly on planning and implementation of programs dealing with the use and development of the municipal cemeteries;**

**C. Review and make recommendations to the assembly regarding the budget of the**

**municipal cemeteries; and**

**D. Perform such other activities as the assembly may from time to time designate.]**

SEC. 3.        Classification. This ordinance is of a permanent nature and shall be codified in the Wrangell Municipal Code.

SEC. 4.        Effective Date. This ordinance shall be effective upon adoption.

PASSED IN FIRST READING: \_\_\_\_\_, 2014.

PASSED IN SECOND READING: \_\_\_\_\_, 2014.

\_\_\_\_\_  
David L. Jack, Mayor

ATTEST:

\_\_\_\_\_  
Kim Lane, CMC, Borough Clerk

## **Chapter 3.50 CEMETERY ADVISORY COMMITTEE**

### **Sections:**

3.50.010 Established – Membership – Organization.

3.50.020 Powers and duties.

### **3.50.010 Established – Membership – Organization.**

---

A. There shall be a cemetery advisory committee which shall consist of four members, qualified and selected as set forth below:

1. The present membership of the board is hereby confirmed. Future members shall be appointed by the mayor with the approval of the assembly. A member may be removed by the mayor with the approval of the assembly for the good of the service.

2. All members of the committee shall be residents of the borough and serve without compensation.

3. The term of a member shall be for three years or until a successor is appointed.

B. The committee shall hold regular meetings at least once each calendar quarter at such times as its chair may determine. The chair shall give each member at least 48 hours' prior written or oral notice of the date, time and place of each meeting.

C. The committee shall give reasonable public notice of its meetings, its meetings shall be open to the public, and reasonable opportunity shall be provided for the public to be heard at each meeting.

D. Three members of the committee shall constitute a quorum for the transaction of business. Actions of the committee are taken by the vote of a majority of the members duly present at a meeting of the committee duly held at which a quorum is present. The committee shall keep minutes of its proceedings and records of its official actions.

E. Any member who misses more than two regular meetings in a consecutive 12-month period without being excused by the committee shall automatically forfeit membership on the committee.

F. The committee shall annually elect from among its members a chair, vice chair and secretary-treasurer.

G. Committee members shall conduct their activities in such a way that no conflict of interest arises between their other interests and the policies, interests and operation of the municipal cemeteries.

H. The committee may establish its own rules, regulations and policies consistent with this chapter and subject to the approval of the assembly. [Ord. 849 § 2, 2011; Ord. 794 § 1, 2007; Ord. 767 § 1, 2005.]

### **3.50.020 Powers and duties.**

---

The powers and duties of the committee shall be as follows:

- A. Receive, consider and evaluate public opinions and make recommendations regarding the staffing, equipping, care, maintenance, and managing of the municipal cemeteries;
- B. Advise the borough manager and borough assembly on planning and implementation of programs dealing with the use and development of the municipal cemeteries;
- C. Review and make recommendations to the assembly regarding the budget of the municipal cemeteries; and
- D. Perform such other activities as the assembly may from time to time designate. [Ord. 767 § 1, 2005.]

# **Agenda Item 13b**

## **CITY & BOROUGH OF WRANGELL**

### **BOROUGH ASSEMBLY AGENDA ITEM February 25, 2014**

#### **INFORMATION:**

**PROPOSED ORDINANCE No. 876: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTIONS 5.08.005 AND 5.08.050 OF THE WRANGELL MUNICIPAL CODE RELATING TO SALES TAX TO ESTABLISH A DEFINITION OF "SINGLE-PURCHASE SALE" AND AMEND THE EXEMPTION FOR A SINGLE PURCHASE OF GOODS OR SERVICES**  
*(first reading)*

#### **Attachments:**

1. Memorandum from Manager Jabusch, dated February 20, 2014
2. Proposed Ordinance No. 876

#### **RECOMMENDED ACTION:**

Move to approve first reading and move to a second with a public hearing to be held on March 11, 2014.

**MEMORANDUM**

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

**FROM: JEFF JABUSCH  
BOROUGH MANAGER**

**SUBJECT: ORDINANCE TO CHANGE SALES TAX CODE TO INCREASE THE CAP AND  
TO CHANGE THE WAY THE SALES TAX CAP IS CALCULATED**

**DATE: FEBRUARY 19, 2014**

We discovered in December that the sales tax code had been interpreted incorrectly for as far back as 2003 when it comes to the cap. When this error was discovered we notified businesses and told them that we had to follow the code as it is written until it was changed.

The current code requires a 7% sales tax on a unit basis. As an example: If fuel is sold by the gallon, the sales tax is on each gallon sold, not the total. If a person bought \$10,000 worth of fuel, they would pay \$700 of tax. The interpretation was always that a single sale was capped at \$1200 and in that case the same \$10,000 sale if purchased at one time would include sales tax of \$84.

This issue has gone to the code committee and the recommendation after reviewing other Southeast communities is that we should change our code. The change would be to cap a sale based on the total individual sale, not on a unit basis which is how it has been interpreted and how it was prior to the change in 2003. In addition, the code committee recommended that the cap be increased from \$1,200 to \$1,500. Currently Haines is \$5,000, Sitka is \$1,500 and Petersburg is \$1,200 but considering \$1,500.

**Recommended Motion:**

Move to approve Ordinance No. 876 in its first reading and to move it to a second reading with a public hearing to be held on March 11, 2014 at 6:30.

CITY AND BOROUGH OF WRANGELL, ALASKA

ORDINANCE NO. 876

AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTIONS 5.08.005 AND 5.08.050 OF THE WRANGELL MUNICIPAL CODE RELATING TO SALES TAX TO ESTABLISH A DEFINITION OF “SINGLE-PURCHASE SALE” AND AMEND THE EXEMPTION FOR A SINGLE-PURCHASE SALE OF GOODS OR SERVICES

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

[The changes to the existing code are shown as follows: the words that are underlined are to be added and the words that are bolded and in brackets are to be deleted.]

SEC. 1.        Action.    The purpose of this ordinance is to amend Section 5.08.005(J) and Section 5.08.050(M) of the Sales Tax Code to establish a definition of “single-purchase sale” and to amend the exemption for a single-purchase sale of goods or services.

SEC. 2.        Amendment.    Section 5.08.005(J) of the Wrangell Municipal Code is amended to read:

5.08.005        Definitions.

For purposes of this chapter, the following words and phrases have the meanings hereinafter respectively ascribed to them:

...

J. “Single-purchase sale” means a sale by a single purchase or invoice, which may consist of one or more items but which are purchased at the same time and there is a single invoice representing that sale. A single-purchase sale includes a sale of items by contract, bid, quote or other lump sum amount only if the sale is based on and computed as a single bid, quote, sum, or package price rather than as an accumulated sum or aggregation for prices of separate identifiable items, separable prices, or items purchased at different times.

**[“Single-unit sale” means the sale of a separate, single item or service which is customarily sold, advertised, contracted for sale or sold in the normal course of business as a separate and single item or unit or by a single unit of measurement (i.e., per gallon, ton, hour, day, week, month, foot, sack, yard,**

pound, piece, group, each, box, set, package, or other common unit of measurement). A single-unit sale shall include a sale by contract, quote, bid, or other lump-sum amount only if the sale is based on and computed as a single bid, quote, sum, or package price rather than as an accumulation, sum, or aggregation of prices of separate identifiable or separable unit prices as defined above. For purposes of harbor fees and port dockage, each foot or other measurement of length will count as a single unit. Sales of package travel and adventure services sold to a single pre-existing group where the sales price is invoiced to a single person or company is a single unit sale to such group. Sales of a travel and adventure service to individuals is a single unit sale to the individual notwithstanding the fact that the service provider receives a single payment through an arrangement with a travel agent, cruise ship business, broker or other representative.]

...

SEC. 3. Amendment. Section 5.08.050(M) of the Wrangell Municipal Code is amended to read:

5.08.050 Exemptions from tax.

The following transactions are exempt from the tax levied under this chapter:

...

M. That part of a sale of goods over \$1,500 when all items in a single-purchase sale are added together, and that part of a sale of services over \$1,500 for a single job or task. Invoices for sales of services shall be computed monthly or less for tax purposes; [All sales of any single unit of which the price exceeds \$1,200, and all services, including contract prices for any single job of which the price exceeds \$1,200 shall be taxable only to the limit of \$1,200;]

...

