



CITY & BOROUGH OF WRANGELL PUBLIC HEARING AGENDA

**Tuesday, March 11, 2014
6:30 p.m.**

Location: Assembly Chambers, City Hall

1. Call to Order
2. Roll Call
3. Public Hearing Items:
 - 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 (*second 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 (*second reading*)
4. Written Testimony
5. Oral Testimony
6. Adjournment

Agenda Item 3a

CITY & BOROUGH OF WRANGELL

**BOROUGH ASSEMBLY
PUBLIC HEARING ITEM
March 11, 2014**

INFORMATION:

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 *(second reading)*

Attachments:

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

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: February 25, 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 3b

CITY & BOROUGH OF WRANGELL

**BOROUGH ASSEMBLY
PUBLIC HEARING ITEM
March 11, 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
(second reading)

Attachments:

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

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: February 25, 2014.

PASSED IN SECOND READING: _____, 2014.

David L. Jack, Mayor

ATTEST:

Kim Lane, CMC, Borough Clerk