

**Minutes of Regular Assembly Meeting
Held on May 12, 2015**

Mayor David L. Jack called the Regular Assembly meeting to order at 7:00 p.m., May 12, 2015, in the Borough Assembly Chambers. Assembly Members Mitchell, Decker, Prysunka, Rooney, and Blake were present. Assembly Member Powell was absent. Borough Manager Jeff Jabusch, Clerk Kim Lane and Deputy Clerk Lavonne Klinke were also in attendance.

Pledge of Allegiance was led by Assembly Member Julie Decker.

Invocation was given by Spike Bayer of the Baha'i Faith.

CEREMONIAL MATTERS – *Community Presentations, Proclamations, Certificates of Service, Guest Introductions* - None

AMENDMENTS TO THE AGENDA – None

CONFLICT OF INTEREST – None

CONSENT AGENDA

M/S: Blake/Mitchell, 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 May 12, 2015 were approved, as presented.

COMMUNICATIONS

- *a. School Board Action from the April 27, 2015 Regular meeting
- *b. POA-2014-436 Department of the Army Permit for George Woodbury

BOROUGH MANAGER'S REPORT

Manager Jabusch's report was provided.

Marla Sanger, CEO and Doran Hammett, CFO for the Wrangell Medical Center were both present. Mr. Hammett provided the Assembly with a brief account of his past experience. Mr. Hammett gave a brief update on the finances of the Wrangell Medical Center; main focus would be cash flow, reducing receivables.

BOROUGH CLERK'S FILE

The Borough Clerk's Report was provided.

MAYOR/ASSEMBLY REPORTS AND APPOINTMENTS

10a Reports by Assembly Members

Assembly Member Prysunka gave a "shout-out" to the Girls on the Run!

10b Appointment to fill the Vacancy on the Planning & Zoning Commission

Mayor Jack appointed community member Jim Shoemaker to fill the vacancy. There were no objections from the Assembly.

PERSONS TO BE HEARD - There were no persons to be heard.

UNFINISHED BUSINESS - There was no unfinished business.

NEW BUSINESS

13a Discussion and possible action on exemption from the State of Alaska Public Official Financial Disclosure Law (AS 39.50)

Assembly Member Prysunka spoke in favor of this ordinance due to the requirements to filling out the Financial Disclosure Statement; stated how long it took to fill his out; may get more public interest for boards if this was not a requirement.

Assembly Member Blake spoke in support of being transparent; suggested opting-out however, creating our own form for local filing, limiting to only local interest.

Assembly Member Prysunka stated that we are required at the beginning of each meeting to disclose if there is a potential conflict or a financial interest in an item listed on the agenda; in favor of making this process as simple as possible.

Assembly Member Rooney echoed what Assembly Member Prysunka said; was surprised that the Assembly and other boards or commissions in the City were required to fill this out; this was a requirement for State level office holders; may see more people coming forward to serve on even the Assembly if this were not a requirement.

Assembly Member Decker stated that perhaps being so worried at protecting the public interest by having this a requirement, we may be hurting the public interest because people are hesitant to come forward to serve. Decker also stated that if this were to be approved by the Assembly, it would still need to be approved by a vote of the people.

Clerk Lane stated that if the Assembly approved moving forward, she would then contact and work with the Borough Attorney to draft an ordinance that would be brought back to the Assembly for consideration. If that ordinance was adopted, she would then place the proposition on the ballot for October, 2015 to be voted on by the voters of Wrangell.

M/S: Rooney/Mitchell, to direct the Borough Clerk to begin the process of drafting an Ordinance with the assistance of the Borough Attorney that would bring the question to the voters on the October, 2015 municipal election on whether or not to exempt municipal officers and candidates for elective office from the requirements of the POFD, as defined in AS 39.50, to be brought back to the Assembly for consideration.

Assembly Member Prysunka requested that the Borough Attorney also weigh in on whether or not (if this were approved) if there should be local reporting with the Borough Clerk.

Motion approved unanimously by polled vote.

