



CITY & BOROUGH OF WRANGELL SPECIAL ASSEMBLY MEETING AGENDA

Wednesday, August 12, 2015
12:00 p.m.

Location: Assembly Chambers, City Hall

1. Call to Order
2. Roll Call
3. Conflict of Interest:
4. Persons to be Heard:
5. Items of Business:
 - a) **PROPOSED ORDINANCE No. 905:** A NON-CODE ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ESTABLISHING DUE DATES FOR THE PAYMENT OF 2015 PROPERTY TAXES, AS A TRANSITIONAL MEASURE FOR IMPLEMENTATION OF ORDINANCE NO. 901, WHICH AMENDED THE PROPERTY TAX DUE DATES IN CHAPTER 5.04 OF THE WRANGELL MUNICIPAL CODE *(first reading)*
 - b) **Approval of an Agreement for a Line of Credit between the Wrangell Medical Center and the City & Borough of Wrangell**
 - c) Approval of Amendment #3 for DOWL, for the Sewer Pumps Replacement Project, Professional Services
6. Adjournment

Agenda Item 5a

CITY & BOROUGH OF WRANGELL

**BOROUGH ASSEMBLY
SPECIAL AGENDA ITEM
August 12, 2015**

INFORMATION:

PROPOSED ORDINANCE No. 905: A NON-CODE ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ESTABLISHING DUE DATES FOR THE PAYMENT OF 2015 PROPERTY TAXES, AS A TRANSITIONAL MEASURE FOR IMPLEMENTATION OF ORDINANCE NO. 901, WHICH AMENDED THE PROPERTY TAX DUE DATES IN CHAPTER 5.04 OF THE WRANGELL MUNICIPAL CODE (*first reading*)

Attachments:

1. **Proposed Ordinance No. 905**
2. Adopted Ordinance No. 901

RECOMMENDED ACTION:

Move to approve first reading of Ordinance No. 905, and move to a second with a Public Hearing to be held on August 25, 2015.

CITY AND BOROUGH OF WRANGELL, ALASKA

ORDINANCE NO. 905

A NON-CODE ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ESTABLISHING DUE DATES FOR THE PAYMENT OF 2015 PROPERTY TAXES, AS A TRANSITIONAL MEASURE FOR IMPLEMENTATION OF ORDINANCE NO. 901, WHICH AMENDED THE PROPERTY TAX DUE DATES IN CHAPTER 5.04 OF THE WRANGELL MUNICIPAL CODE

WHEREAS, the Assembly adopted Ordinance No. 901 on May 26, 2015; and

WHEREAS, Ordinance No. 901 amended Sections 5.04.350 and 360 of Chapter 5.04, Property Tax, of the Wrangell Municipal Code to change the due date for the payment of property taxes from a two payment date system, under which the taxpayer could choose to pay the taxes in two equal installments with due dates of August 15 and December 15 of the assessment year, to a new single payment system with one due date of September 15 of the assessment; and

WHEREAS, with the adoption of these code amendments, the due date for payment in full of 2015 property taxes is September 15, 2015; and

WHEREAS, numerous citizens have expressed concerns about the change from the two payment date system to a single payment date for the 2015 property taxes, stating that they need more lead time to plan for the single payment due on September 15, 2015; and

WHEREAS, the Assembly has considered these concerns and has determined that it is in the public interest to give taxpayers another year to plan for and adjust to the new single payment date system for property taxes; and

WHEREAS, this non-code ordinance is a transitional measure for implementation of the new single payment date system, and establishes due dates for the payment of 2015 property taxes, and corresponding penalty and interest provisions for late payments of 2015 property taxes;

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

SEC. 1. Action. The purpose of this non-code ordinance is establish due dates for

the payment of 2015 property taxes, and corresponding penalty and interest provisions for late payments of 2015 property taxes.

