



**City and Borough of Wrangell
Borough Assembly Meeting
AGENDA**

February 15, 2017 (Postponed from 2-14-17)

7:00 p.m.

Location: Assembly Chambers, City Hall

1. CALL TO ORDER

- a. PLEDGE OF ALLEGIANCE led by Assembly Member Becky Rooney
- b. INVOCATION to be given by Nettie Covalt with the Presbyterian Church
- c. CEREMONIAL MATTERS – *Community Presentations, Proclamations, Certificates of Service, Guest Introductions*
 - i. Certificate of Service – Rinda Howell School Board (2005 to 1-2017)

2. ROLL CALL

3. AMENDMENTS TO THE AGENDA

4. CONFLICT OF INTEREST

5. CONSENT AGENDA

- a. Items (*) 6a and 7a, 7b, 7c and 13b

6. APPROVAL OF MINUTES

- a. Minutes of the Regular Assembly meeting held January 24, 2017

7. COMMUNICATIONS

- *a. Letter sent to our Delegation regarding the Affordable Care Act
- *b. Catholic Community Services, Inc.: Quarterly Expenditure Rept. for Oct 1, 2016 thru Dec 31, 2016
- *c. Southeast Alaska Power Agency (SEAPA) Year-End 2016, Community Flyer

- *13b Approval of the Final Plat of the Stikine Inn Tidelands Reconfiguration, a subdivision of unsubdivided ATS #83 and Lots 3A-1 and 6A-1 within Block 2A, ATS #83, creating Lot A and Lot B, Block 2A, ATS #83, Zoned Waterfront Development, owned by the City and Borough of Wrangell and by Southeast Properties, LLC, requested by Southeast Properties, LLC.

8. BOROUGH MANAGER'S REPORT

9. BOROUGH CLERK'S FILE

10. MAYOR/ASSEMBLY REPORTS AND APPOINTMENTS

- a. Reports by Assembly Members
- b. City Boards and Committees Appointments

11. PERSONS TO BE HEARD

12. UNFINISHED BUSINESS – None

13. NEW BUSINESS

- a. Approval of the FY 2017-18 Capital Improvement Projects List
- *b. Approval of the Final Plat of the Stikine Inn Tidelands Reconfiguration, a subdivision of unsubdivided ATS #83 and Lots 3A-1 and 6A-1 within Block 2A, ATS #83, creating Lot A and Lot B, Block 2A, ATS #83, Zoned Waterfront Development, owned by the City and Borough of Wrangell and by Southeast Properties, LLC, requested by Southeast Properties, LLC. (** Consent Agenda Item **)
- c. **PROPOSED RESOLUTION NO. 02-17-1361:** A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING THE SALE OF CITY OWNED TIDELANDS, LOT B OF THE PROPOSED STIKINE INN TIDELANDS RECONFIGURATION FOR LESS THAN THE APPRAISED VALUE FOR ECONOMIC DEVELOPMENT PURPOSES AS ALLOWED UNDER WRANGELL MUNICIPAL CODE 16.12.012
- d. **PROPOSED RESOLUTION No. 02-17-1362:** A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, TO RESTRICT THE USE OF THE BOROUGH'S NATIONAL FOREST RECEIPTS FUND TO THE WRANGELL PUBLIC SCHOOLS
- e. Approval of a Sole-Source Procurement to Meridian Systems for upgrades to the Swimming Pool's Temperature Controls
- f. Approval to combine Lots on Etolin Avenue, owned by the City and Borough of Wrangell
- g. **PROPOSED RESOLUTION No. 02-17-1363:** A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, SUPPORTING APPROPRIATION OF DISASTER RELIEF FUNDING BY THE US CONGRESS FOR THE 2016 ALASKA PINK SALMON COMMERCIAL FISHERY FAILURE
- h. Approval of a Contract with CAMA Company, LLC to provide Municipal Assessment Software

14. ATTORNEY'S FILE – None

15. EXECUTIVE SESSION

- a. Executive Session – Discussion and possible selection for the Borough Manager Position
- b. Executive Session – Discuss with the Borough Attorney, the options regarding the Land Deal with SEARHC and the City and Borough of Wrangell

16. ADJOURNMENT

Agenda Items 1 - 6

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY

AGENDA ITEM

February 15, 2017

ITEM NO. 1 CALL TO ORDER:

INFORMATION: *The Mayor, by code, is required to call the meeting to order at 7:00 p.m. in the Borough Assembly Chambers. Special meetings or continued meetings may be called for at differing times but at the same location. Notice of such will be required by the Borough Clerk. The Mayor will call the meeting to order according to such special or continued meeting notice. At all meetings of the assembly, four assembly members or three members and the mayor shall constitute a quorum for the transaction of business, but a smaller number less than a quorum may adjourn a meeting to a later date.*

RECOMMENDED ACTION:

The Mayor, as presiding officer, is to call the meeting of the Borough Assembly to order, with the following actions to follow:

- a. Pledge of Allegiance to be given by Assembly Member Becky Rooney
- b. Invocation to be given by Nettie Covalt with the Presbyterian Church
- c. CEREMONIAL MATTERS – *Community Presentations, Proclamations, Certificates of Service, Guest Introductions*
 - i. Certificate of Service – Rinda Howell School Board (2005 to 1-2017)

ITEM NO. 2 ROLL CALL – BOROUGH CLERK:

INFORMATION: *The Borough Clerk shall conduct a roll call of each elected and duly qualified Assembly Member. Such call shall result in an entry of those present or absent from the meeting. The roll call is primarily utilized in determining if sufficient member(s) are present to conduct a meeting. The Borough Clerk may randomly change the conduct of the roll to be fair to the members of the governing body unless the council determined an adopted procedure for roll call which is different than currently in use.*

RECOMMENDED ACTION:

Borough Clerk to conduct a roll call by voice vote. Each member to signify by saying here, present (or equal) to give evidence of attendance.

ITEM NO. 3 AMENDMENTS TO THE AGENDA:

INFORMATION: *The assembly may amend the agenda at the beginning of its meeting. The outline of the agenda shall be as from time to time prescribed and amended by resolution of the assembly. (WMC 3.04.100)*

RECOMMENDED ACTION:

The Mayor should request of the members if there are any amendments to the posted agenda. ***THE MAYOR MAY RULE ON ANY REQUEST OR THE ASSEMBLY MEMBERS MAY VOTE ON EACH AMENDMENT.***

ITEM NO. 4 CONFLICT OF INTEREST:

INFORMATION: *The purpose of this agenda item is to set reasonable standards of conduct for elected and appointed public officials and for city employees, so that the public may be assured that its trust in such persons is well placed and that the officials and employees themselves are aware of the high standards of conduct demanded of persons in like office and position.*

An elected city official may not participate in any official action in which he/she or a member of his/her household has a substantial financial interest.