SEC. 4. Classification. This ordinance is of a permanent nature and shall be codified in the Wrangell Municipal Code.

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 be effective upon adoption.

PASSED IN FIRST READING: \_\_\_\_\_, 2014.

PASSED IN SECOND READING: \_\_\_\_\_, 2014.

\_\_\_\_\_  
David L. Jack, Mayor

ATTEST:

\_\_\_\_\_  
Kim Lane, CMC, Borough Clerk

# **Agenda Item 13c**

## **CITY & BOROUGH OF WRANGELL**

### **BOROUGH ASSEMBLY AGENDA ITEM February 25, 2014**

#### **INFORMATION:**

**Approval of Bid Received from Petro Marine Services to furnish petroleum products for the City & Borough of Wrangell, Wrangell Public Schools, and the Wrangell Medical Center**

#### **Attachments:**

1. Memo from Jeff Jabusch, Borough Manager, dated February 20, 2014
2. Bids received from Petro Marine Oil (including the e-mail confirmation of addendum) and Delta Western, Inc.
3. Advertisement for Fuel Bids

#### **RECOMMENDED ACTION:**

Move to approve Petro Marine Services as the fuel provider for the City & Borough of Wrangell, Wrangell Public School, and the Wrangell Medical Center for the period of February 1, 2014 through January 31, 2016, based on their management fee of \$0.354 per gallon.

**MEMORANDUM**

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

**FROM: JEFF JABUSCH  
BOROUGH MANAGER**

**SUBJECT: FUEL BIDS**

**DATE: FEBRUARY 20, 2014**

**BACKGROUND:**

The fuel contract for the City, School, and Hospital is regularly bid out for one of the two vendors in town to supply all of the fuel needs for these three entities.

This year there was a change to the method of the bid because Wrangell Oil was bought out by Petro Marine. This has allowed us to use what is called an OPIS (Oil Price Information Service) base bid. OPIS supplies a uniform daily or weekly average price no matter who is buying it. Both the bidders get their fuel from Seattle and therefore by using the OPIS method, both bidders will have the same cost of fuel on any delivery they would make to the city. The only element of the bid that is different between the two is the cost per gallon it takes them to get the Seattle fuel to Wrangell and delivered into our tank. This is called the management fee.

Because the fuel price is the same out of Seattle, the only portion of the bid that is different is the management fee and the attached bid sheets reflect only that portion. Following is the management fee bid by each bidder:

**Management Fee Bid Per Gallon:**

Petro Marine:	\$0.354
Delta Western:	\$0.9347

There was a slight irregularity on Petro Marine's bid. There was bid packet sent out which included a bid submittal form. After the pre-bid meeting, an addendum which included a revised bid form was sent to both bidders. On the revised bid form, the bidder was required to acknowledge the addendum that was sent out after the pre-bid meeting. Petro used the original bid form and did not acknowledge the either addendum on the bid form that they submitted their bid on. However, they did acknowledge the addendum by e-mail to the clerk prior to submitting their bid. The required element is that the addendum reflecting the changes in the bid packet was acknowledged and this did happen. Legal staff assisted with the review of this minor irregularity and came to the conclusion that the addendum acknowledgement was met and therefore Petro Marine's bid was allowed to be considered.

**Recommended Action by Staff:**

**Move to approve Petro Marine Services as the fuel provider for the City & Borough of Wrangell, Wrangell Public School, and the Wrangell Medical Center for the period of February 1, 2014 through January 31, 2016, based on their management fee of \$0.354 per gallon.**

**Attachments:**

**Bid from Petro Marine with e-mail confirmation of addendum  
Bid from Delta Western  
Advertisement for Fuel Bids**

City & Borough of Wrangell  
Wrangell, Alaska, 99929

Fuel Bids

## INVITATION TO BID (ITB)

**RETURN THIS BID TO THE ISSUING OFFICE AT:**

City and Borough of Wrangell  
Attn: Borough Clerk  
205 Brueger Street  
P.O. Box 531  
Wrangell, Alaska

**FUEL BIDS DATE ITB ISSUED:**

January 22th, 2014

**ITB TITLE:** Contract for the purchase of Heating Oil, Ultra Low Sulfur Diesel and Unleaded Gasoline.

**PRE-BID CONFERENCE** will be held on Thursday, January 9th at 10:00 AM at Wrangell City Hall. See page 8 for instructions.

**SEALED BIDS MUST BE SUBMITTED TO THE BOROUGH CLERK AT THE ABOVE ADDRESS. BIDS MUST BE TIME AND DATE STAMPED BY THE CLERK PRIOR TO THE BID OPENING WHICH IS JANUARY 22<sup>nd</sup>, 2014, 2:00 PM AT WHICH TIME THEY WILL BE PUBLICLY OPENED.**

**DELIVERY LOCATION:** Various locations in the City of Wrangell per Attachment A

**DELIVERY DATE:** All deliveries will be on a "keep-full" or "as-needed" basis as indicated in Attachment A.

**F.O.B. POINT:** Final Destination

**BIDDER'S NOTICE:** By signature on this form, the bidder certifies that:

- (1) the bidder has a valid Alaska business license, or will obtain one prior to award of any contract resulting from this ITB. If the bidder possesses a valid Alaska business license, the license number must be written below or one of the following forms of evidence submitted with the bid:
  - \* a canceled check for the business license fee;
  - a copy of the business license application with a receipt date stamp from the State's business license office;
  - a receipt from the State's business license office for the license fee;
  - a copy of the bidder's valid business license;
  - a sworn notarized affidavit that the bidder has applied and paid for a business license;
- (2) the price(s) submitted was arrived at independently and without collusion and that the bidder is complying with:
  - the laws of the State of Alaska;
  - all terms and conditions set out in this Invitation to Bid (ITB).

If a bidder fails to comply with (1) at the time designated in the ITB for opening the state will disallow the bid. If a bidder fails to comply with (2) of this paragraph, the city may reject the bid, terminate the contract, or consider the contractor in default.

Kim Lane, Borough Clerk Contracting Officer	<i>Petro Marine Services</i> COMPANY SUBMITTING BID	*Mailing Address:
Kim Lane	<i>Smokey Norton</i> AUTHORIZED SIGNATURE	
Phone: (907) 874-2381 TDD: (907) 465-2205	<i>Smokey Norton</i> PRINTED NAME	
Email: clerk@wrangell.com	<i>1/31/2014</i> DATE	TELEPHONE NUMBER
ALASKA BUSINESS LICENSE NUMBER	<i>92-0037645</i> FEDERAL TAX ID NUMBER	<i>smokeyn@harbordent.com</i> E-MAIL ADDRESS

STANDARD TERMS AND CONDITIONS

CITY OF BOROUGH OF WRANGELL

## BID SUBMITTAL FORM

FUEL BIDS-BID SUBMITTAL FORM

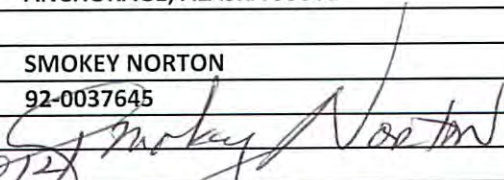
BID OPENING: FEBRUARY 5, 2014 2:00 P.M.

CITY HALL, 205 BRUEGER STREET, WRANGELL ALASKA

		(SEE DEFINITION IN BID DOCUMENT )		(EST USAGE X MGT)
	ESTIMATED ANNUAL USAGE	FUEL TYPE	MANAGEMENT FEE BID (MGT)	BID AMOUNT
1	HIGH SCHOOL	2,000	#2 HEATING FUEL	\$0.354 \$708.00
2	MIDDLE SCHOOL	8,500	#2 HEATING FUEL OR WINTER BLEND	\$0.354 \$3,009.00
3	ELEMENTARY SCHOOL	12,500	#2 HEATING FUEL	\$0.354 \$4,425.00
4	WRANGELL MEDICAL CENTER	20,000	#2 HEATING FUEL OR WINTER BLEND	\$0.354 \$7,080.00
5	NOLAN CENTER	1,500	#2 HEATING FUEL OR WINTER BLEND	\$0.354 \$531.00
6	PUBLIC SAFETY BUILDING	2,800	#2 HEATING FUEL	\$0.354 \$991.20
7	ELECTRICAL GENERATION PLANT	66,000	ULSD DIESEL FUEL #2	\$0.354 \$23,364.00
8	ELECTRIC PLANT HEAT	6,500	#2 HEATING FUEL OR WINTER BLEND	\$0.354 \$2,301.00
9	PUBLIC WORK HEAT	1,900	#2 HEATING FUEL	\$0.354 \$672.60
10	HARBOR OFFICE	1,000	#1 HEATING FUEL	\$0.354 \$354.00
11	TRAVEL LIFT MACHINE	1,300	ULSD DIESEL FUEL #2	\$0.354 \$460.20
12	PUBLIC WORKS VEHICLE DIESEL	8,600	ULSD DIESEL FUEL #2	\$0.354 \$3,044.40
13	PUBLIC WORKS VEHICLE UNLEAD	19,000	UNLEAD GAS	\$0.354 \$6,726.00
TOTAL BID				\$53,666.40

\*NOTE: FOR PURPOSES OF THIS BID, THE OPIS PRICE WILL BE THE SAME FOR EACH BIDDER SO  
THE MANAGEMENT FEE (MGY) IS THE ONLY FACTOR THAT IS IMPORTANT IN DETERMINING  
THE LOW BIDDER AND IS ALL THAT WILL BE USED IN THE BID SHEET.