SEC. 2. Transitional Measure. As a transitional measure for implementation of the amendments to Sections 5.04.350 and 5.04.360 of the Wrangell Municipal Code adopted by Ordinance No. 901 enacted on May 26, 2015, and notwithstanding Sections 5.04.350 and 5.04.360, the due dates for the payment of 2015 property taxes and corresponding penalty and interest provisions for late payments of 2015 property taxes are as follows:

A. Delinquent date for payment of 2015 property taxes.

All 2015 property taxes levied in accordance with Chapter 5.04 shall be due and payable on or before September 15, 2015 and shall become delinquent if not paid before 5:00 p.m. on said date, or, if payment is received through the mail after said date, when the mailed payment is postmarked after said date; provided, however, that the taxpayer shall have the right to pay 2015 property taxes in two equal installments. If the taxpayer pays the taxes in two installments, the first one-half installment shall be due and payable on or before September 15, 2015, the second one-half installment shall be due and payable on or before December 15, 2015, and shall become delinquent if not paid before 5:00 p.m. on said date, or, if payment is received through the mail after said date, when the mailed payment is postmarked after said date. Penalty and interest on an unpaid installment shall accrue from the date the installment becomes due.

B. Penalty and interest for late payments of 2015 property taxes.

In the event the 2015 property taxes are not paid on or before the due date, penalties and interest will accrue as follows:

(1) If the first one-half installment is not paid on or before September 15, 2015, a penalty of 10 percent, together with interest at the rate of 10 percent per year on the unpaid installment, not including penalty, from due date until paid in full, shall be added thereto.

(2) After the December 15, 2015 due date for the payment of the second one-half installment, a total penalty of not to exceed 10 percent shall be added to all delinquent taxes, and interest at the rate of 10 percent per year shall accrue upon all unpaid taxes, not including penalty, from due date until paid in full.

SEC. 3. Term of Transitional Measure. The transitional measure provided for in Section 2 of this ordinance shall apply only to payment of 2015 property taxes (the payment of property taxes for the 2015 assessment year). Beginning with the 2016 assessment year, all property taxes shall be due and payable as provided in Sections 5.04.350 and 5.04.360 of the Wrangell Municipal Code, as those sections were amended by Ordinance No. 901 enacted on May 26, 2015.

SEC. 4. Classification. This ordinance is a non-code ordinance.

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

SEC. 6. Effective Date. This ordinance shall be effective upon adoption.

PASSED IN FIRST READING: _____, 2015.

PASSED IN SECOND READING: _____, 2015.

David L. Jack, Mayor

ATTEST:

Kim Lane, Borough Clerk

CITY AND BOROUGH OF WRANGELL, ALASKA

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

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 Sections 5.04.350 and 5.04.360 of the Wrangell Municipal Code relating to the delinquent date for payment of property taxes and the penalty and interest for late payments of property taxes.

SEC. 2. Amendments. Sections 5.04.350 and 5.04.360 of the Wrangell Municipal Code are amended to read:

5.04.350 Delinquent date for payment of taxes.

All taxes levied in accordance with this chapter shall be due and payable on or before September 15~~[August 15th]~~ of the assessment year and shall become delinquent if not paid before 5:00 p.m. on said date, or, if payment is received through the mail after said date, when the mailed payment is postmarked after said date **;** **provided, however, that the taxpayer shall have the right to pay such taxes in two equal installments. If the taxpayer pays the taxes in two installments, the first one-half installment shall be due and payable on or before August 15th, the second one-half installment shall be due and payable on or before December 15th of the same year and shall become delinquent if not paid before 5:00 p.m. on said date, or, if payment is received through the mail after said date, when the mailed payment is postmarked after said date. Penalty and interest on an unpaid installment shall accrue from the date the installment becomes due**].

Section 5.04.360 Penalty and interest for late payments.

When the general tax provided for in this chapter is not paid on or before the due date, penalties and interest will accrue as follows:

A. A penalty of 10 percent of the unpaid taxes shall be added thereto immediately upon delinquency. [If the first one-half installment is not paid when due, a penalty of 10 percent, together with interest at the rate of eight percent per year on the unpaid installment, not including penalty, from due date until paid in full, shall be added thereto.]

B. Interest at an annual rate of 10 percent shall accrue upon all unpaid taxes, not including penalty, from the due date until paid in full. When interest is applied, it shall be calculated and accrue on a daily basis. [After the due date for the payment of the second one-half installment, a total penalty of not to exceed 10 percent shall be added to all delinquent taxes, and interest at the rate of eight percent per year shall accrue, as provided in this section, upon all unpaid taxes, not including the penalty, from due date until paid in full.]