ITEM NO. 5 CONSENT AGENDA:

INFORMATION: *Items listed on the Consent Agenda or marked with an asterisk (*) are considered part of the Consent Agenda and will be passed in one motion unless the item has been removed by an Assembly Member or the Mayor and placed on the regular agenda under Unfinished Business.*

RECOMMENDED ACTION:

Move to approve those Agenda items listed under the Consent Agenda and those marked with an asterisk (*) Item:

****6a & 7a, 7b, 7c and 13b***

ITEM NO. 6 APPROVAL OF MINUTES:

INFORMATION:

6a Minutes of the Regular Assembly meeting held January 24, 2017

CERTIFICATE OF SERVICE

The City & Borough of Wrangell, Alaska
Presents this Certificate of Service to:


Rinda Howell

for her service and dedication as a member of the School Board:

October 2005 to January 2017


ATTEST: Kim Lane, MMC, Borough Clerk

Dated this 8th day of February 14, 2017


David L. Jack, Mayor



Minutes of Regular Assembly Meeting Held on January 24, 2017

Mayor David L. Jack called the Regular Assembly meeting to order at 7:00 p.m., January 24, 2017, in the Borough Assembly Chambers. Assembly Members Prysunka, Mitchell, Gilbert, and Rooney were present. Assembly Members Powell and Decker were absent. Borough Manager Jeff Jabusch 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 Mayor Jack.

AMENDMENTS TO THE AGENDA – None

CONFLICT OF INTEREST – None

CONSENT AGENDA

M/S: Prysunka/Mitchell, to approve Consent Agenda Items marked with an () asterisk; Items 6a and 7a through 7d and 13f. Motion approved unanimously by polled vote.*

APPROVAL OF MINUTES

The Minutes of the Board of Adjustment meeting held January 9, 2017; Minutes of the Regular Assembly meeting held January 10, 2017; Minutes of the Special Assembly meeting held January 13, 2017, were approved as presented.

COMMUNICATIONS

- *a. **Approve May 6th and October 7th, 2017 as the 2017 Tax Free Days (submitted by the Wrangell Chamber of Commerce)**
- *b. 2017/18 Liquor License Renewal for Rayme's Bar (Dispensary and Liquor Store)
- *c. School Board Action from the Regular meeting held January 16, 2017
- *d. Hospital Board minutes from the Regular meeting held November 16, 2016

*13f Final Plat approval for the Torgramsen-Austin Subdivision

BOROUGH MANAGER'S REPORT

In addition to Manager Jabusch's report, he stated that we would be starting a water conservation effort in early June. There was also discussion about the future water plant and what that would entail.

BOROUGH CLERK'S FILE

Clerk Lane's report was provided.

MAYOR/ASSEMBLY REPORTS AND APPOINTMENTS

10a There were no reports from the Mayor or Assembly Members.

10b City Boards and Committees Appointments

With the consensus of the Assembly, Mayor Jack appointed Robbie Austin to fill the vacancy on the Planning & Zoning Commission, with the term ending October 2019.

As there were no letters of interest received for the Economic Development vacant seats, the Mayor directed the Clerk to continue advertising for those.

PERSONS TO BE HEARD – None

UNFINISHED BUSINESS – None

NEW BUSINESS

13a RESOLUTION No. 01-17-1359: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, TO ACCEPT A LOAN IN THE AMOUNT OF UP TO \$322,650 FROM THE STATE OF ALASKA, DEPARTMENT OF ENVIRONMENTAL CONSERVATION

M/S: Mitchell/Prysunka, to approve Resolution No. 01-17-1359 for the purpose of acquiring a loan from the State Department of Environmental Conservation in the amount of \$322,650 to be used to purchase and install a new ozone generator for the water treatment plant and that the purchase and installation be purchased from a specific vendor as allowed under Wrangell Municipal Code 15.10.050 (F) to prevent incompatibility from previous purchases. Motion approved unanimously by polled vote.

13b Discussion followed by a consensus for the Borough Manager Interview process

It was the consensus of the Assembly to hold face-to-face interviews with the remaining 2 candidates in Executive Session.

13c Approval to reschedule the Regular Assembly meeting from Tuesday, February 14, 2017 to Wednesday, February 15, 2017

M/S: Mitchell/Gilbert, to approve rescheduling the Regular Assembly Meeting from Tuesday, February 14, 2017 to Wednesday, February 15, 2017.

Mayor Jack explained that the reason for rescheduling was so that the Assembly could conduct the face-to-face interviews with the remaining candidates for the Borough Manager's position.

Motion approved unanimously by polled vote.

13d Approval to schedule a Special Assembly meeting for Tuesday, February 14, 2017 for the purpose of conducting the final Borough Manager interviews in Executive Session

M/S: Gilbert/Prysunka, to approve scheduling a Special Assembly meeting for Tuesday, February 14, 2017 at 12:00 p.m. (noon) for the purpose of conducting face-to-face interviews for the remaining applicants for the Borough Manager's position. Motion approved unanimously by polled vote.

13e Approval to dispose of City Surplus Property

M/S: Prysunka/Mitchell, to approve the items listed as surplus, that these items be advertised for bid as required under Wrangell Municipal Code 5.10.060, and authorize the Borough Manager to dispose of any items not bid on, in a manner that is in the best interest of the City. Motion approved unanimously by polled vote.

13f** Final Plat approval for the Torgramsen-Austin Subdivision – ***Approved under the Consent Agenda.

13g PROPOSED RESOLUTION No. 01-17-1360: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING THE SALE OF THE WRANGELL BELT FREEZER LAND AND BUILDING TO TRIDENT SEAFOODS CORPORATION FOR ECONOMIC DEVELOPMENT PURPOSES AS ALLOWED UNDER WRANGELL MUNICIPAL CODE 16.12.012

M/S: Mitchell/Gilbert, to approve Resolution No. 01-17-1360 for the purpose of selling the Belt Freezer Building, related land and equipment for the appraisal price of \$950,000 to Trident Seafoods. Motion approved unanimously by polled vote.

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

EXECUTIVE SESSION – None

Regular Assembly Meeting adjourned at 7:32 p.m.

David L. Jack, Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

Agenda Item 7

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM February 15, 2017

COMMUNICATIONS:

INFORMATION: The Assembly may receive items for Communications, reasons only which do not require separate action. This is an avenue to keep the Assembly informed, for the public to enter items on the record, if necessary. The Assembly also receives agenda communications directly by their constituents, Borough Manager, other agencies' Officers and Department Directors.

A MAIL BOX IS ALSO AVAILABLE IN THE BOROUGH CLERK'S OFFICE FOR EACH MEMBER OF THE ASSEMBLY AND SHOULD BE CHECKED ON A ROUTINE SCHEDULE.

All items appearing under Communications on the Agenda have been approved under the Consent Agenda unless removed by an Assembly Member or the Mayor and placed on the regular agenda under Unfinished Business.

- *a. Letter sent to our Delegation regarding the Affordable Care Act
 - *b. Catholic Community Services, Inc.: Quarterly Expenditure Rept. for Oct 1, 2016 thru Dec 31, 2016
 - *c. Southeast Alaska Power Agency (SEAPA) Year-End 2016, Community Flyer
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- *13b Approval of the Final Plat of the Stikine Inn Tidelands Reconfiguration, a subdivision of unsubdivided ATS #83 and Lots 3A-1 and 6A-1 within Block 2A, ATS #83, creating Lot A and Lot B, Block 2A, ATS #83, Zoned Waterfront Development, owned by the City and Borough of Wrangell and by Southeast Properties, LLC, requested by Southeast Properties, LLC.



