

**Minutes of Regular Assembly Meeting
Held on March 28, 2017**

Mayor David L. Jack called the Regular Assembly meeting to order at 7:00 p.m., March 28, 2017, in the Borough Assembly Chambers. Assembly Members Gilbert, Prysunka, Decker, Powell, and Rooney were present. Assembly Member Mitchell was absent. Borough Manager Jeff Jabusch and Borough Clerk Kim Lane were also in attendance.

The Pledge of Allegiance was led by Assembly Member David Powell.

The Invocation was given by Don McConachie.

Mayor Jack presented Jeff Jabusch, Borough Manager a plaque for his 39 plus years of service to the City and Borough of Wrangell.

AMENDMENTS TO THE AGENDA – None

CONFLICT OF INTEREST – None

CONSENT AGENDA

M/S: Rooney/Gilbert, to approve Consent Agenda Items marked with an () asterisk; Items 6a & 7a through 7d.*

Assembly Member Decker questioned the Special Meeting minutes from March 17, 2017; stated that the motion in the minutes differed from the motion that she made. Clerk Lane said that she would check the audio to confirm and correct the minutes if need be.

Motion approved unanimously by polled vote.

APPROVAL OF MINUTES

The minutes of the Special Assembly meeting held February 14, 2017 and the Public Hearing and Regular Assembly meetings held February 15, 2017 were approved as presented.

COMMUNICATIONS

- a. School Board Action from the Special School Board Meeting held 3-6-17 and the Regular Meeting held 3-13-17
- *b. School Board minutes from the meetings held Jan. 16th, Feb. 6th and March 6th, 2017
- *c. Wrangell Medical Center Board Minutes from the 2-15-17 Regular meeting
- *d. Request from SE Senior Services for the FY 2017-18 Budget (given to Finance Director Burgess)

BOROUGH MANAGER'S REPORT

Manager Jabusch's provided his report to the Assembly.

In addition to the overview of the City's current projects, Manager Jabusch thanked the City, the Staff, and the Assembly for their support throughout the three and a half years as Borough Manager.

BOROUGH CLERK'S FILE

Clerk Lane's report was provided.

MAYOR/ASSEMBLY REPORTS AND APPOINTMENTS**10a Reports by Assembly Members**

Assembly Member Decker reported that at the Southeast Conference Mid-Session Summit earlier in the month. Decker stated that they were exploring new models for the ferry system; serious talk about a version, similar to the Alaska Railroad; would take years to get to that point though; would also take political will.

10b City Boards and Committees Appointments

The Mayor directed the Clerk to continue advertising since there was still one vacancy on the Economic Development Committee.

PERSONS TO BE HEARD

Greg Meissner, 212 Second Street, Port Commissioner, thanked Jeff for his 40 years of service.

UNFINISHED BUSINESS – None**NEW BUSINESS**

13a PROPOSED ORDINANCE No. 931 : AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING TITLE 6, BUSINESS TAXES, LICENSES, AND REGULATIONS OF THE WRANGELL MUNICIPAL CODE TO ADD A NEW CHAPTER 6.05 TO BE ENTITLED MARIJUANA

M/S: Prysunka/Powell, to approve first reading of Ordinance No. 931 and move to a second with a public hearing to be held on April 11, 2017. Motion approved unanimously by polled vote.

13b PROPOSED ORDINANCE No. 932: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTION 6.04.030, ASSEMBLY RECOMMENDATION FOR LICENSE IN CHAPTER 6.04, ALCOHOLIC BEVERAGES

M/S: Gilbert/Rooney, to approve first reading of Ordinance No. 932 and move to a second with a public hearing to be held on April 11, 2017.

Gilbert stated for the Assembly and the public that this ordinance was being brought forward so that the regulations would meet State law.

Motion approved unanimously by polled vote.

13c PROPOSED ORDINANCE No. 933: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADDING A NEW CHAPTER 5.09, EXCISE TAX ON MARIJUANA, TO TITLE 5, REVENUE AND FINANCE, OF THE WRANGELL MUNICIPAL CODE

M/S: Rooney/Decker, to approve first reading of Ordinance No. 933 and move to a second with a public hearing to be held on April 11, 2017.

Decker asked at what point is the tax imposed; also, if a cultivator who lived out of town sold to a retail store here in Wrangell, when would the tax be imposed.

Lane stated that the cultivator would pay the tax, not the retail store.

Decker asked why we cannot tax the retail end.

Lane replied that it would take a vote of the people to do that.

Rooney requested clarification that we could still collect the normal 7% city sales tax.

Lane said yes, we would.

In response to Powell, Lane stated that our city does not charge additional taxes on alcohol or cigarettes.

Decker asked if the flat tax rate was easier to collect over charging a percentage.

Lane said that yes, the Borough Attorney had stated that the flat tax rate would be easier.

Powell questioned why we were looking at the \$10 amount.

Lane and Gilbert stated that this is closer to what other municipalities were doing.

Powell said that he would do some research on his own as well since there was still another reading on this.