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

SEC. 4. 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. 5. Effective Date. This ordinance shall be effective upon adoption.

PASSED IN FIRST READING: May 12, 2015.

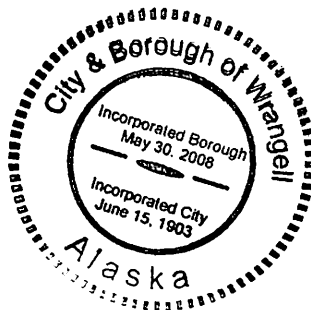
PASSED IN SECOND READING: May 26, 2015.



David L. Jack, Mayor

ATTEST:


Kim Lane, Borough Clerk



Agenda Item 5b

CITY & BOROUGH OF WRANGELL

**BOROUGH ASSEMBLY
SPECIAL AGENDA ITEM
August 12, 2015**

INFORMATION:

Approval of an Agreement for a Line of Credit between the Wrangell Medical Center and the City & Borough of Wrangell

Attachments:

1. **Proposed Agreement**
2. Memo from Marla Sanger, WMC CEO

RECOMMENDED ACTION:

Move to approve an Line of Credit Agreement between the Wrangell Medical Center and the City and Borough of Wrangell, as presented.



CITY AND BOROUGH OF WRANGELL
INCORPORATED MAY 30, 2008

P.O. BOX 531
Wrangell, AK 99929

(907)-874-2381
(907)-874-3952

Line of Credit Agreement

Between the City and Borough of Wrangell and the Wrangell Medical Center

The City and Borough of Wrangell authorizes the Wrangell Medical Center a Line of Credit from the Borough in an amount not to exceed \$500,000.

PURPOSE:

The purpose of the line of credit is to assist the Wrangell Medical Center with cash flow while the new collection processes are adopted and implemented. It is also needed and can be used to balance cash flow when unexpected expenditures or the timing of large expenditures are required to be made in a timely manner and a temporary cash infusion is needed.

REQUEST AND AUTHORIZATION PROCESS:

Line of Credit requests will be submitted on a form provided by the Borough and will require approval by both the Hospital CEO/Administrator and the Borough Manager prior to a payment being made. In the event a request is needed and one or both of the above parties are not present, their designee can approve the request. Once the request is approved, a check will be cut immediately or in the time frame needed by Wrangell Medical Center. It is encouraged, but not required, that requests be planned out so that one large request be made instead of many smaller ones in a short period of time. Example: If it is anticipated that a sum of \$50,000 will be needed over a two month period of time, requesting the \$50,000 rather than requesting \$6,500 every week for two months is the preferred method.

REPORTING PROCESS:

The Wrangell Medical Center will include reporting of the transactions and the balance to the Wrangell Medical Board on a monthly basis and will also include this information in the monthly report they give to the Assembly.

In addition, the Finance Department will include a report to the Assembly each month of the activity in the Line of Credit Account. Although this is duplication, there may be times when one or the other is unable or unavailable to report and this will give a better chance that the information will be presented to the Assembly.

TERMS:

Any money loaned to the Wrangell Medical Center through the Line of Credit Agreement will be interest free. Any funds borrowed can be paid back in a manner that works best for the Medical Center. It is encouraged that any money borrowed is returned to the Line of Credit Account with the Borough as soon as funds become available to do so. Payment back to the Borough will be made by check and a description of what the money is for needs to be part of the payment so the money goes to the correct account. This line of credit has no time limit.

TERMINATION OF THIS AGREEMENT:

The Borough Assembly reserves the right at any time to cancel this arrangement and for any money owed to be paid back to the Borough, unless otherwise decided by the Borough.

By signing below, we agree to the terms of the Line of Credit Agreement between and City and Borough of Wrangell and the Wrangell Medical Center:

City and Borough of Wrangell
Borough Manager

Date

Borough Assembly, Mayor

Date

Wrangell Medical Center CEO

Date

Hospital Board President

Date

Mission:

To enhance the quality of life for all we serve

Vision:

Honor our heritage and be the pride of the community

Values:

Integrity
Compassion and Caring
Trust
Transparency
Loyalty
Honoring our Heritage
Quality
Fiscal Responsibility

To: Wrangell City / Borough Assembly
From: Marla Sanger, CEO, Wrangell Medical Center
Date: July 23rd, 2014
Subject: Resolution No. 07-15-1327

Dear Mayor Jack and City / Borough Assembly Members:

Wrangell Medical Center would like to obtain a line of credit up to \$500,000 in order to smooth the variability in our cash flow. This could be particularly helpful while we implement new processes to reduce accounts receivable and increase cash.