CITY AND BOROUGH OF WRANGELL

INCORPORATED MAY 30, 2008

P.O. BOX 531 (907)-874-2381
Wrangell, AK 99929 FAX (907)-874-3952

February 3, 2017

The Honorable Lisa Murkowski
522 Hart Senate Office Building
United States Senate
Washington, DC 20510

Dear Senator Murkowski:

As efforts get underway in Congress to repeal and replace the Affordable Care Act (ACA), the City and Borough of Wrangell would like to raise the following issues concerning the provision of healthcare in our community and to urge you carefully consider the impact of any replacement plan may have on our hospital and our employer provided health insurance.

First, the ACA reduced reimbursement rates for Medicaid and Medicare payments to hospitals in order to fund other programs and activities covered under the Act. One ACA goal emphasized that this reduction in hospital payments would be offset by lowered costs for uncompensated care that would now be covered through either expansion of Medicaid or the previously uninsured buying insurance on the healthcare exchanges. After initial delay, the State of Alaska agreed to expansion of Medicaid in September of 2015.

Wrangell Hospital is considered a Critical Access Hospital, with Medicaid making up 50 percent of its revenue. We understand that some of the replacement proposals being discussed would roll back the Medicaid expansion and block-grant Medicaid along with overall cuts to the program. A cut of just 10 percent to Medicaid reimbursement would amount to \$600,000, roughly equal to the Hospital's cash balance and would hurt its ability to provide vital medical services to our residents. We urge due care and caution about pursuing such an approach. Plans to replace the ACA should consider restoration of the reimbursement rates to hospitals for both Medicaid and Medicare-covered patients, particularly if they are going to result in a rise in uncompensated care for hospitals such as ours.

As you know, the Borough has been working for some time on plans to replace Wrangell Hospital with a new, modern facility so that we can improve the delivery of healthcare to our residents. We are now at the feasibility stage of the project. We want to ensure that any ACA replacement legislation does not negatively

February 3, 2017

affect the financial viability of the existing hospital or impede our ability to secure financing to move forward with construction of the new facility.

Our second issue concerns the co-called "Cadillac" excise tax on high-cost health insurance plans that cost more than \$27,500 per family or \$10,200 per individual. The goal of the excise tax was to presumably discourage employers from offering health care plans with overly generous benefits. This is hardly the case for the City/Borough and other entities across Alaska. We will face paying the tax because of the high cost of healthcare delivery in a rural area combined with limited competition with only one insurance company offering plans under the ACA, as opposed to our insurance plan being overly generous with benefits or low deductibles. We appreciate your support previously in the last Congress in extending the start date for the tax from 2018 to 2020. We have also heard that the replacement proposals are considering allowing residents from one State to purchase plans offered in another, an idea that would benefit rural states like ours where plan options and competition are minimal. Still, we are concerned that in the effort to offset the costs of whatever replacement proposal is adopted, the excise tax will remain in place. The City and Borough favor either its repeal or an exemption for rural government health insurance plans that fit our high-cost/low benefit situation.

While the effort to repeal and replace the ACA will be complicated and heavily debated, we ask that you keep these concerns in mind as alternative healthcare reform legislation is developed and considered.

Thank you for your support for the City and Borough of Wrangell.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Jabusch", with a stylized flourish at the end.

Jeff Jabusch
Borough Manager

Cc: Mayor David Jack
City and Borough of Wrangell Assembly Members



CITY AND BOROUGH OF WRANGELL

INCORPORATED MAY 30, 2008

P.O. BOX 531 (907)-874-2381
Wrangell, AK 99929 FAX (907)-874-3952

February 3, 2017

The Honorable Dan Sullivan
702 Hart Senate Office Building
United States Senate
Washington, DC 20510

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Thank you for your support for the City and Borough of Wrangell.

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Jeff Jabusch
Borough Manager

Cc: Mayor David Jack
City and Borough of Wrangell Assembly Members



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Wrangell, AK 99929 FAX (907)-874-3952

February 3, 2017

The Honorable Don Young
2314 Rayburn House Office Building
U.S. House of Representatives
Washington, DC 20515

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February 3, 2017

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While the effort to repeal and replace the ACA will be complicated and heavily debated, we ask that you keep these concerns in mind as alternative healthcare reform legislation is developed and considered.

Thank you for your support for the City and Borough of Wrangell.

Sincerely,



Jeff Jabusch
Borough Manager

Cc: Mayor David Jack

City and Borough of Wrangell Assembly Members



January 27, 2017

7b

Mr. Jeff Jabusch, Borough Manager
City and Borough of Wrangell
P O Box 531
Wrangell, AK 99929

Dear Mr. Jabusch:

A copy of the Quarterly Expenditure Reports for Southeast Senior Services' Wrangell program is enclosed. These reports cover the second quarter period from October 1st, 2016 through December 31st, 2016.

The following services were provided during the second quarter of Fiscal Year (FY) 2017:

- * 43 individuals received 1,182 home-delivered meals.
- * 49 individuals received 906 congregate meals.
- * 31 individuals received 469 assisted rides.

Figures this quarter reflect 5 days of service all months of this quarter.

On behalf of Wrangell seniors, I would like to thank you for your continued support of the Wrangell Senior Program.