## THE FOLLOWING ARE REQUIRED AS PART OF THE BID SUBMITTAL

PROOF OF INSURANCE ATTACHED:	
PROOF OF ALASKA BUSINESS LICENSE OR LICENSE NUMBER:	738355
NAME AND ADDRESS IN THE BIDDERS:	PETRO MARINE SERVICES
	3201 C STREET SUITE 302
	ANCHORAGE, ALASKA 99503
FEDERAL TAX ID NUMBER OF BIDDER:	
NAME OF AUTHORIZED REPRESENTATIVE:	SMOKEY NORTON
FEDERAL TAX ID NUMBER OF BIDDER:	92-0037645
SIGNATURE OF AUTHORIZED REPRESENTATIVE:	
DATE:	1/30/2014

Addenda was acknowledged in e-mail dated February 7, 2014

Kim Lane

---

**From:** Smokey Norton <SmokeyN@harborent.com>  
**Sent:** Friday, February 07, 2014 1:28 PM  
**To:** Lane, Kim  
**Subject:** Re: Addendum No. 2 - Fuel Bid

Kim Kim Kim....

We're about ready to send our bid to our Wrangell Manager so he can hand delivery it to you with a a bouquet of red roses.

Are we to early on this or do you expect additional addendums.

Smokey

>>> "Kim Lane" <[clerk@wrangell.com](mailto:clerk@wrangell.com)> 1/31/2014 2:23 PM >>>  
Good afternoon,

Please see attached, **Addendum No. 2** for the Fuel Bid – 2014.

*Kim*

-----  
Kim Lane, CMC  
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)

*"Effective listening is a professional achievement – achieved only through hard work"*

Tom Peters

Alaska Business License #

**738355**

**Alaska Department of Commerce, Community, and Economic Development**

Division of Corporations, Business and Professional Licensing

P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

**PETRO MARINE SERVICES**

**PO BOX 389 SEWARD AK 99664**

owned by

**HARBOR ENTERPRISES INC**

is licensed by the department to conduct business for the period

**October 02, 2013 through December 31, 2015**

for the following line of business:

**42 - Trade**



This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location.  
It is not transferable or assignable.

Susan K. Bell  
Commissioner

City & Borough of Wrangell  
Wrangell, Alaska, 99929

Fuel Bids

# INVITATION TO BID (ITB)

**RETURN THIS BID TO THE ISSUING OFFICE AT:**

City and Borough of Wrangell  
Attn: Borough Clerk  
205 Brueger Street  
P.O. Box 531  
Wrangell, Alaska

**FUEL BIDSDATE ITB ISSUED:**

**January 22th, 2014**

**ITB TITLE:** Contract for the purchase of Heating Oil, Ultra Low Sulfur Diesel and Unleaded Gasoline.

PRE-BID CONFERENCE will be held on Thursday, January 9th at 10:00 AM at Wrangell City Hall. See page 8 for instructions.

**SEALED BIDS MUST BE SUBMITTED TO THE BOROUGH CLERK AT THE ABOVE ADDRESS. BIDS MUST BE TIME AND DATE STAMPED BY THE CLERK PRIOR TO THE BID OPENING WHICH IS JANUARY 22<sup>nd</sup>, 2014, 2:00 PM AT WHICH TIME THEY WILL BE PUBLICLY OPENED.**

**DELIVERY LOCATION:** Various locations in the City of Wrangell per Attachment A

**DELIVERY DATE:** All deliveries will be on a "keep-full" or "as-needed" basis as indicated in Attachment A.

**F.O.B. POINT:** Final Destination

**BIDDER'S NOTICE:** By signature on this form, the bidder certifies that:

- (1) the bidder has a valid Alaska business license, or will obtain one prior to award of any contract resulting from this ITB. If the bidder possesses a valid Alaska business license, the license number must be written below or one the following forms of evidence submitted with the bid:
  - a canceled check for the business license fee;
  - a copy of the business license application with a receipt date stamp from the State's business license office;
  - a receipt from the State's business license office for the license fee;
  - a copy of the bidder's valid business license;
  - a sworn notarized affidavit that the bidder has applied and paid for a business license;
- (2) the price(s) submitted was arrived at independently and without collusion and that the bidder is complying with:
  - the laws of the State of Alaska;
  - all terms and conditions set out in this Invitation to Bid (ITB).

If a bidder fails to comply with (1) at the time designated in the ITB for opening the state will disallow the bid. If a bidder fails to comply with (2) of this paragraph, the city may reject the bid, terminate the contract, or consider the contractor in default.

Kim Lane, Borough Clerk Contracting Officer	<i>Delta Western, Inc.</i> COMPANY SUBMITTING BID	*Mailing Address: <i>420 L Street, Suite 101</i>
Kim Lane	<i>[Signature]</i> AUTHORIZED SIGNATURE	<i>Anchorage, Alaska</i>
Phone: (907) 874-2381 TDD: (907) 465-2205	<i>John Cannon</i> PRINTED NAME	<i>99503</i>
Email: clerk@wrangell.com	<i>February 17, 2014</i> DATE	<i>907-265-3820</i> TELEPHONE NUMBER
<i>279701</i> ALASKA BUSINESS LICENSE NUMBER	<i>91-2083838</i> FEDERAL TAX ID NUMBER	<i>John@delta-western.com</i> E-MAIL ADDRESS

STANDARD TERMS AND CONDITIONS

CITY AND BOROUGH OF WRANGELL

(Revised) **BID SUBMITTAL FORM**

FUEL BIDS- BID SUBMITTAL FORM

BID OPENING: JANUARY 18TH, 2014 , 2:00 P.M.

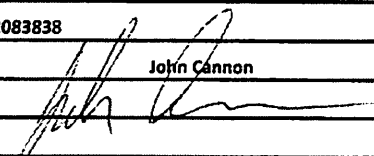
CITY HALL, 205 BRUEGER STREET, WRANGELL, ALASKA

		(SEE DEFINITION IN BID DOCUMENT) (EST USAGE X MGT)			
		ESTIMATED ANNUAL USAGE	FUEL TYPE	MANAGEMENT FEE BID (MGT)	BID AMOUNT
1	HIGH SCHOOL	2,000	#2 HEATING FUEL	0.9347	1869.40
2	MIDDLE SCHOOL	8,500	#2 HEATING FUEL OR WINTER BLEND	0.9347	7944.95
3	ELEMENTARY SCHOOL	12,500	#2 HEATING FUEL	0.9347	11683.75
4	WRANGELL MEDICAL CENTER	20,000	#2 HEATING FUEL OR WINTER BLEND	0.9347	18694.00
5	NOLAN CENTER	1,500	#2 HEATING FUEL OR WINTER BLEND	0.9347	1402.05
6	PUBLIC SAFETY BUILDING	2,800	#2 HEATING FUEL	0.9347	2617.16
7	ELECTRICAL GENERATION PLANT	66,000	ULSD Diesel Fuel #2	0.9347	61690.20
8	ELECTRIC PLANT HEAT	6,500	#2 HEATING FUEL OR WINTER BLEND	0.9347	6075.55
9	PUBLIC WORKS HEAT	1,900	#2 HEATING FUEL	0.9347	1775.93
10	HARBOR OFFICE	500	#1 HEATING FUEL	0.9347	467.35
11	TRAVEL LIFT MACHINE	1,300	ULSD Diesel Fuel #2	0.9347	1215.11
12	PUBLIC WORKS VEHICLE-DIESEL	8,600	ULSD Diesel Fuel #2	0.9347	8038.42
13	PUBLIC WORKS UNLEAD GAS	19,000	UNLEADED GAS	0.9347	17759.30

<b>TOTAL BID</b>	<b>141233.17</b>
------------------	------------------

\*NOTE: FOR PURPOSES OF THIS BID, THE OPIS PRICE WILL BE THE SAME FOR EACH BIDDER SO  
THE MANAGEMENT FEE (MGT) IS THE ONLY FACTOR THAT IS IMPORTANT IN DETERMINING  
THE LOW BIDDER AND IS ALL THAT WILL BE USED IN THE BID SHEET.