A line of credit could help Wrangell Medical Center absorb the impact and deal with timing of swings in cash flow especially over the next 90-120 days. If funds are taken from the line of credit account to increase available cash they will be repaid with reimbursements from expected sources such as cash payments from CMS for HITECH participation and other sources.

Wrangell Medical Center respectfully requests support and authorization from the City and Borough Assembly so that we may secure a line of credit account at the best possible terms.

Agenda Item 5c

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY SPECIAL AGENDA ITEM August 12, 2015

INFORMATION:

Approval of Amendment #3 for DOWL, for the Sewer Pumps Replacement Project, Professional Services

Attachments:

1. Memo from Ruby McMurren, Projects manager
2. Amendment No. 3

RECOMMENDED ACTION:

Move to approve Amendment #3 to the contract with DOWL for additional engineering services in the amount of \$22,703.00 to be paid from the CDBG/DCCED and Rural Development Program funds.

MEMORANDUM

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

FROM: RUBY McMURREN, PROJECTS MANAGER

**SUBJECT: APPROVAL OF AMENDMENT #3 FOR DOWL'S CONTRACT
ADDITIONAL ENGINEERING SERVICES FOR THE SEWER PUMPS
REPLACEMENT PROJECT**

DATE: August 6, 2015

BACKGROUND

In 2013, the City and Borough of Wrangell received a grant from the Department of Commerce, Community and Economic Development (DCCED) and Division of Community and Regional Affairs Community Development Block Grant (CDBG) for the design and replacement of the Sewer Pumps Replacement Project. CBW entered into a design contract with DOWL Engineering of Juneau in April of 2014.

In May of 2015, CDBG awarded additional funds (\$257,250.00) to replace both and not just one of the pump stations. This resulted in additionally obligated matching costs of \$85,750. In an effort to minimize use of the existing DEC loan funds previously approved for this project, staff has applied for a grant from the Rural Development, Water and Waste Disposal Loan Program to help meet costs for the matching funds CBW has committed to provide. Rural Development has tentatively approved \$91,000 in funds towards this match.

DOWL's current Amendment #3 proposals are for added engineering costs in staff hours due to project delays resulting from design changes in addition to the significant volume of requirements set forth by Rural Development as a condition of the request for grant funds. All required documents are prepared to be delivered by August 7, 2015.

RECOMMENDATION

Move to approve Amendment #3 to the contract with DOWL for additional engineering services in the amount of \$22,703.00 to be paid from the CDBG/DCCED and Rural Development Program funds.

ATTACHMENT:

DOWL's August 6th, 2015 proposal for Additional Engineering Services.



August 6, 2015
W.O. J70661

Ruby McMurren, Project Manager
City and Borough of Wrangell
P.O. Box 531
Wrangell, Alaska 99929

Subject:
Wrangell Pump Stations 4 & 6 Improvements
Proposal for Additional Engineering Services – Amendment Three

Dear Mrs. McMurren:

Thank you for the opportunity to provide design and contract administration services for rehabilitation of the lift stations at node 4 and node 6. DOWL requests an amendment to provide support for the acquisition of a Rural Utility Service (RUS) grant and loan, additional contract administration services required by RUS, and for additional work already performed to prepare final bid documents.