13b Approval of the School Budget for Fiscal Year 2015-2016

M/S: Blake/Rooney, to approve the Wrangell Public School Budget for the Fiscal Year 2015-2016.

Assembly Member Prysunka asked if there would be a loss in school personnel by cutting the school food service program.

Patrick Mayer, School Superintendent, 921 Case Ave., stated that they built the budget based on a 3.5% cut; there could be an impact on school personnel; the school did pull out of the contract with Nana Management Services (NMS) in hopes of providing local food service to save approximately \$60,000; local food service would be \$57,900 based on employee costs and food.

Mr. Mayer also stated that the reason why the contracts have not been approved yet is because of the uncertainty with State Funding; the \$60,000 cost savings by doing the food service locally will definitely help.

Motion approved unanimously by polled vote.

13c PROPOSED ORDINANCE No. 901: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTIONS 5.04.350 AND 5.04.360 OF CHAPTER 5.04, PROPERTY TAX, OF THE WRANGELL MUNICIPAL CODE TO AMEND THE DUE DATE FOR PAYMENT OF PROPERTY TAXES AND THE PENALTY AND INTEREST FOR LATE PAYMENTS OF PROPERTY TAXES (first reading)

M/S: Prysunka/Blake, to approve first reading of Ordinance No. 901, and move to a second with a Public Hearing to be held on May 26, 2015. Motion approved unanimously by polled vote.

13d PROPOSED ORDINANCE: No. 902: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADDING A NEW CHAPTER 5.26 TO TITLE 5, REVENUE AND FINANCE, OF THE WRANGELL MUNICIPAL CODE TO ESTABLISH THE INVESTMENT POLICY AND OBJECTIVES FOR THE SWIMMING POOL FUND (first reading)

M/S: Blake/Decker, to approve first reading of Ordinance No. 902, and move to a second with a Public Hearing to be held on May 26, 2015.

In response to Assembly Member Decker, Manager Jabusch explained the reasoning behind having this fund be separate from the existing Permanent Fund.

Motion approved unanimously by polled vote.

13e Approval of a budget amendment from CPV (Commercial Passenger Vessel) funds to match Trails Grant funds

M/S: Prysunka/Rooney, to approve the FLAP Mt. Dewey Trail grant and to authorize the matching portion in the amount of \$43,768 to come from Commercial Passenger Vessel reserve funds. Motion approved unanimously by polled vote.

13f Approval to join other intervenors in the appeal of the Big Thorne Timber Sale (*item added by Assembly Member Decker*)

M/S: Decker/Rooney, to approve joining other intervenors in the appeal of the Big Thorne Timber Sale, and to pay an additional \$3000 for this purpose.

Assembly Member Decker explained the purpose for the request. She stated that the initial ruling was in our favor and was not being appealed; information that was provided explained why we have a good chance of being successful. Decker was told by the City of Craig's Manager that the City of Craig, City of Ketchikan, First Bank, Boyer Towing, Tyler Rental, and Southeast Road builders have all agreed to pay \$3,000.

Assembly Member Prysunka spoke in opposition to paying additional funds for an export industry; he stated that he would be voting in favor of the motion. Prysunka stated that he was not in favor of putting money into an export industry; would rather hold onto the money for an innovative project in our community that involves local labor and uses our resources.

Assembly Member Mitchell stated that when the \$5,000 was approved, we were not under the current budget crisis; would like to see local harvesting and processing.

Assembly Member Rooney stated that she had mixed feelings on this issue; felt as though this would ultimately support the local industry; she stated that she would be voting in favor of the motion because it could still provide jobs in Southeast; would hate to see the timber and mill industry go away if we don't try and help.

Mayor Jack also stated that he had mixed feelings on this issue; believed that the original \$5,000 was all that would be asked of the City; also felt that this was a battle between the environmentalist and the renewable resource; if we don't do something, the timber industry could die.

Assembly Member Decker added that she would like to see us return to a responsible sustainable amount of renewable resource harvesting; allowing us to give those signals to private businesses that they can make it and create jobs in the community.