Sincerely,

Erin Walker-Tolles
Executive Director

EWT/acb

Enclosures

Description	1st Quarter Actual	2nd Quarter Actual	3rd Quarter Actual	4th Quarter Actual	Year to date Actual
4001 T3 NSIP	\$ 395.61	\$ 986.54			\$ 1,382.15
4033 T3 Nutrition & Transportation	\$ 16,003.85	\$ 15,821.78			\$ 31,825.63
4106 City of Wrangell	\$ 2,901.00	\$ 2,901.00			\$ 5,802.00
4364 Title VI-Care Giver Support	\$ 4,652.49	\$ 5,297.62			\$ 9,950.11
4365 Title VI-NTS	\$ 28,902.41	\$ 30,455.65			\$ 59,358.06
4366 Title VI-MIPPA		\$ 1,086.91			\$ 1,086.91
4369 Title VI-NSIP	\$ -				\$ -
4410 Congregate Meal Contr-Over 60	\$ 2,173.00	\$ 1,874.00			\$ 4,047.00
4411 Congregate Meal Contr-Under 60	\$ -	\$ 240.00			\$ 240.00
4412 Home Deliv Meal Contr-Over 60	\$ 252.00	\$ 745.00			\$ 997.00
4414 Transportation Contr-Over 60	\$ 589.00	\$ 533.00			\$ 1,122.00
4415 Transportation Contr-Under 60	\$ -				\$ -
4553 Medicaid	\$ 1,637.37	\$ 1,471.26			\$ 3,108.63
4600 In-Kind Revenue	\$ 3,471.70	\$ 3,451.60			\$ 6,923.30
4700 Diocese Subsidy		\$ 218.95			\$ 218.95
4920 Fund Raising	\$ 13.21	\$ 67.00			\$ 80.21
4950 Individual Donations	\$ 20.00	\$ -			\$ 20.00
4990 Miscellaneous Revenue	\$ -				\$ -
Total Revenue	\$ 61,011.64	\$ 65,150.31	\$ -	\$ -	\$ 126,161.95
6110 Salaries & Wages Expense	\$ 24,078.73	\$ 22,720.10			\$ 46,798.83
6115 Substitute Wages Expense	\$ 4,801.52	\$ 7,887.46			\$ 12,688.98
6120 Payroll Taxes & Benefits	\$ 8,086.07	\$ 8,594.12			\$ 16,680.19
6220 Staff Travel & Training	\$ 1,505.37	\$ -			\$ 1,505.37
6310 Facility Rent	\$ 248.54	\$ 403.48			\$ 652.02
6311 In-Kind Rent	\$ 2,460.00	\$ 2,460.00			\$ 4,920.00
6320 Phone Service Charges	\$ 388.72	\$ 460.79			\$ 849.51
6330 Facility Utilities	\$ 1,315.22	\$ 1,719.37			\$ 3,034.59
6410 Office Supplies	\$ 12.90	\$ 105.36			\$ 118.26
6420 Postage	\$ 14.78	\$ 66.99			\$ 81.77
6440 Vehicle Supplies	\$ -				\$ -
6450 Program Supplies	\$ (2.68)	\$ 43.60			\$ 40.92
6470 Household Supplies	\$ 157.34	\$ 125.26			\$ 282.60
6475 Home Delivery Containers	\$ 171.11	\$ 1,386.14			\$ 1,557.25
6480 Raw Food	\$ 5,636.78	\$ 4,633.04			\$ 10,269.82
6491 In-Kind Gas & Oil	\$ 1,011.70	\$ 991.60			\$ 2,003.30
6510 Vehicle Repair	\$ -	\$ 68.00			\$ 68.00
6511 In-Kind Vehicle Repair	\$ -				\$ -
6520 Non-Vehicle Repair	\$ -				\$ -
6540 Equip Purch (under \$5,000)	\$ -				\$ -
6550 Service Contracts	\$ -				\$ -
6610 Professional Services	\$ 174.27	\$ 51.06			\$ 225.33
6620 Vehicle Insurance	\$ 185.01	\$ 185.01			\$ 370.02
6630 Property & Liability Insurance	\$ -				\$ -
6640 Dues & Subscriptions	\$ 140.00	\$ -			\$ 140.00
6650 Printing	\$ 149.38	\$ -			\$ 149.38
6685 Bad Debt Expense	\$ (92.00)	\$ 47.00			\$ (45.00)
6700 Administrative Expenses	\$ 9,592.04	\$ 10,041.07			\$ 19,633.11
Total Expenditure	\$ 60,034.80	\$ 61,989.45	\$ -	\$ -	\$ 122,024.25
Excess Revenues over (under) Expenses	\$ 976.84	\$ 3,160.86	\$ -	\$ -	\$ 4,137.70



COMMUNITY FLYER

Year-end 2016
Trey Acteson, CEO

1900 First Avenue, Suite 318
Ketchikan, Alaska 9990-6059
Tel: (907) 228-2281
Fax: (907) 225-2287
www.seapahydro.org

YEAR-END SUMMARY:

1. SEAPA maintained its base wholesale power rate of 6.8 cents per kilowatt hour for the 19th consecutive year. In December, the Board of Directors authorized disbursement of an \$800,000 rebate to the member utilities, reducing the effective wholesale power rate to approximately 6.3 cents per kilowatt hour for fiscal year 2016. Those served by the SEAPA interconnected system, continue to enjoy the lowest power rates in the state of Alaska. Retail rates in our region also remain below the U.S. national average.
2. The Agency successfully completed the Swan Lake Reservoir Expansion Project. Construction was safely completed on an accelerated schedule and came in under the original Engineer's estimate of \$13.3 million. A flashboard system and vertical gate were installed in the existing fixed ogee spillway slot, increasing the active storage in the reservoir by 25%. This will displace the equivalent of up to 800,000 gallons of diesel generation annually and enhance system-wide water resource management. The project was completed without a rate increase due to three primary factors; SEAPA restructured our eligible debt last year, reduced operating/expense budgets by 15% over the last two years, and secured direct legislative appropriations totaling \$3.9 million from the State of Alaska.



Hydraulic system commissioning at Swan Lake



Up-lake view of Swan Lake spillway modifications

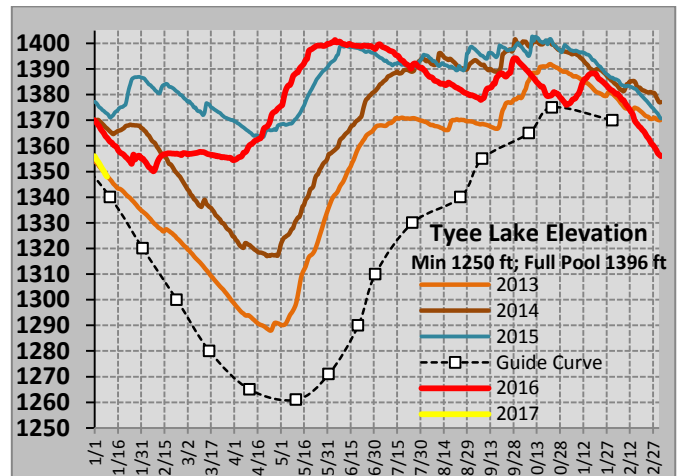
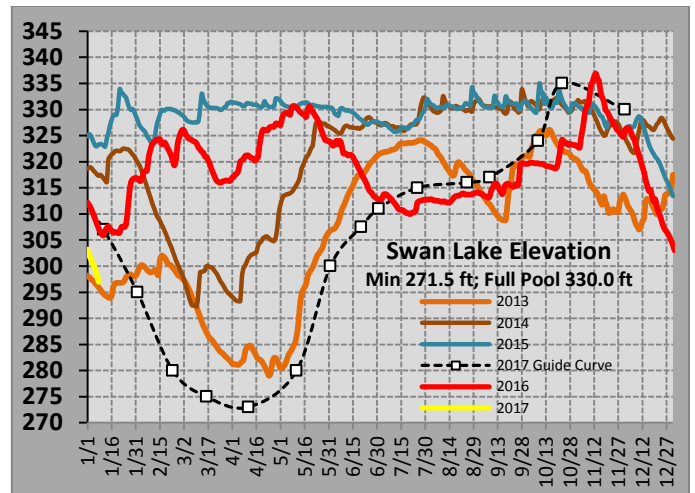


Testing the new vertical gate system at Swan Lake

3. The Tongass National Forest Plan Update Record of Decision (ROD) was signed on December 9, 2016. Although the primary focus was to address transitional timber harvest, SEAPA was successful through a multi-year effort in achieving substantive language changes in the Renewable Energy Direction that helps reduce uncertainty for future project development.
4. Transmission line marker balls were procured for the Tyee-to-Wrangell transmission line and a contract was awarded for this highly specialized installation process. Field work will occur in the spring of 2017.

5. Essential roofing and siding replacements were completed on the crew housing facilities located at the remote Tyee Lake Power Plant site.
6. Satellite communication systems were installed and commissioned at Swan Lake. Permits were obtained for Tyee and a dish platform and cabling is in place for dish commissioning in 2017.
7. The Tyee Lake outlet stream gauge weir rock abutment voids were sealed to minimize leakage and maximize reservoir storage.
8. Generator cooling water system efficiency improvements were completed at Tyee, increasing water available for generation.
9. Fifty additional helipads were installed along the Swan-Tyee Intertie, enhancing safe access for line maintenance and emergency repairs.
10. New exciters and generator switchgear were procured and transported to Swan Lake for subsequent installation in 2017.
11. The Kake-to-Petersburg Intertie ROD was signed by the Forest Supervisor on November 30, 2016. The ROD authorizes SEAPA to construct a transmission line between Petersburg and Kake, extending our existing transmission system to the North. The feasibility, preliminary design, and permitting of this project were 100% State grant funded, with an overall objective of bringing lower cost hydropower to Kake. The project will require full State funding to advance to construction, which is unlikely at this time.