THE FOLLOWING ARE REQUIRED AS PART OF THE BID SUBMITTAL

PROOF OF ALASKA BUSINESS LICENSE OR LICENSE NUMBER:		279701
ACKNOWLEDGE ADDENDA: #1:	yes	#2 yes
NAME AND ADDRESS OF THE BIDDER:		
Delta Western, Inc.		
PO Box 50		
WRANGELL, AK 99429		
FEDERAL TAX ID NUMBER OF BIDDER:	91-2083838	
NAME OF AUTHORIZED REPRESENTATIVE:		
John Cannon		
SIGNATURE OF AUTHORIZED REPRESENTATIVE:		
		
DATE:	17-Feb-14	

Alaska Business License #

279701

**Alaska Department of Commerce, Community, and Economic Development**  
Division of Corporations, Business and Professional Licensing  
P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

**DELTA WESTERN, INC**

4241-21ST AVE W. FLOOR 4 SEATTLE WA 98199

owned by

DELTA WESTERN, INC.

is licensed by the department to conduct business for the period

November 26, 2012 through December 31, 2014  
for the following line of business:

42 - Trade



This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location. It is not transferable or assignable.

Susan K. Bell  
Commissioner



# CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)  
02/28/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Aon Risk Services Northeast, Inc. New York NY Office 199 Water Street New York NY 10038-3551 USA	<b>CONTACT NAME:</b> PHONE (A/C. No. Ext): (866) 283-7127 FAX (A/C. No.): (847) 913-5390		
	<b>E-MAIL ADDRESS:</b>		
<b>INSURED</b> Delta Western, Inc. PO Box 79018 Seattle WA 98199 USA	<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
	INSURER A: Arch Insurance Company		11150
	INSURER B: Lexington Insurance Company		19437
	INSURER C: Navigators Insurance Co		42307
	INSURER D:		
	INSURER E:		
INSURER F:			

COVERAGES CERTIFICATE NUMBER: 570049159129 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
C	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC			MP5702065213	03/01/2013	03/01/2014	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$50,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMPOP AGG \$1,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION			MP5702065213	03/01/2013	03/01/2014	EACH OCCURRENCE \$1,000,000 AGGREGATE \$1,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	ZAWC19850700	10/01/2012	10/01/2013	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE-EA EMPLOYEE \$1,000,000 E.L. DISEASE-POLICY LIMIT \$1,000,000
B	Excess Auto Lia			048883252	11/01/2012	11/01/2013	Each Accident \$4,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

The following are included as additional insureds under the general liability policy as required by written contract: Teck Alaska Incorporated, Teck American Incorporated, Teck Resources Limited, NANA Regional corporation, NOSI-Trafigura, LLC, NANA Oil Field Services, Inc, the State of Alaska, Alaska Industrial Development and Export Authority (AIDEA), and their respective directors, officers, employees and agents but only with respect to the services performed by the seller under this agreement. Blanket Additional Insured Endorsement attached. waiver of Subrogation is included on all policies.

## CERTIFICATE HOLDER

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

*Aon Risk Services Northeast, Inc.*

# **City & Borough of Wrangell**

## **Invitation to Bid**

Attachment 13c - 3

### **Furnish Petroleum Products**

The City and Borough of Wrangell will receive sealed bids until 2:00 p.m., Wednesday, January 22, 2013 at the office of the City Clerk, 205 Brueger Street, Wrangell, Alaska 99929 at which time the bids will be opened and publicly read.

There will be a pre-bid conference held at 10:00 a.m., Thursday, January 9, 2013 at City Hall.

This invitation to bid is to contract with a supplier, the furnishing of diesel, fuel oil and gasoline petroleum products for the City and Borough of Wrangell, Wrangell Public Schools, and the Wrangell Medical Center.

Provisions to the proposed contract and Bid Proposal Form may be obtained at the Office of the Finance Director, 205 Brueger Street, or Box 531, Wrangell, Alaska 99929.

The City and Borough of Wrangell reserves the right to reject any and all bids and to waive informalities in the best interest of the City of Wrangell.

Jeff Jabusch  
Borough Manager

**Publish: January 9 and 16, 2014**

# **Agenda Item 13d**

## **CITY & BOROUGH OF WRANGELL**

### **BOROUGH ASSEMBLY AGENDA ITEM February 25, 2014**

#### **INFORMATION:**

#### **Approval of a fourth amendment to the Wrangell Marine Service Center Facility Lease Agreement for Tyler Thompson**

#### **Attachments:**

1. Memorandum from Port Commission Recording Secretary, Sherri Cowan, dated February 6, 2014
2. Diagram of proposed amendment area
3. Copy of the Third Amendment to the Lease Agreement
4. Original Lease Agreement

#### **RECOMMENDED ACTION:**

Move to approve amendment number 4 of the Wrangell Marine Service Center Facility Lease Agreement, and to increase the monthly lease amount from \$188.00 to \$288.00, as per the original lease agreement.

# Port Commission

## Memo

February 6, 2014

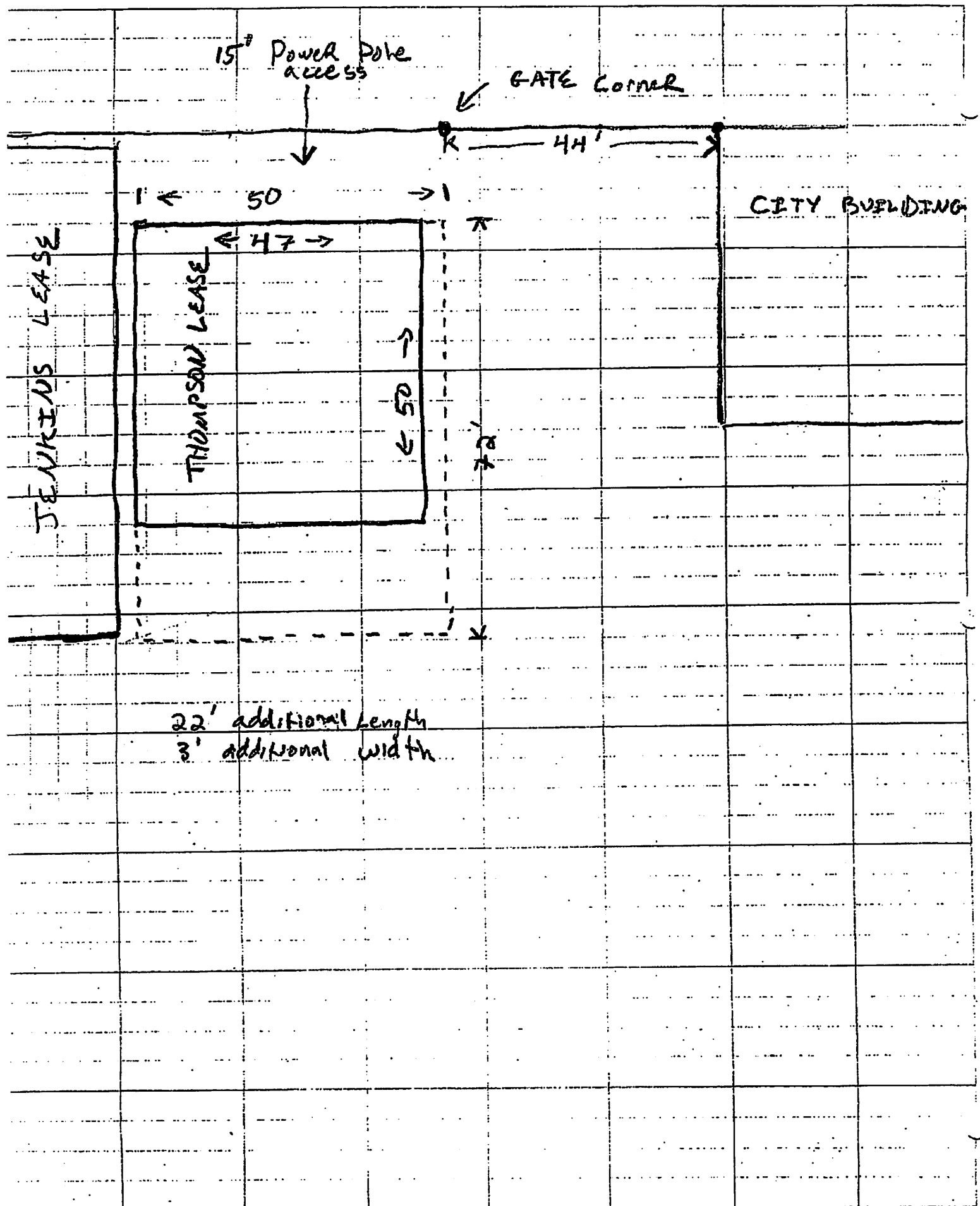
To: Mayor, City Council and City Manager