Motion failed with Decker and Rooney voting yes; Mitchell, Blake, Prysunka, and Mayor Jack voted no.

13g Discussion regarding direction for the Hospital Board Liaison

Mayor Jack explained that Assembly Member Prysunka had disclosed his potential conflict, due to his wife being under contract with the hospital; Assembly had determined that there was no conflict; could always be the possibility of a future conflict; item was on the agenda this evening so that the Assembly could give clear direction to the Hospital Board Liaison.

Assembly Member Decker stated that remembered the meeting when the Assembly appointed Assembly Member Prysunka as the Hospital Board Liaison; Prysunka had questioned whether he could be the liaison due to the potential conflict because of his wife's job; Assembly had determined that he did not have a conflict because the liaison simply brought information back and forth between the two groups; in the past, there was tension between the two groups; this position was created to ease that tension and provide information back and forth; the situation was a lot better now than it was in the past. Decker further stated that at the appointment meeting, it was determined that the point where Prysunka would have to declare a conflict, and the Assembly determine if the conflict was of financial gain to Prysunka or his family, was when the Hospital came to the Assembly for action.

Decker stated that she was in favor of Prysunka remaining as the Hospital Board Liaison for the Assembly; was important to remember that Prysunka would be the liaison of the Assembly for the Hospital Board as a representative of the Assembly; he would be there to represent the Assembly's views as a body, and not represent his own personal views; she would hope that he would ask questions, receive answers, and bring them back and forth to the respective groups. Decker stated that it would be helpful to Prysunka, for the Assembly to discuss and give clear direction on what the Assembly wanted him to focus on as far as the Assembly's interests; important issues are the finances, cash flow, management structure (maintained or by a larger group), and a new hospital (whether to build or not build).

Assembly Member Blake agreed that Prysunka was a good person to keep in the position as Hospital Board Liaison; take extra care that the Assembly was represented and that personal views did not come into play

Assembly Member Mitchell stated that Prysunka had a unique insight to the hospital; doesn't see a conflict if he was bringing information back and forth; Assembly needs to define Prysunka's role as liaison and give clear direction.

Mayor Jack stated that this item had been discussed with the Borough Attorney; Attorney had said that there was a possibility of a potential conflict; that Prysunka being appointed to the position was not a conflict; if a hospital matter item came up in the future for the Assembly to take action on, he should declare a potential conflict. Jack also mentioned that the Assembly should consider an alternate Hospital Board Liaison.

Assembly Member Prysunka stated that an alternate Hospital Board Liaison would be a good idea but questioned if it was necessary since it was a non-voting position. Prysunka also stated that he had based his participation on past liaison's participation; ordinance stats that the liaison was allowed to ask questions; was supposed to attend and participate in the meetings. Prysunka stated that had asked questions of clarification at the Hospital Board meetings that the Assembly had expressed interest on in the past.

Mayor Jack suggested that the Borough Manager and the Borough Clerk set up a meeting with himself, Assembly Member Prysunka, another Assembly Member, the Hospital CEO, and the Hospital Board President so that everyone could discuss and agree on what the role of the Hospital Board Liaison was and so that everyone could work together in the future.

It was agreed that the Borough Clerk would set up this meeting.

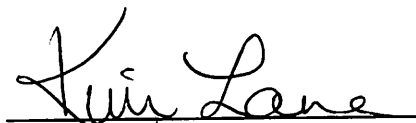
Assembly Member Decker stated that it was important to avoid situations that had happened in the past; wants to work together on big issues that would be coming up; understands that we have to ask a lot of questions because there are big issues being considered, or that need to be considered; appreciated that Prysunka has the knowledge to ask the questions, especially because there are people like her that don't know what questions to ask; need information so that the Assembly can make informed decisions; stated that open flow of communication to and from the Assembly and the community was also important.

ATTORNEY'S FILE – None

EXECUTIVE SESSION – None

Regular Assembly Meeting adjourned at 8:31 p.m.

ATTEST:


Kim Lane, Borough Clerk


David L. Jack, Mayor