RESERVOIR LEVELS: SEAPA's hydroelectric project reservoirs at Tyee and Swan Lakes experienced a precipitous drop resultant of the cold, dry weather trend experienced during the last month and a half of the year. Wrangell and Petersburg's energy needs will still be fully met by their dedicated resource at Tyee Lake. Ketchikan will fully utilize their dedicated resource at Swan Lake, with additional dedicated energy regularly flowing from Tyee Lake south over the Swan-Tyee Intertie. Depending on weather, Ketchikan may burn a little supplemental diesel in 2017, but it should be less than 3% of total generation. Going forward, the Swan Lake Reservoir Expansion will reduce Ketchikan's diesel exposure and enhance overall hydro resource management across the system.



FEDERAL ENERGY LEGISLATION: SEAPA worked with Alaska's Washington D.C. delegation to amend U.S. Senate energy bill S.2012, the Energy Policy Modernization Act, in an effort to address a project boundary issue related to Swan Lake. The Agency also supported other provisions in the bill that helped strengthen the framework for future renewable energy development in our region. S.2012 advanced to conference with the House's version, but unfortunately stalled in the final days of the Federal legislative session. This was likely a result of the national election results and a perception by some legislators that certain provisions may be restored or enhanced. We anticipate a similar omnibus energy bill will be introduced in 2017 and the Agency will continue to actively support this important effort.

SEAPA is headquartered in Ketchikan and maintains a "part-time" satellite office in Wrangell. We welcome folks to stop by for a visit and look forward to sharing more about our role as your regional wholesale generation and transmission entity. We also invite you to visit our website. Thank you for the opportunity to serve. For more information, please visit our website at: www.seapahydro.org

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

**FROM: JEFF JABUSCH
BOROUGH MANAGER**

RE: BOROUGH MANAGER'S REPORT

DATED: FEBRUARY 9, 2017

Shoemaker Bay Harbor Replacement:

Currently, there is 5 million dollars in the Governor's budget that will go to the legislature for review. We have talked to Senator Stedman's office, Representative Ortiz and our lobbyist about the importance of the funding for not only our project, but the program in general for all harbors. In addition to the state request, we recently were informed by the US Economic Development Administration (EDA) that there could be in the future some funds for transportation projects and it appears that harbors qualify. We have sent a letter of interest as requested by the Alaska EDA office. If by some miracle both requests were awarded, we would be able to do not only the harbor, but also the parking lot and possibly the breakwater (our portion). A lot has to go right, but we will do what we can to support both requests.

Income Survey:

The City and Borough of Wrangell currently shows that approximately 46-47% of our population is in the low to moderate income range as defined by the State of Alaska. If that number was 51% or greater, the borough would be eligible for a particular pot of grant funds. This is one of the few grants available through the state and could fund things like the fire truck, public safety building and other infrastructure improvements needed. Because of the terrible fishing year last year, we believe it is worth a shot to do the survey. If successful, the results I believe would last for 5 years or possibly when the 2020 US census is completed. We will be getting advertising out and hiring a couple of people from existing temporary workers to do the surveys. We expect the survey to take a couple of weeks.

Accounting Software Conversion:

This has been a little bit of a struggle. One of the issues was that when the consultants arrived in December, they had to deal with some computer issues that were on our end of things, not theirs. Because of this some of the training time was eaten up with these other issues and we didn't get all the training that should have happened. We are working through this the best we can. In February they are coming back to get the payroll module up and running, including the training. Once that happens we will run both the old and new software programs to be sure we are getting the same answers prior to going live with the new software. This has been a huge undertaking and will probably take some time before staff can take complete advantage of the improved package.

Public Works and Capital Projects Update

February 7, 2017

Wood Street Improvements

Rock-N-Road completed all required contract closeout items and a final payment was made. CBW staff are working to finalize grant closure for this improvement project.

Water Treatment Plant Pilot Study

Following completion of the water plant pilot study's testing efforts, Borough staff and CRW Engineers continue work to complete the Preliminary Engineering Report based on initial comments received from USDA staff, in pursuit of federal funding for improvements to the water treatment facility. In a recent meeting with USDA, we learned that their Alaska monetary allocation has been fully spent for this fiscal year; however, USDA staff are agreeable to moving our application forward and making the request from their national office. Meanwhile, Borough staff have reviewed the cost estimate for the water treatment improvements project with the engineers and are exploring cost and/or phasing options in an effort to reduce the initial \$13 million cost estimate, thus possibly increasing the opportunity for full funding.

Byford Property Clean-Up

NRC, the contractor who performed the junkyard site clean-up, has been in Wrangell for the past two weeks, working to replace the covering on the remediated soil stockpile. Heavy winds from the last several months ripped and displaced the tarps to the point that recovering the stockpile with new material and adding a hold-down system was required. An improved system was warranted to protect the integrity of the stockpile structure. The availability of EPA funding for the relocation of the stockpile to the proposed rock pit on the Pats Lake Road is unclear at this time.

Court House Carpet Replacement

Rainbow Builders completed the carpet replacement project throughout the Court's offices in the Public Safety Building. This carpet replacement is a component of the monthly lease amount between the CBW and the Alaska Court System.

Wrangell Dock Lighting (City Dock Improvements)

Buness Electric continues to work through the material submittal phase of the dock lighting project prior to material acquisition.

Evergreen Avenue Road Improvements

Alaska DOT is finalizing the Right of Way and Acquisition work as they also work to finalize design for a storm drain for which an easement for culvert extension was denied. DOT's survey crew was in Wrangell last week, acquiring new survey data, in order to help address a proposed alternative to the culvert extension across private property.

With the passing of the original proposed bid date of January 17, 2017, we are waiting for a new bid date, which would be followed by an advertising period of three weeks. It is typical that from the time of bid opening to the time of contractor mobilization is three months. DOT confirmed that funding is in place for a 2017 construction project.

Junk Removal from Town:

Cannel Construction is shooting for February 21st and 22nd to remove junk. They are talking to Eilertson's about their junk also so hopefully they can get all of that on the barge as well.

Agenda Item 9

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM

CLERK'S REPORT February 15, 2017

Mark Your Calendar:

- 2/15 Hospital Board Mtg. to be held at 5:30pm at the Nolan Center
- 2/20 President's Day - City Hall Closed
- 2/28 Regular Assembly Mtg. scheduled at 7pm in the Assembly Chambers
- 3/1 P&R Mtg. scheduled at 7pm in the Assembly Chambers
- 3/2 Port Commission Mtg. scheduled at 7pm in the Assembly Chambers

- 4/13 SEAPA Board Mtg. to be held in Ketchikan, with times TBD

AML Winter Legislative Conference / Alaska Conference of Mayors will be held from February 21st through the 23rd in Juneau.

Mayor Jack will be attending.

Southeast Conference 2016 Mid-Session will be held March 14th and 15th in Juneau.