From: Recording Secretary – Sherri D. Cowan

RE: **Request from Tyler Thompson request for lot extension-MS Lease**

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The Port Commission at their Regular Meeting on February 6, 2014 recommended the City Council approve Tyler Thompson request for lot extension-MS Lease



**Third Amendment to Wrangell Marine Service Center (WMSC)**  
**Facility Lease Agreement**

This third amendment made and entered into as of April 24, 2012 by and among:

Tyler Thompson, P.O. Box 2004, Wrangell, Alaska 99929, and the City and Borough of Wrangell, Alaska, P.O. Box 531, Wrangell, Alaska 99929.

Now therefore, both parties agree as follows:

- A. Tyler Thompson entered into an original WMSC Facility Lease Agreement dated January 21, 2010 with the City and Borough of Wrangell;
- B. The Borough Assembly granted modifications on March 1, 2010 and May 26, 2010, to boat yard lease as follows, and further granted modifications as of April 24, 2012 as follows:


Yard Lot 3 – originally 60X60=3,600 square feet; revised 3/1/20 to 30X50=1,500 square feet; revised 5/25/10 to 36X50=1,800; revised 4/24/12 to 47'X50'= 2,350 square feet.

- C. Original agreement is revised to reflect change in square footage as listed in item #B.

Tyler Thompson, Lessee

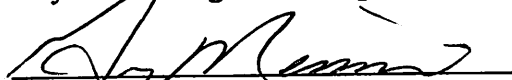


Signature

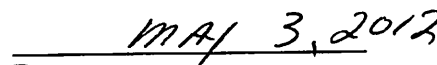
 May 2 2012

Date

Greg Meissner, Harbormaster  
City and Borough of Wrangell



Signature

 MAY 3, 2012

Date

**(Third amendment approved at the April 24, 2012 regular assembly meeting)**

**WRANGELL MARINE SERVICE CENTER (WMSC)  
FACILITY LEASE AGREEMENT**

This Lease is entered into on the 21st day of January, 2010, by and between the City and Borough of Wrangell (hereinafter "Lessor"), a municipal corporation, and Tyler Thompson (hereinafter "Lessee"), a business person, doing business in the State of Alaska, for purpose of leasing borough-owned land in Wrangell. The parties hereby agree to the following conditions:

**1. DURATION**

This Lease shall be in effect for a five year term, more specifically, from the date above until the 21st day of December, 2015.

**2. LEASED PROPERTY**

The property subject to this Lease is described as: Yard Lot 3 - 3,600 square feet

**3. PERMISSIBLE USES**

A. Lessee shall utilize the property only for the purpose of conducting a boat building and/or boat repair business. Assessory uses of the property are allowed if pre-approved in advance in writing by the Borough Assembly and/or Port Commission.

B. Lessee agrees to abide by all federal, State, and local laws in the operation and maintenance of the permitted commercial activity.

C. The Lessor does not warrant that the property is suitable for the purposes sought. Lessee assumes all risks associated with the location of the leased premises.

**4. CONDITIONS OF LEASING**

A. Lease payments shall be in the amount of \$ 288.00, payable in advance on the 1st day of each month.

B. Lessee shall comply with all rules and yard Best Management Practices as set forth by the Harbor Department or Port Commission.

C. Lessee must sign and agree to fully comply with the WRANGELL MARINE SERVICE CENTER (WMSC) FACILITY USE AGREEMENT.

**5. RENEWAL**

A. The Lease may be renewed at the option of the Lessor upon written request by the Lessee within at least sixty (60) days of the expiration of the current term, provided that the Lessee is current in the payment of all fees, and that the Lessee has been compliant with all yard rules and all provisions of this agreement as determined by the Port Commission.

B. The terms and conditions of this Lease for each renewal term shall be identical with the original term except for the lease payment.

**6. OPERATION AND MAINTENANCE**

A. Lessee shall at all times provide sufficient personnel to operate and maintain the leased premises. Lessee shall keep and maintain the leased premises in good, clean, safe, and sanitary condition.

B. Items stored on the leased premises must be directly related to the commercial business operating on the property.

C. Lessee shall be responsible for any and all special assessments for public improvements which may be made against the leased premises during the term of this Lease or any option to renew by the Lessee.

D. Lessee shall pay all property taxes owed on the leased premises in accordance with the Wrangell Municipal Code. Lessee shall also collect and remit sales tax in accordance with Wrangell Municipal Code.

E. Lessee shall promptly repair, rebuild, or restore the leased premises, facilities or surrounding property damaged or destroyed by any event whatsoever, with the exception of events caused by the act, error, or omissions of borough employees, contractors or representatives, or by inherent condition of normal wear and tear.

F. Lessor may, at all reasonable times and without prior notice, enter upon and inspect the leased premises. If the Lessor demonstrates that the Lessee has failed to perform maintenance or repair work required under the Lease, and if the Lessee, after prior notice of the deficiencies, fails to correct the deficiency or to begin corrective action within a reasonable time, the Lessor may enter any part of the Leased premises and perform the necessary work. The Lessee shall reimburse the Lessor for all reasonable expenses incurred by this work.

## **7. INDEMNITY AND INSURANCE**

A. Lessee shall defend, indemnify, and hold harmless the Lessor from any and all claims or actions for injuries or damages sustained by any person or property arising, or in connection with, or incident to the operation of the leased premises.

B. Lessee shall provide adequate liability property and personal injury damage insurance as described below. The insurance shall not contain any exclusions for pollution, environmental impairment, or nuisance. The Lessor shall be listed as an additional insured on this policy. Proof of such insurance shall be provided to the Lessor as a condition of entering into the Lease. Lessee must notify the Lessor thirty (30) days in advance of any cancellation or alteration of such insurance. Failure to maintain insurance as specifically described in this section shall constitute default by Lessee.

C. Lessee shall keep the leased premises insured at Lessee's expense against fire and other risks covered by a standard fire insurance policy with an endorsement for extended coverage. Lessee covenants that it shall maintain at all times and pay the premiums on such policy or policies of casualty insurance to the building and leased premises designated the Lessor as loss payee, said policy to be in such amount and contain such terms as shall be from time to time determined sufficient by the Lessor. Lessee shall furnish the Lessor with a copy of said policy and all amendments or modifications thereto.

### **D. INSURANCE REQUIREMENTS**

**The Lessee shall not commence with use of the City and Borough's facility/land until the Lessee has obtained the insurance required under this contract. All coverage shall be with insurance carriers licensed and admitted to do business in the State of Alaska. All coverage shall be with carriers acceptable to the City and Borough of Wrangell. The required lines and limits of insurance are as follows:**

1. **General Liability Insurance:** The User shall procure and maintain during the life of this agreement, General Liability Insurance on an "occurrence basis" with limits of liability not less than \$ 1,000,000 per occurrence and/or aggregate combined single limit, personal injury, bodily injury and property damage.
2. **Motor Vehicle Liability Insurance:** The user shall procure and maintain during the life of this agreement, Motor Vehicle Liability Insurance, including applicable no fault coverages, with limits of liability of not less than \$1,000,000 per occurrence combined single limit. If the vehicle is a boom truck or is a boom truck combination, the policy must contain **LOAD/UNLOAD** coverage.

