

**Minutes of Regular Assembly Meeting
Held on April 11, 2017**

Mayor David L. Jack called the Regular Assembly meeting to order at 7:00 p.m., April 11, 2017, in the Borough Assembly Chambers. Assembly Members Rooney, Prysunka, Decker, Gilbert, Powell, and Mitchell were present. Interim Borough Manager Carol Rushmore and Borough Clerk Kim Lane were also in attendance.

The Pledge of Allegiance was led by Assembly Member Mark Mitchell.

The Invocation was given by Clay Hammer.

Trey Acteson, SEAPA CEO, provided the Assembly with an organizational update and where we are heading.

*Mayor Jack called a 5 minute recess at 7:50 p.m.
Meeting reconvened at 7:54 p.m.*

AMENDMENTS TO THE AGENDA – None

CONFLICT OF INTEREST

Mayor Jack declared a potential conflict of interest on item 15a since his daughter is an employee of SEARHC and is living in his home. Vice-Mayor Powell asked Mayor Jack if there was any direct financial benefit. Jack stated that there was not. Powell then declared that he did not see that there was a conflict of interest. There were no objections from the Assembly.

Assembly Member Prysunka declared a potential conflict of interest on item 15a since his wife is an employee of SEARCH and is a contractor to the hospital and the Chief of Staff at the hospital. Jack asked if the land use would have any financial benefit. Prysunka stated no. Jack then said that he didn't see a conflict. There were no objections from the Assembly.

CONSENT AGENDA

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

APPROVAL OF MINUTES

The Minutes of the *amended* Special Assembly Meeting Minutes from March 17, 2017; Minutes of the Regular Assembly Meeting held March 28, 2017; Minutes of the Special Assembly Meeting held April 5, 2017 were approved as presented.

COMMUNICATIONS

- *a. Dept. of the Army Corps of Engineers Permit for Donald and Elizabeth McConachie
- *b. School Board Action from the 4-3-17 Special meeting (Wrangell School Board appointment)

BOROUGH MANAGER'S REPORT

Interim Borough Manager Rushmore's report was provided.

Prysunka said that regarding the Union negotiations, I just want to be clear to ensure that people know, we are not receiving any information as this negotiation goes along. He said that

had a Union member today, whom he believes is in an official capacity, corner him and wanted to discuss it; he stated that he had said that number one, he didn't know anything and number two, and they were not supposed to discuss it. Prysunka also said that he told the member that they were supposed to remain neutral. Prysunka asked Rushmore if he was correct in that.

Rushmore replied that yes that was correct; we are not able to share any information with you about the negotiations until the proper time.

Prysunka stated, that's great and that he would just like to say publically that, that is on our end that we are to remain neutral and when we receive the agreement, we will review the agreement and we will make our best judgment at that point. Prysunka also said that on the Union end, he would appreciate it if they respected it conversely and didn't corner him at morning coffee at the Fire Hall to discuss what they discussed last night; he stated that he didn't know anything about it; nothing has been shared at any point, and nor should it, he said that he wanted it to go both ways.

Rushmore commented that she didn't have any comment because she had no idea of what happened.

BOROUGH CLERK'S FILE

Clerk Lane's report was provided.

MAYOR/ASSEMBLY REPORTS AND APPOINTMENTS

10a Reports by Assembly Members

Powell reported that he had received complaints from several residents stating that we need some way of allowing residents to dispose of refuse (tailings, tree trimmings, biomass, etc.); told some people that there was a place out at Spur Road by the shooting range; has seen people dumping this stuff along the roadside.

Rushmore stated that that area was almost full and that the area was intended for commercial use only; don't have room at the dump; it is an issue.

Prysunka reported that he had attended the Regional EMS Conference in Sitka last weekend; excellent conference; Wrangell has one of the strongest EMS groups in the region.

10b City Boards and Committees Appointments

As there were no letters of interest received for the remaining vacant seat on the Economic Development Committee, the Mayor directed the Clerk to continue advertising.

PERSONS TO BE HEARD – None

UNFINISHED BUSINESS

12a 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 (second reading)

M/S: Rooney/Prysunka, to adopt Ordinance No. 931. Motion approved unanimously by polled vote.

216

12b 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 *(second reading)*

M/S: Prysunka/Gilbert, to adopt Ordinance No. 932. Motion approved unanimously by polled vote.

12c 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 *(second reading)*

M/S: Mitchell/Powell, to adopt Ordinance No. 933. Motion approved unanimously by polled vote.

12d 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 *(second reading)*

M/S: Gilbert/Decker, to adopt Ordinance No. 934. Motion approved unanimously by polled vote.

NEW BUSINESS

13a Discussion and Possible action regarding the Water Shortage Management Plan

There was extensive discussion on the Water Shortage Management Plan, as revised.

Gilbert stated that if this passed, we would need to pass an Ordinance to add these violations into the Fine Schedule.

Gilbert asked how the determination would be made in stage one, up to \$250 and stage two, up to \$500.

Gilbert said that the reference to Phase four (page 3 of 9) would need to be removed.

Rushmore said that we could just make the fines \$250 and \$500.

Decker said that the page numbers would need to be adjusted as well.

M/S: Decker/Prysunka: to adopt the current revised April 10th, 2017 version with the minor changes, as discussed. Motion approved unanimously by polled vote.