Assembly Members Decker will be attending.

Agenda Items 10 a - b

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM February 15, 2017

MAYOR/ASSEMBLY REPORTS AND APPOINTMENTS:

INFORMATION: This agenda item is reserved for the Mayor and Assembly Member's special reports. Such information items as municipal league activities, reports from committees on which members sit, conference attendance, etc., are examples of items included here.

➤ **Item 10a** Reports by Assembly Members

➤ **Item 10b** City Boards and Committee Appointments

There were no letters of interest received for the two vacancies on the EDC

Vacancies:

- Two vacancies Economic Development Committee (Oct 2019)

Recommended Action:

Appointments to be filled by the Mayor with the consent of the assembly for the various seats.

Recommended Action if not approved with the consent of the Assembly:

Motion: Move to appoint _____ to fill the vacancy on the _____ for the term up until October _____.

Agenda Item 13a

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM February 15, 2017

INFORMATION:

Approval of the FY 2017/2018 Capital Improvements Projects List

Information:

1. Proposed Capital Improvements Projects (CIP) List for FY 2017-18

RECOMMENDED ACTION:

Move to approve the Capital Improvements Projects List for FY 2017/18, as presented.

Proposed Wrangell Capital Budget Requests for State and Federal FY 2017-18

	Town/Org	Project	State Request Amount	Total Project Amount	State or Federal	Status
1	Wrangell	Shoemaker Bay Float - Construction	5,000,000	10,000,000	State	Priority #1 in Governor's capital budget for State Harbor funding for FY 2018
2	Wrangell	Water Treatment Plant Improvements	13,000,000	13,000,000	State/Federal	
3	Wrangell	Water Main Distribution System Replacement, Phase 1 - updated costs based on ext'g funding in place vs. shortfall	500,000	1,000,000	State/Federal	DEC Loan papwork underway; DEC MMG received.
4	Wrangell	Fire Engine/Pumper	275,000	275,000		
5	Wrangell	Pool Facility Improvements (Pool Roof, Mechanical, Remodel) Phase I		2,000,000	State/Federal	Assessment completed
6	Wrangell	Wrangell Medical Center Design and Construction		35,000,000	State	
7	Wrangell	Wrangell Boat Yard Improvements - Final Improvements	4,200,000	4,200,000	State/Fed	
8	Wrangell	Public Safety Building Renovations	950,000	950,000	State/Federal	
9	Wrangell	Ozone Generator Replacement - DELETE Pursuing purchase now	300,000	300,000	Sate/Federal	DEC Loan papwork underway
10	Wrangell	Water Main Distribution System Replacement, Phase 2 (Zimovia Highway)	1,583,560	2,262,229	State	
11	Wrangell	Back-up Diesel Generation	2,700, 000	2,700, 000		
12	Wrangell	Ash Street/Lemlux Watermain Replacement	1,000,000	1,000,000		AK Rural Water Utilities completed assessment; DEC loan application 1/17
13	Wrangell	Community Center Life & Safety Improvements (phase II) Fire System upgrades	250,000	2,715,000	State/Federal	Phase I design is complete. Condition Assessment is complete.
14	Wrangell	SCBA's for personal Protective Equipment	60,000	83,700		
15	Wrangell	Industrial Park Expansion - Road and Utilities Expansion	400,000	2,500,000	Federal	
16	KSTK	KSTK Radio Group Inc. Flood Cessation	19,000	19,000		
17	Wrangell	Wrangell Road Resurfacing Phase I	2,250,000	2,500,000	State	
18	Wrangell	Storm Drain Plan	175,000	175,000		
19	Wrangell	Elementary School Parking Lots	500,000	500,000		WCA Tribal Roads Priority
20	Wrangell	Two Police Vehicles	70,000	70,000	State/Federal	Rural Development application to be resubmitted.
	Wrangell	Pneumatic Control Systems Phase I (Pool Facililty) - DELETE, will be completed in 2017 with FY17 budget for Pool.	55,000	55,000		
	Wrangell	School Fire Alarm System (rounded the number from \$490K to \$500K)	500,000	500,000		
	Wrangell	Library Recarpeting	55,000	55,000		
	Wrangell	Shoemaker Bay Breakwater Feasibility Study		4,000,000	Federal	DEC Clean Water Fund; Received 750k FY2015
	Wrangell	Power Plant Roof Replacement	200,000			
	WRG/PRG	South Mitkof Island Improvements - Banana Point Improvements	1,250,000	1,250,000	State	
	Wrangell	Dam Replacement		50,000,000	Federal	
	Wrangell	Pool Facility Improvements (Pool Roof, Mechanical, Remodel) Phase II				
	Wrangell	Mt. Dewey Trail Extension (to Petroglyph Beach State Park)	200,000	200,000		
	Wrangell	Reliance Harbor - Design and Construction	2,500,000	2,500,000	State/Federal	
	Wrangell	Inner Harbor - Design and Construction	2,500,000	2,500,000	State/Federal	

	Town/Org	Project	State Request Amount	Total Project Amount	State or Federal	Status
	Wrangell	Standard Oil Float - Design and Construction	2,000,000	2,000,000	State	
	WCA	Wrangell Totem Pole Carving		1,000,000		
	Wrangell	Volunteer Park Trail Extension to Etolin Ave.	100,000	100,000		
	Wrangell	Pool Locker Replacements	55,000	55,000	State	
	Wrangell	Power Infrastructure Improvements - Mission and First Avenue	150,000			
	Wrangell	Volunteer Park Ball Fields' Improvements	250,000	250,000		
	Wrangell	Meridian Street Extension (North End of Cassiar)				
	Wrangell	Shoemaker Bay Park and Rainbow Falls Trailhead Improvements - requesting 10% of cost for possible federal grant match	1,250,000	1,250,000	State	
	Wrangell	First and Second Avenue Improvements (Elementary School)	2,000,000			
	Wrangell	Public Works Storage Building, Phase II - DELETE (no plan to pursue at this time)	50,000			Phase I pad to be completed 2016 by City
	Wrangell	Airplane Float Redecking				
	Wrangell	Fire Hose Replacement	25,000	25,000		
	Wrangell	Volunteer Park Plan	25,000	25,000		
	Wrangell	Multipurpose Field Improvements	100,000	100,000		
	Wrangell	Mariners Memorial				
	Wrangell	Biomass Heating District			State/Federal	
	Wrangell	Stikine Avenue Safety Issues				
	Wrangell	Mitigation/Restoration Plan for Public/Private Development	75,000	150,000		
	Wrangell	Sewer Pumping Truck - DELETE (there is one in town now)	100,000	100,000		
	Wrangell	Capacitor Bank for Water Treatment Plant	60,000	60,000		
	Wrangell	Sunrise Lake - Alternative Water Source (Monitoring, Design, NEPA, etc.)	3,000,000	BG	State/Federal	

Listed as priority on main list	Town or Org	Prioritized Projects Under \$100,000	Request Amount	Total Project Amount	State or Federal	Status
14	Wrangell	SCBA's for personal Protective Equipment	60,000	83,700		
16	Wrangell	KSTK Radio Group Inc. Flood Cessation	19,000	19,000		
20	Wrangell	Two Police Vehicles	70,000	70,000	State/Federal	Rural Development application to be resubmitted.
	Wrangell	Pneumatic Control Systems Phase I (Pool Facililty) - Modify Cost, Ph 1 to be completed in 2017	35,000	35,000		
	Wrangell	Library Recarpeting	55,000	55,000		
	Wrangell	Pool Locker Replacements	55,000	55,000	State	
	Wrangell	Public Works Storage Building, Phase II - DELETE (no plan to pursue at this time)	50,000	50,000		Phase I pad to be completed 2016 by City
	Wrangell	Fire Hose Replacement	25,000	25,000		

Town/Org	Project	State Request Amount	Total Project Amount	State or Federal	Status
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Agenda Item *13b

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM February 15, 2017

INFORMATION:

Approval of the Final Plat of the Stikine Inn Tidelands Reconfiguration, a subdivision of unsubdivided ATS #83 and Lots 3A-1 and 6A-1 within Block 2A, ATS #83, creating Lot A and Lot B, Block 2A, ATS #83, Zoned Waterfront Development, owned by the City and Borough of Wrangell and by Southeast Properties, LLC, requested by Southeast Properties, LLC.