Rural Utility Service Design Requirements

Per the request of Tasha Deardorff (WEP/RA VG Program Director, USDA), DOWL will modify the original design study memorandum to include the following:

- Planning area details from the DCCED community database
- A general overview of the environmental resources available in Wrangell such as wetlands, coastal, and endangered species
- Population trends and project 20-year design period growth
- Further develop project need by discussing ramifications of high I&I, system operation and maintenance costs, and health and safety regulatory requirements
- Financial status of existing facilities including any existing debts or reserves
- Further develop alternatives considered, including a “no action” alternative
- Life cycle cost analysis of alternatives and selected alternative
- Land requirement discussion
- Updated cost estimate that includes all project costs
- Proposed operating budget for completed system
- Summary of short lived assets
- Further develop engineer’s recommendation

RUS Contract Administration Requirements

Per RUS bulletin 1780-26 Exhibit B the Engineer shall make visits during construction at least monthly. Amendment two includes a visit by the civil engineer for the startup of each station and one site visit by the electrical engineer after completion of both stations. DOWL has included two additional site visits during construction.

Additional Design Services

Since the fee proposal for amendment one in January of 2015, the effort to finalize bid documents has exceeded what was originally anticipated. Following are a few reasons:

- Division 0 specification preparation became a lengthy process that spanned the transition to a new public works director, and included a switch from using the City and Borough of Juneau division 0 specifications to EJCDC documents. The work required several meetings and the inclusion of DOWL chief risk officer to help answer questions and facilitate its completion.
- DEC plan review required more effort than has historically been required. In order to receive approval to construct DOWL prepared a 38-page final design report in addition to the standard checklists.
- The extended project schedule required for the solicitation of additional funding has resulted in design inefficiencies. Progression of the design from 95% (mid-December, 2014) to a final check set (mid-May, 2015) was spread out over the course of nearly 5 months. Each stop and start required a period of time for the design team to become re-acquainted with the design.

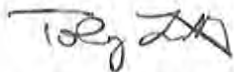
Proposed Fees

DOWL proposes we provide the aforementioned services on a time and materials basis as summarized below:

Rural Utility Service Funding Assistance	=	\$7,480.00
Additional Design Services	=	\$10,040.00
Additional Contract Admin. Services	=	\$5,183.00
Total Amendment Request	=	\$22,703.00

A spreadsheet detailing the fee estimate is attached. Please contact me if you have any questions, or require additional information.

Sincerely,
DOWL



Toby Lockhart, P.E.
Senior Civil Engineer

Attachment(s): As stated

COST ESTIMATE PER TASK

FIRM: DOWL **PROJECT TITLE:** Sewer Pumps Replacement Project

TASK NO.: **TASK DESCRIPTION:** RUS Revisions, Additional Design and Contract Administration Services **DATE:** 8/5/2015

GROUP: **METHOD OF PAYMENT:** FP FPPE T&E CPFF **PREPARED BY:** TL

SUB-TASK NO.	SUB-TASK DESCRIPTION	Engineer VI (RA)	Engineer IV (TL)	Engineer III (CP)	Env Spec (EC)	Risk Officer (GS)	AutoCad Tech (MC)	Admin Asst.						
	RUS Revisions													
	PER revisions	24	8					8						
	Specification Revisions		4					8						
	Engineer/Owner Contract		4											
	Additional Design Services													
	Division 0 specifications	8	12			3		8						
	DEC Plan Review	4	6	8										
	Extended project schedule	8	12	4										
	Additional Contract Administration													
	Two trips to Wrangell		30											
	TOTAL LABOR HOURS	44	76	12	0	3	0	24						159
	* LABOR RATES (\$/HR)	\$165.00	\$135.00	\$120.00	\$135.00	\$190.00	\$85.00	\$85.00						
	LABOR COSTS (\$)	\$7,260.00	\$10,260.00	\$1,440.00	\$0.00	\$570.00	\$0.00	\$2,040.00						\$21,570.00

SUB-TASK NO.		QUANTITY	UNIT PRICE	TOTAL PRICE	COMMENTS:
EXP	Airfare (JNU-WRG)	2	\$400.00	\$800.00	
	Per Diem	2	\$68.00	\$136.00	
	Ground Transportation/Parking	1	\$94.00	\$94.00	
<p align="right">FIRM'S TOTAL COST OF LABOR (or Fixed Price): \$21,570</p> <p align="right">FIRM'S TOTAL EXPENSES (+10%): \$1,133</p> <p align="right">TOTAL EXPENSES: \$1,030</p>					
FIRM:					
AMOUNT:					<p align="right">TOTAL SUBCONTRACTOR PRICES (+10%): \$0</p> <p align="right">FIRM'S TOTAL COST \$22,703</p>