13b Discussion and Possible action regarding the Water Treatment Plant Improvements

There was extensive discussion and suggestions on how to clean the sand.

Some of the points that Public Works Director Al-Haddad discussed were:

- Dredging did not work as well as expected
- Engineers suggested replacing with Self-Cleaning Roughing Filters
- Trying Scouring option; seems to be working better
- Need to figure out how to move the water towards the drain; no flow
- Our Charter states that we do not use General Funds for Enterprise Projects

Prysunka asked how much more water would we get if new sand was installed.

Al-Haddad stated that the flow would increase, not sure by how much though.

Prysunka asked if we ordered new sand now, would it arrive in time for the peak season.

Al-Haddad said that yes, she believed it would arrive in time.

Mitchell stated that he had found out that Stough's Trailer Court has a 700 foot well; not used anymore and was capped off; possible option to supplement water.

Gilbert suggested adding Argan soap to sand to help clean it.

Finance Director Burgess stated that in the Water Fund, as of June 30th, there would be around \$280,000 of unrestricted funds; Enterprise Funds should carry a reserve of no less than half of its annual operating expenditures in its reserves; the \$280,000 puts us right there, if not a little below; without a plan to look at a rate increase, it wouldn't be recommended to spend below that base unless it was temporary; \$645,000 of reserved money in the Water Fund was set aside years ago to pay an annual debt service of \$90,000 per year; it would be better though to spend this restricted money instead of reaching over to the General Fund to borrow from there.

In response to Decker, Burgess replied that there was four more years of debt service to pay on the loan (\$90,000 per year).

Mayor Jack called a 5 minute recess at 9:13 p.m.

Meeting reconvened at 9:18 p.m.

In response to Rooney, Al-Haddad stated that the self-cleaning roughing filters would be a good option and not a risk.

In response to Powell, Burgess explained that the unrestricted funds that the Water Fund is less than \$300,000; amount of money currently invested in Time Deposits are \$90,000, coming due in about a year and another one for \$550,000 approximately, coming due about a year after that; if we purchased the sand to replace two filters and the roughing filters, it would deplete the Water Fund down to about \$100,000; when the next debt service loan payment came due for \$90,000, that would further deplete the Water Fund down to \$10,000. Burgess said that raising rates by 5% would yield around \$25,000.

Burgess stated that we would need a 15% revenue increase in order to cover the \$90,000 annual debt service amount; wouldn't cover any additional debt service amounts that we will incur for the ozone generator or any critical replacements that we would have to match funds for.

Gilbert stated that she was hesitant to vote because she didn't have facts; operates on facts.

M/S: Prysunka/Decker, to authorize the City Manager to immediately purchase the self-cleaning roughing filters for the water plant as well as to purchase new sand for one filter to be ordered, delivered and installed as per requirements.

M/S: Gilbert/Decker, to amend the motion to say that the funds to come from unrestricted and restricted water funds.

Amendment passed unanimously by polled vote.

Main motion, as amended, passed with Gilbert, Prysunka, Rooney, Decker, and Jack voting yes; Powell and Mitchell voted no.

ATTORNEY'S FILE – None

EXECUTIVE SESSION

15a Discuss with the Borough Attorney, the City's options regarding the disposal of Borough Property and the proposed draft agreement, as revised and submitted by the Borough

M/S: Prysunka/Gilbert, moved that pursuant to AS 44.62.310 (c), (1), that we recess into executive session with the Interim Borough Manager and the Borough Attorney to discuss matters, the immediate knowledge of which would clearly have an adverse effect upon the finances of the Borough, specifically the City's the options regarding the disposal of Borough Property and the draft Agreement, as revised and submitted by the Borough. Motion approved unanimously by polled vote.

Regular meeting recessed into Executive Session at 10:04 p.m.

Regular meeting reconvened back into session at 10:53 p.m.

15b Selection and discussing the offer for a new Borough Manager

M/S: Prysunka/Rooney, moved that pursuant to AS 44.62.310 (c), (2), that we recess into executive session to discuss matters that may tend to prejudice the reputation and character of any person, specifically: selection and discussing the offer for a new Borough Manager. Motion approved unanimously by polled vote.

Regular meeting recessed into Executive Session at 10:54 p.m.

Regular meeting reconvened back into session at 10:55 p.m.

M/S: Prysunka/Rooney, to allow the Manager Rushmore and Clerk Lane into the Executive Session. Motion approved unanimously by polled vote.

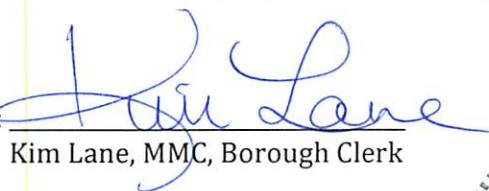
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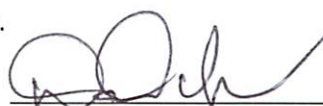
Regular meeting reconvened back into session at 11:02 p.m.

M/S: Prysunka/Gilbert, moved to offer the position of Borough Manager to Lisa Von Barga, and that the conditions of the contract to be negotiated by Mayor Jack and Assembly Member Prysunka with the assistance of Interim Borough Manager Rushmore and Clerk Lane. Motion approved unanimously by polled vote.

Regular Assembly Meeting adjourned at 11:03 p.m.

ATTEST:


Kim Lane, MMC, Borough Clerk


David L. Jack, Mayor