Information:

1. Memo from Carol Rushmore
2. Proposed plat of property

RECOMMENDED ACTION:

Approved under the Consent Agenda.

City and Borough of Wrangell, Alaska

Agenda G2

Date: December 6, 2016

To: Planning and Zoning Commission

From: Carol Rushmore, Economic Development Director

Re: Final Plat of the Stikine Inn Tidelands Reconfiguration, a subdivision of unsubdivided ATS #83 and Lots 3A-1 and 6A-1 within Block 2A, ATS #83, creating Lot A and Lot B, Block 2A, ATS #83, Zoned Waterfront Development, owned by the City and Borough of Wrangell and by Southeast Properties LLC, requested by Southeast Properties LLC.

The Commission approved the preliminary plat and a conditional use permit for hotel expansion in June of 2015. Southeast Properties is ready to move forward again with the project. No changes have been made since the preliminary plat.

Staff recommends approval of the Final plat.

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CERTIFICATE OF OWNERSHIP AND DEDICATION

WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT WE HEREBY ADOPT THIS PLAN OF SUBDIVISION WITH OUR FREE CONSENT AND DEDICATE ALL STREETS, ALLEYS, WALKS, PARKS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE _____ MAYOR, CITY AND BOROUGH OF WRANGELL
LOT A

NOTARY'S ACKNOWLEDGMENT

U.S. OF AMERICA
STATE OF ALASKA
CITY AND BOROUGH OF WRANGELL

THIS IS TO CERTIFY THAT ON THIS _____ DAY OF _____, 20____, BEFORE ME, THE UNDERSIGNED A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED _____ TO ME KNOWN TO BE THE IDENTICAL INDIVIDUAL(S) MENTIONED AND WHO EXECUTED THE WITHIN PLAT AND _____ ACKNOWLEDGED TO ME THAT _____ SIGNED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES THEREIN SPECIFIED.

WITNESS MY HAND AND NOTARY SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST HEREIN WRITTEN.

NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA

MY COMMISSION EXPIRES _____

**CERTIFICATE STATE OF ALASKA
(FIRST JUDICIAL DISTRICT)**

I, THE UNDERSIGNED, BEING DULY APPOINTED AND QUALIFIED, AND AN ACTING ASSESSOR FOR THE CITY AND BOROUGH OF WRANGELL, HEREBY CERTIFY THAT ACCORDING TO THE RECORDS IN MY POSSESSION, THE FOLLOWING DESCRIBED PROPERTY IS CARRIED ON THE TAX RECORDS OF THE CITY AND BOROUGH OF WRANGELL, IN THE NAME OF _____

AND THAT ACCORDING TO THE RECORDS IN MY POSSESSION, ALL TAXES ASSESSED AGAINST SAID LANDS ARE PAID IN FULL; THAT CURRENT TAXES FOR THE YEAR 20____ WILL BE DUE ON OR BEFORE OCTOBER 15, 20____ DATED THIS _____ DAY OF _____

ASSESSOR CITY AND BOROUGH OF WRANGELL

CERTIFICATE OF APPROVAL BY THE PLANNING COMMISSION

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY AND BOROUGH OF WRANGELL PLANNING COMMISSION, AND THAT SAID PLAT HAS BEEN APPROVED BY THE COMMISSION BY PLAT RESOLUTION NO. _____ DATED _____, 20____ AND THAT THE PLAT SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT MAGISTRATE, EX-OFFICIO RECORDER, WRANGELL, ALASKA.

DATE _____ CHAIRMAN, PLANNING COMMISSION, CITY AND BOROUGH OF WRANGELL

SECRETARY

CERTIFICATE OF APPROVAL BY THE ASSEMBLY

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY AND BOROUGH OF WRANGELL ASSEMBLY AS RECORDED IN MINUTE BOOK _____ PAGE _____ DATED _____, 20____ AND THAT THE PLAT SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT COURT, EX-OFFICIO RECORDER, WRANGELL, ALASKA.

DATE _____ MAYOR, CITY AND BOROUGH OF WRANGELL

CITY CLERK

CERTIFICATE OF OWNERSHIP AND DEDICATION

WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT WE HEREBY ADOPT THIS PLAN OF SUBDIVISION WITH OUR FREE CONSENT AND DEDICATE ALL STREETS, ALLEYS, WALKS, PARKS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE _____ SOUTHEAST PROPERTIES, LLC. LOT B

PRINTED NAME AND TITLE, AUTHORIZED OFFICER

NOTARY'S ACKNOWLEDGMENT

U.S. OF AMERICA
STATE OF ALASKA
CITY AND BOROUGH OF WRANGELL

THIS IS TO CERTIFY THAT ON THIS _____ DAY OF _____, 20____, BEFORE ME, THE UNDERSIGNED A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED _____ TO ME KNOWN TO BE THE IDENTICAL INDIVIDUAL(S) MENTIONED AND WHO EXECUTED THE WITHIN PLAT AND _____ ACKNOWLEDGED TO ME THAT _____ SIGNED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES THEREIN SPECIFIED.

WITNESS MY HAND AND NOTARY SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST HEREIN WRITTEN.

NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA

MY COMMISSION EXPIRES _____

CLIENT: SOUTHEAST PROPERTIES, LLC.
BOX 5503
KETCHIKAN, ALASKA 99901

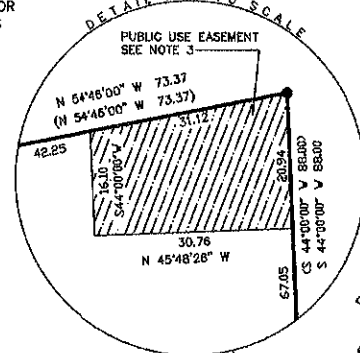
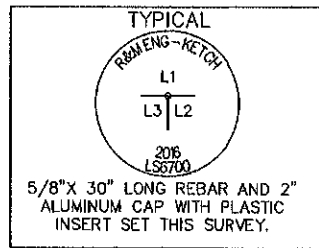
DRAWN BY: JLS / MGH
CHECKED BY: CGP
DATE PLATTED: 09/22/2015
DATE SURVEYED: 05/28/2015
SCALE: 1"=40'
SURVEYOR: CGP
PROJ NO.: 152706