Lane stated that if the Assembly decided to change the amount at the next meeting on April 11th, there would have to be another Public Hearing since this would be changing the amount of the excise tax.

Decker questioned the disposition of the proceeds; should we attach the tax to something particular; possibly supporting the schools.

Lane stated that we had addressed that; Gilbert had suggested the School Booster Club; after consulting with Finance Director Burgess and he had suggested that it go to the General Fund and then during the Budget time, the Assembly could (if they chose), have the funds go towards an organization. Lane also stated that the Attorney had agreed with the proposed language because if the Assembly were to dedicate the funds to a particular organization, they would be excluding other organizations.

Motion approved unanimously by polled vote.

13d PROPOSED ORDINANCE No. 934: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE MINOR OFFENSE FINE SCHEDULE IN CHAPTER 1.20, GENERAL PENALTY, OF THE WRANGELL MUNICIPAL CODE

M/S: Decker/Gilbert, to approve first reading of Ordinance No. 934 and move to a second with a public hearing to be held on April 11, 2017. Motion approved unanimously by polled vote.

13e Approval of a Special Assembly meeting for Wednesday, April 5, 2017 at noon to conduct face-to-face interviews with the final Borough Manager Candidates in Executive Session

M/S: Gilbert/Powell, to approve holding a Special Assembly meeting on Wednesday, April 5, 2017 for the purpose of an Executive Session to conduct face-to-face interviews with of the final Borough Manager Candidates. Motion approved unanimously by polled vote.

13f Approval of Change Order No. 1 for the City Dock Lighting Project

M/S: Prysunka/Decker, to authorize the Borough Manager to issue Change Order #1, in the total amount of \$2,501.03 to Bunes Electric for changed electrical conditions to the City Dock Lighting project. Costs are scheduled to be paid from the Ports and Harbors FY17 Capital Projects fund.

Jack stated that this Change Order was due to an error in the plans.

Motion approved unanimously by polled vote.

13g Approval to waive the procurement requirements for Water Plant modifications

M/S: Gilbert/Powell, to waive the procurement requirements for both purchasing and the hiring of employees for the water plant only in an amount up to \$50,000 and that the borough manager and staff will keep the borough assembly updated at each meeting with the progress being made and any problems that may arise, effective to July 1, 2017.

Powell asked if this was something that the Assembly wanted to do since they had requested a cost estimate to replace the sand, this may not be applicable.

Jabusch stated that the Assembly could pass on this since there would be a Special Assembly meeting soon on the options for replacing the sand at the Water Treatment Plant; might still want to pass this through though since all four bays might not have the sand replaced.

Motion approved unanimously by polled vote.

13h Discussion and Possible Action to move forward with the Alternative Phase 1 plan of the Wrangell Institute Master Plan

M/S: Prysunka/Gilbert, to accept the Wrangell Institute Master Plan and Subdivision as prepared by Corvus Design, with changes as recommended by staff, and to take the necessary steps to begin development of the Master Plan beginning with Alternative Phase 1.

Rooney asked what the cost was for this since it wasn't flushed out very well in the design documents.

Jabusch explained that they were suggesting that this plan be approved because due to sewer installation costs, this alternative was less expensive in developing utilities.

Economic Development Director Rushmore briefly explained the different phases and directed the Assembly where to look for the suggested phase.

Jabusch stated that this plan would allow for the ANSEP program or for something else, if that program didn't happen there.

Rushmore explained the cost estimates for the different phases; we would be saving about \$300,000 by doing alternate phase 1.

Powell asked how big the lots were.

Rushmore stated that she believed that they were a little less than a half of an acre.

Powell asked what our estimated costs were for selling these lots.

Rushmore said that she didn't have the exact costs; so an estimate for roughly half an acre would be \$20,000 to \$35,000, depending on the lots; for roughly a third of an acre would be around \$30,000.

Manager Jabusch said that by selling these lots, we would essentially be breaking even; the goal is to get these lots sold and create a tax base.

Motion approved unanimously by polled vote.

13i Approval of a Professional Design Contract to Jensen Yorba Lott Inc. for the Public Safety Building Roofing and Siding replacement project

M/S: Powell/Gilbert, to authorize the Borough Manager to enter into professional design services contract with Jensen Yorba Lott in a fixed fee amount of \$17,870.00, with funds to be paid from the FY17 Capital Budget for the Public Safety Building's roof and siding replacement tasks.

Gilbert asked why there was a discrepancy on the proposal; the dollar amount was \$5000 less than what is being asked for.

Jabusch stated that he believed that it was to also cover the design services for the swimming pool.

Clerks note: after the Assembly Meeting, Public Works Director Al-Haddad had stated that the additional \$5000 was to do the design work on all of the siding and roofing, so even though the bids will not include all of the work, we can phase the project out with the design services being done.

Motion approved unanimously by polled vote.

ATTORNEY'S FILE – Summary Report was provided to the Borough Assembly.

EXECUTIVE SESSION – None

Regular Assembly Meeting adjourned at 7:56 p.m.

ATTEST

Kim Lane, MMC, Borough Clerk

David L. Jack, Mayor