3. **Workers Compensation Insurance:** If the facility user has employees, they shall procure and maintain during the life of this agreement, Workers Compensation Insurance, including Employers' Liability Coverage, in accordance with all applicable statutes of the State of Alaska.
4. **Additional Insured:** General liability insurance and vehicle liability insurance, as described above, shall include an endorsement stating the following shall be an Additional Insured:

The City and Borough of Wrangell, its elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and board members, including employees and volunteers thereof.

This coverage shall be primary to the Additional Insured's, and not contributing with any other insurance or similar protection available to the Additional Insured's, whether the other available coverage be primary, contributing or excess.

5. **Cancellation Notice:** General liability insurance and vehicle liability insurance, as described above, shall include an endorsement stating the following: "Sixty" (60) days advance written notice of cancellation, non-renewal, reduction and/or material change shall be sent to: Greg Meissner, Harbormaster, City and Borough of Wrangell, PO Box 531, Wrangell, AK 99929
6. **Proof of Insurance Coverage:** Prior to commencement of any maintenance or repair activities at the WMSC, the user shall provide the city with certificates of insurance and/or policies, acceptable to the City and Borough of Wrangell, for each of the insurance policies described above.

## 8. ENVIRONMENTAL INDEMNITY

A. Lessee acknowledges and agrees that environmental contamination may exist on or adjacent to the leased premises. Lessor has not made, and Lessee has not relied on, any representations as to the presence, absence, nature, or extent of any such environmental contamination by Lessor. Lessee hereby expressly assumes the risk that any such environmental contamination may cause loss of or damage to Lessee's real and personal property and improvements and may render the leased premises unfit for Lessee's purposes.

B. Lessee shall use, store, handle, and deal with all Environmental Substances (as defined below) in compliance with all Environmental Laws (as defined below). Lessee shall take prompt and responsible action to correct any noncompliance reported by Lessee or alleged by DEC or EPA with any requirements of any Environmental Law or any contamination or pollution caused by a release (as defined below) of an Environmental Substance. Lessee shall obtain all necessary permits, licenses, and other authorizations issued pursuant to Environmental Laws required for Lessee to own or operate the leased premises. Operation of the leased premises shall be in compliance with any terms and/or conditions of such permits, license, and other authorizations. "Environmental Laws" means all federal, State, or local laws, statutes, ordinance, codes, rules, regulations, orders, decrees, and directives imposing liability or standards of conduct for or relating to the protection of health, safety, or the environment. "Environmental Substances" include without limitation any substance, material, waste, pollutants, contaminant or chemical, regardless of how it is referred to or defined, that is regulated in, or pursuant to, any Environmental Laws. "Release" includes an actual or potential

discharge, deposit, spill, leak, pumping, pouring, emission, emptying, injection, escape, leaching, seepage, or disposal which is or may be in breach of any Environmental Law, regardless of cause. "Lessee" includes Lessee, any subsidiaries of the Lessee, any partnership or joint ventures involving the Lessee, Lessee's agents, representatives, employees, invitees, or contractors or any agents, representatives, employees, invitees, or contractors of Lessee's subsidiaries, partnerships, or joint ventures.

C. Lessee acknowledges and agrees that the creation, use, handling, storage, release, and disposal of waste, garbage, pollutants, and toxic or hazardous substances, and the investigation, remediation, and clean-up of environmental contamination, are governed by a wide variety of Environmental Laws. Lessee shall comply with all Environmental Laws and exercise the highest degree of care in the use, handling, and storage of hazardous substances and Environmental Substances and shall take all practicable measures to minimize the quantity and toxicity of hazardous substances and Environmental Substances used, handled, or stored on the leased premises.

D. Lessee shall defend, indemnify, and hold harmless Lessor from and against all claims, including nuisance described in 9 of this Lease liabilities, suits, obligations, fines, judgments and penalties (and any other expenses, including attorneys' fees and other costs of litigation, raised, sought, or imposed by third parties in connection with Lessee's violation of any Environmental Laws or in connection with Lessee's creation, use, handling, storage, release, or disposal of any waste, garbage, pollutants, or toxic or hazardous substances (regardless of whether such creation, use, handling, storage, release, or disposal violated an Environmental Law) on the leased premises or in connection with Lessee's use of the leased premises or by any persons or entity associated with the Lessee as outlined in paragraph 8.B above.

E. Nothing in this Lease alters any obligation Lessor or Lessee may have to investigate, remediate, or clean up any environmental contamination that may exist on the leased premises.

F. Lessee shall defend, indemnify and hold harmless the Lessee for any contamination on the leased premises or any violation of any local, State, or federal Environmental Law occurring after the baseline study required under paragraph 4.D of this Lease.

## **9. WASTE AND NUISANCE PROHIBITED**

During the term of this Lease, Lessee shall comply with all federal, State, and local laws affecting the leased premises, the breach of which might result in any penalty on Lessor or forfeiture of Lessor's title to the leased premises. Lessee shall not commit, or suffer to be committed, any waste on the leased premises, or any nuisance. Lessee shall not operate the leased premises in any manner which might constitute a nuisance.

## **10. ABANDONMENT OF LEASED PREMISES**

Lessee shall not vacate or abandon the leased premises at any time during the term of this Lease. If Lessee shall abandon, vacate, or surrender the leased premises, or be dispossessed by process of law or otherwise, any personal property belonging to Lessee and left on the leased premises shall be deemed to be abandoned, and at the option of the Lessor, the personal property shall become the property of the Lessor, except such property as may be encumbered to the Lessor. Lessee agrees to defend, indemnify, and hold harmless the Lessor for any harm, damage, or injury to person or property, alleged to arise out of the actions of the Lessee in vacating or abandoning the leased premises, and as to any harm, damage, or injury to

person or property arising out of the condition of the property at the time of vacating or abandoning the leased premises.

**11. LIENS**

Except with respect to activities for which Lessor is responsible, Lessee shall pay all claims for work done on and for services rendered or material furnished to the leased premises, and shall keep the leased premises free from any liens. If Lessee fails to pay such claims or to discharge any lien, the Lessor may do so and collect the cost as additional rent. Any amount so added shall bear interest at the highest legal rate as allowed by law from the date of payment by the Lessor. Any amount paid by the Lessor on behalf of the Lessee shall be payable on demand. Such action by the Lessor shall not constitute a waiver of any right or remedy which the Lessor may have on account of Lessee's default.

**12. LESSOR'S RIGHTS UNDER THIS LEASE**

A. The Lessor may sue periodically to recover damages during the period corresponding to the remainder of the Lease term, and no action for damages shall bar a later action for damages subsequently accruing.

B. If Lessee fails to perform any obligation under this Lease, the Lessor shall have the option to do so after twenty (20) days written notice to Lessee. All of the Lessor's expenditures to correct the default shall be reimbursed by Lessee on demand with interest at the highest legal rate of interest allowed by law from the date of payment by the Lessor. Such action by the Lessor shall not waive any other remedies available to the Lessor because of the default.

C. All remedies in this Lease shall be in addition to and shall not exclude any other remedy available to the Lessor under any applicable law.

**13. GOVERNING LAW**

Any dispute arising under this Lease shall be governed by Alaska law. Any claim based upon this Lease or any agreement pertaining to this Lease shall be filed in the First Judicial District, State of Alaska.

**14. DEFAULT**

If the Lessor determines that the provisions of the Lease are not being met and attempts to resolve the dispute in a reasonable manner are unsuccessful, written notice shall be given to the Lessee stating the nature of the deficiency and the necessary corrective action. Lessee shall either take immediate corrective action or respond to the Lessor within ten (10) calendar days stating the reason for the noncompliance and a schedule for compliance. If the Lessor determines that this response is unacceptable, the Lessor shall give Lessee written notice of default and the Lease is terminated. Lessee shall have a reasonable amount of time to remove all personal property. If the personal property is not removed within the time stated in the notice of default, the Lessor may take possession of the property.

**15. TERMINATION**

Each party shall have the right to terminate this Lease upon providing written notice of the intent to terminate sixty (60) days prior to the date of termination.

**16. NOTICE**

All notices and requests concerning this lease shall be in writing and addressed as follows:  
Lessee:

Lessor: City and Borough of Wrangell  
P.O. Box 531  
Wrangell, AK 99929

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by the their  
duly

authorized representative(s) signing below.

Date: 2-1, 2010  
Alaska

Attest:

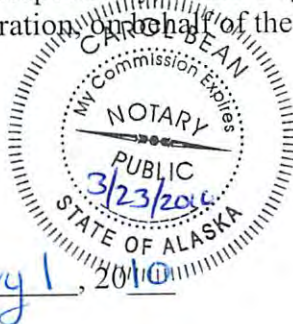
Christie L. Jamieson  
Christie L. Jamieson  
City and Borough Clerk



City and Borough of Wrangell,  
Lessor

By Jeff Tabusch  
~~Robert S. Prunella~~ ~~Timothy Rooney~~  
City and Borough Manager Jeff Tabusch

Jeff Tabusch  
The foregoing instrument was acknowledged before me this 1<sup>st</sup> day of February, 2010,  
by ~~Timothy Rooney~~ and **Christie L. Jamieson**, City and Borough Manager and City and  
Borough Clerk, respectively, of the City and Borough of Wrangell, Alaska, an Alaska home rule  
municipal corporation, and chief of the corporation.



Carol Bean  
Notary Public for Alaska  
Commission expires: 3/23/2010

Date: February 1, 2010

Lessee

By Tyler Thompson  
Name - Tyler Thompson  
Lessee  
Title

The foregoing instrument was acknowledged before me this 1<sup>st</sup> day of February, 2009, 10  
by Tyler Thompson



Christie L. Jamieson  
Notary Public for Alaska  
Commission expires: 7-2-2010

# **Agenda Item 13e**

## **CITY & BOROUGH OF WRANGELL**

### **BOROUGH ASSEMBLY AGENDA ITEM February 25, 2014**

#### **INFORMATION:**

**Approval of a letter to SEAPA, requesting that they consider the transfer of the Operations and Management of the Tyee Hydroelectric Project from the Thomas Bay Power Authority (TBPA) to the Southeast Alaska Power Authority (SEAPA)**

#### **Attachments:**

1. Letter from Borough Manager Jabusch, dated February 20, 2014
2. Petersburg Borough Resolution No's 2014-03 & 2013-21
3. Wrangell Resolution No. 12-13-1290

#### **RECOMMENDED ACTION:**

Move to approve the letter from Manager Jeff Jabusch to SEAPA that requests that they consider transfer of the Operations and Management of the Tyee Hydroelectric Project from the Thomas Bay Power Authority (TBPA) to the Southeast Alaska Power Authority (SEAPA)



P.O. Box 531  
Wrangell, AK 99929



PO Box 329  
Petersburg, AK 99833

February 24, 2014

Southeast Alaska Power Agency  
Attn: Trey Acteson, CEO  
1900 1<sup>st</sup> Avenue, Suite 318  
Ketchikan, Alaska 99901

Re: Joint Application from Petersburg and Wrangell to have SEAPA take over the operations and maintenance of the Tyee Hydroelectric Project

Dear Mr. Acteson,

The assemblies of both Petersburg and Wrangell are jointly proposing to SEAPA to take over the operations and maintenance of the Tyee Hydroelectric Project and for this action to take effect as soon as reasonably possible.

SEAPA initially brought up the idea of taking over the operations from Thomas Bay Power Authority at a meeting on August 19, 2013. The Petersburg Borough Assembly adopted Resolution No. 2013-21 on September 27, 2013, accepting SEAPA's offer and urged Wrangell to do the same. The Wrangell Borough Assembly adopted Resolution No. 12-13-1290 on December 10<sup>th</sup>, 2013, outlining the conditions that Wrangell would like to see in this transfer. The Petersburg Borough Assembly adopted Resolution No. 2014-03 on February 14, 2014 declaring their support of Wrangell's resolution in its entirety.

At this time we jointly request that SEAPA review the attached resolutions and provide a written proposal back to the two communities under what terms SEAPA would accept this transfer. The proposal should address the items listed in the Wrangell resolution in detail which is supported by Petersburg. Please provide as much detail as possible with respect to the employees, including benefits before and after the transfer. Once the formal offer or proposal is received by the communities, we will act as fast as is reasonable on your proposal. Our staffs will assist SEAPA with any information that we have and can provide for use in your proposal.

We have attached the resolutions referenced above.

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Mark Jensen, Mayor  
Petersburg Borough

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David L. Jack, Mayor  
City & Borough of Wrangell

**PETERSBURG BOROUGH, ALASKA  
RESOLUTION #2014-03**

**A RESOLUTION IN SUPPORT OF CITY AND BOROUGH OF WRANGELL RESOLUTION #12-13-1290, RECOMMENDING THE OPERATIONS AND MANAGEMENT OF THE TYEE HYDROELECTRIC PROJECT BE TRANSFERRED FROM THOMAS BAY POWER AUTHORITY (TBPA) TO SOUTHEAST ALASKA POWER AUTHORITY (SEAPA)**

**WHEREAS**, on September 27, 2013, the Petersburg Assembly adopted Resolution #2013-21, accepting SEAPA's August 19, 2013 offer to take over the costs of operations of the Tyee Hydroelectric Facility, and urged the Wrangell Assembly to do the same, and

**WHEREAS**, on December 10, 2013, the City and Borough of Wrangell Assembly adopted Resolution #12.13.1290, directing their Manager to enter into negotiations with SEAPA and the Petersburg Borough to develop a conversion plan to transfer the operations and maintenance of the Tyee Hydroelectric Facility to SEAPA and to bring back the plan to the respective boards for approval.

**THEREFORE BE IT RESOLVED**, the Assembly for the Borough of Petersburg hereby declares their support of City and Borough of Wrangell Resolution #12-13-1290 in its entirety, a copy of which is attached and made a permanent part of this resolution.

Passed and Approved by the Petersburg Borough Assembly on February 14, 2014.

  
Mark Jensen, Mayor

ATTEST:

  
Debra K. Thompson, Deputy Clerk

**PETERSBURG BOROUGH, ALASKA  
RESOLUTION #2013-21**

**A RESOLUTION INFORMING THE CITY AND BOROUGH OF WRANGELL ASSEMBLY THAT THE PETERSBURG ASSEMBLY ACCEPTS THE SOUTHEAST ALASKA POWER AGENCY'S AUGUST 19, 2013 OFFER TO TAKE OVER THE COSTS OF OPERATIONS OF THE TYEE HYDROELECTRIC PROJECT AND TO ABSORB THE CURRENT AND PAST EMPLOYMENT CASH LIABILITIES INCURRED BY THOMAS BAY POWER AUTHORITY AND SUGGESTS THAT THE NON-NET BILLABLE EXPENSES BE PAID BY SEAPA; AND URGING THE WRANGELL ASSEMBLY DO THE SAME**

**WHEREAS**, the formation of Southeast Alaska Power Agency (SEAPA) in late 2008, carried forward a 1996 Operation and Maintenance Agreement contract between the Thomas Bay Power Authority (TBPA) and the Alaska Energy Authority (AEA), whereby SEAPA assumed the rights and responsibilities of the operation and maintenance authority, and costs, of the Tyee Lake Hydro project; and

**WHEREAS**, in the mid 1970's the communities of Wrangell and Petersburg voters jointly approved formation of the TBPA for the purpose of hydro development and operation, and

**WHEREAS**, for many years, the Petersburg municipality has been voluntarily supporting and funding one-half of the Non-Net Billable portion of the annual TBPA budget. The Non-Net Billable budget provides mostly for the expenses to employ two positions within TBPA that are outside of the general operations & maintenance crew costs covered by the O&M Agreement with SEAPA. It also provides the administrative costs associated with the TBPA Board of Directors, and

**WHEREAS**, on May 6, 2013, the Petersburg Borough Assembly by a vote of 6-1 determined not to fund the proposed FY 13/14 TBPA Non-Net Billable budget. It was consensus of the Assembly that responsibility for this budget item was an issue which should be resolved between TBPA and SEAPA; and

**WHEREAS**, the CEO for SEAPA, in a memo dated August 19, 2013 addressed to the TBPA President, proposed a very fair solution, subject to SEAPA Board approval, to absorb all existing TBPA employees, to relieve the Petersburg and Wrangell boroughs from absorbing a substantial retirement liability cost incurred over the years for two employment positions, and to add and fund an additional employment position within the Tyee Project, and

**WHEREAS**, it was apparent at the joint work session held between the Wrangell and Petersburg Borough Assemblies on September 10, 2013 the Wrangell representatives may not fully appreciate the effects of the generous offer made by SEAPA that will benefit both communities.

**NOW THEREFORE BE IT RESOLVED**, the Petersburg Borough Assembly finds the August 19, 2013 memo from the SEAPA CEO to the President of TBPA regarding the Operation and Maintenance Agreement for the Tyee Hydroelectric Project to be acceptable and is willing to work with the SEAPA and TBPA boards to make the offer, or a similar negotiated offer, a permanent agreement.

**RESOLVED FURTHER**, the Petersburg Borough Assembly urges the City and Borough of Wrangell Assembly to acknowledge acceptance of the proposed August 19, 2013 SEAPA terms, or

similar terms that could be negotiated, to save TBPA in excess of \$750,000 in immediate cash liability, as well as retain the ability to influence regional hydro site analysis in the future, is a benefit to both communities.

**FINALLY RESOLVED**, failure of the City and Borough of Wrangell to accept the August 19, 2013 memo terms, or similar terms to be negotiated between SEAPA and TBPA, leaves the Petersburg Borough with no alternative but to take the position that 1) the unfunded PERS liability, exceeding \$750,000, will be the sole liability of the City and Borough of Wrangell should SEAPA determine to terminate the agreement with TBPA; and 2) Petersburg Borough will not fund any future Non-Net Billable items as currently presented in the TBPA budgets.

**Passed and Approved by the Petersburg Borough Assembly on Friday, September 27, 2013.**

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**Mark Jensen, Mayor**

**ATTEST:**

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**Kathy O'Rear, Clerk**

**CITY OF WRANGELL, ALASKA**

**RESOLUTION NO. 12-13-1290**

**A RESOLUTION OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, RECOMMENDING THAT THE OPERATIONS AND MANAGEMENT OF THE TYEE HYDROELECTRIC PROJECT BE TRANSFERRED FROM THOMAS BAY POWER AUTHORITY (TBPA) TO SOUTHEAST ALASKA POWER AUTHORITY (SEAPA) AND TO WORK COOPERATIVELY WITH THE PETERSBURG BOROUGH AND SEAPA TO FORMULATE A COMPREHENSE CONVERSION PLAN TO MEET THIS GOAL**

**WHEREAS, Thomas Bay Power Authority is under contract with SEAPA to operate and maintain the Tyee Hydroelectric Facility; and**

**WHEREAS, TBPA was created by the Cities of Wrangell and Petersburg to operate and maintain the Tyee Hydro project Facility; and**

**WHEREAS, SEAPA is the owner and holds the Federal Energy Regulatory Commission (FERC) permit for the Tyee Hydroelectric project; and**

**WHEREAS, Wrangell recognizes the many contributions that TBPA has made over the years, the bond it has helped create between Petersburg and Wrangell and believes that TBPA should go into an inactive state rather than eliminate it so it may reactivate it in the future if the need arises ; and**

**WHEREAS, SEAPA has proposed to operate the Tyee facility for the communities of Wrangell and Petersburg; and**

**WHEREAS, Petersburg has passed a resolution that states that they want to accept the offer made by SEAPA's CEO dated August 19, 2013 and that they are willing to work with SEAPA and others to make the offer, or a similar negotiated offer, a permanent agreement and encouraged Wrangell to also accept the SEAPA offer; and**

**WHEREAS, Both Wrangell and Petersburg believe there are economic and operation advantages for SEAPA to operate the Tyee facility; and**

**WHEREAS, Wrangell believes that in this transfer of operations, it is important that the employees of TBPA that will be absorbed into the SEAPA system are given assurances that they will "kept whole" during the transfer and that the positions will be kept in Wrangell for a period of two years; and**

**WHEREAS, Wrangell currently is paying for 100% of the non-net billable costs of TBPA since July 1st, 2013 and believes that these costs need to be equally shared from July 1, 2013 up to the time that the conversion is completed; and**

**WHEREAS, Without TBPA, it is important that Wrangell, Petersburg, and SEAPA make every effort to continue to improve open and transparent communications with each other on both the Tyee Project and the SEAPA system as a whole and believes both a longer retention of SEAPA's Digital Audio Recording of meetings and having an assembly member on the SEAPA board will help both SEAPA community members and Wrangell achieve progress in area of better communications and transparency; and**

**WHEREAS, Wrangell believes that it is important that from time to time that the three communities: Ketchikan, Petersburg, and Wrangell revisit the existing MOU, including updates that may be needed, and the underlying reasons why it was part of the original divestiture and urges Ketchikan and Petersburg to participate in this process; and**

**WHEREAS**, SEAPA's offer to run the Tyee Hydroelectric Project included absorbing all costs related to the Public Employees Retirement System (PERS) unfunded liability, transferring all employees to SEAPA and integrating them into the various benefit packages that SEAPA would provide; and

**WHEREAS**, Wrangell recognizes that the ARECA Insurance Rebate of approximately \$259,798 is an asset of TBPA and that it is not unreasonable to apply this amount to the unfunded liability debt incurred by its employees while working for TBPA and would encourage Petersburg to take a similar stance; and

**WHEREAS**, Wrangell understands that the conversion of various payroll, accounting and other records to SEAPA may take some time and Wrangell is committed to making that process as smooth as possible and is willing to assist in any way that we can to less the impact this transition has on the employees of TBPA.

**NOW THEREFORE BE IT RESOLVED**, THE CITY AND BOROUGH OF WRANGELL BOROUGH ASSEMBLY directs the Borough Manager to enter into negotiations with SEAPA and the Petersburg Borough to develop a conversion plan to transfer the operations and maintenance of the Tyee Hydroelectric Facility to SEAPA and to bring back the plan to the respective boards for approval.

**RESOLVED FURTHER**, THE CITY AND BOROUGH OF WRANGELL BOROUGH ASSEMBLY would like the following features included as part of the conversion plan:

1. That the conversion plan be completed and presented to the respective boards by January 31, 2014.
2. The current TBPA employees are "kept whole" as it relates to wages and benefits through the conversion process.
3. That the current employee contracts with both IBEW and the TBPA manager are "kept whole" during the conversion process or if some changes have to be made every effort will be made to minimize any negative impacts to the employees.
4. That the City and Borough of Wrangell will work cooperative with SEAPA with all matters related to payroll and other accounting records to help reduce any impact on both the TBPA employees and SEAPA.
5. That SEAPA will be responsible for all of the TBPA PERS unfunded liability and that to help lessen that impact, Wrangell and Petersburg agree to contribute the ARECA Insurance Rebate of approximately \$259,798 or the amount of the unfunded liability, whichever is less.
6. That there is a date set in the future that would require the City and Borough of Wrangell, the City and Borough of Ketchikan and the Petersburg Borough to review the Power Sales Agreement and the organization of SEAPA to see if it is in all of our best interest to continue as is or if there are changes that could be made for the mutual benefit of all communities.
7. That the non-net billable costs that Wrangell has paid since July 1, 2013 to the date of the final conversion are shared by the other parties to this agreement.


**FINALLY RESOLVED**, THE CITY AND BOROUGH OF WRANGELL ASSEMBLY would like the following items adopted in order to promote open communications between Wrangell, SEAPA, Petersburg Borough, and the City and Borough of Ketchikan:

1. Direct the Borough Manager to send a letter to the SEAPA Board requesting them to retain the Digital Audio recordings of their meetings for a period of two years.
2. That the City and Borough of Wrangell would make as policy that the SEAPA board appointment from Wrangell each year would first be chosen, if a candidate is available, from the borough assembly prior to any other candidates being considered.
3. That Wrangell send a letter to both the City and Borough of Ketchikan and the Petersburg

Borough urging them to participate in revising the existing MOU to meet current conditions and to adopt a date in the future that the three communities would participate in reviewing this revised MOU.

ADOPTED: December 10, 2013

  
\_\_\_\_\_  
David L. Jack, Mayor

ATTEST:   
\_\_\_\_\_  
Kim Lane, Borough Clerk



# **Agenda Item 14**

## **CITY & BOROUGH OF WRANGELL**

**BOROUGH ASSEMBLY  
AGENDA ITEM  
February 25, 2014**

INFORMATION:

ATTORNEY'S FILE – None

# **Agenda Item 15**

## **CITY & BOROUGH OF WRANGELL**

### **BOROUGH ASSEMBLY**

### **AGENDA ITEM**

**February 25, 2014**

INFORMATION:

EXECUTIVE SESSION - None