SURVEYOR'S CERTIFICATE

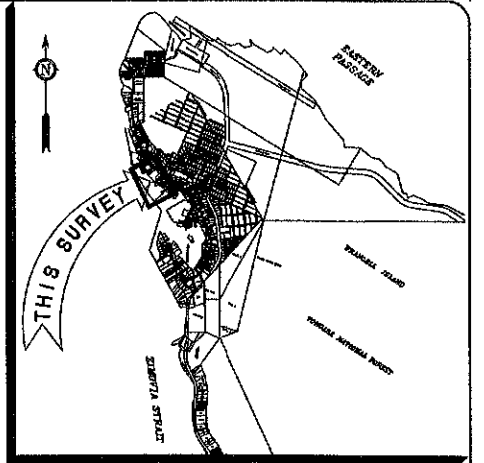
I HEREBY CERTIFY THAT I AM A REGISTERED SURVEYOR, LICENSED IN THE STATE OF ALASKA, AND THAT IN _____, 20____, A SURVEY OF THE HEREIN DESCRIBED LANDS WAS CONDUCTED UNDER MY DIRECT SUPERVISION AND THAT THIS PLAT IS A TRUE AND ACCURATE REPRESENTATION OF THE FIELD NOTES OF SAID SURVEY, AND THAT ALL DIMENSIONS AND OTHER DETAILS ARE CORRECT ACCORDING TO SAID FIELD NOTES.

DATE _____ CHRISTOPHER G. PIBURN LS 107552

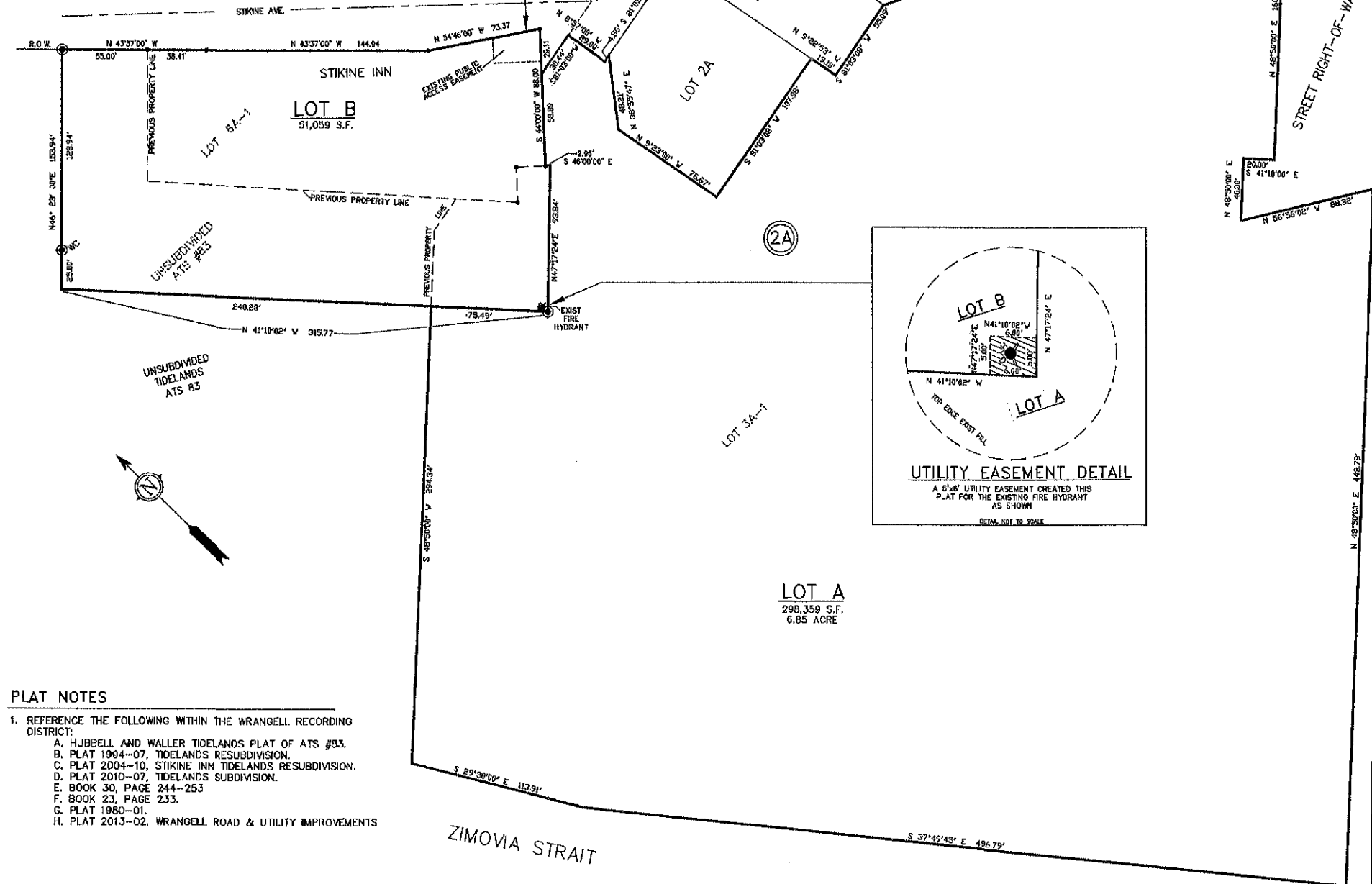
MR. GREG SCHEFF (LS 6700) WAS THE CORPORATE SURVEYOR FOR R&M DURING THIS SURVEY AND NOW MR. PIBURN (LS 107552) IS THE CORPORATE SURVEYOR FOR R&M, AS SUCH, I AM ACCEPTING THE MONUMENTS AS SHOWN AND PLACED THIS SURVEY.

**LEGEND**

- 2" PRIMARY BRASS CAP RECOVERED
- SECONDARY MONUMENT RECOVERED
- 5/8" REBAR AND 2" ALUM CAP SET THIS SURVEY
- (S 30°08'27" W 3553.92) DATA OF RECORD
- S 30°08'27" W 1373.51 DATA MEASURED OR CALCULATED



VICINITY MAP
NOT TO SCALE

**SQ. FOOTAGE CHANGE TABULATION**

LOT 6A-1 - EXISTING SQ. FT.	= 23,608
PROPOSED PORTION SQ. FT.	= 27,480
NEW STIKINE LOT A SQ. FT.	= 51,059
TOTAL FROM CITY PROPERTIES TO BE ADDED TO NEW STIKINE LOT A = 27,450	
TAKE FROM AT# 83	
TO NEW STIKINE LOT A =	21,000
TAKE FROM LOT 3A-1	
TO NEW STIKINE LOT A =	5,500

PLAT NOTES

1. REFERENCE THE FOLLOWING WITHIN THE WRANGELL RECORDING DISTRICT:
 - A. HUBBELL AND WALLER TIDELANDS PLAT OF AT# 83.
 - B. PLAT 1904-07, TIDELANDS RESUBDIVISION.
 - C. PLAT 2004-10, STIKINE INN TIDELANDS RESUBDIVISION.
 - D. PLAT 2010-07, TIDELANDS SUBDIVISION.
 - E. BOOK 30, PAGE 244-253
 - F. BOOK 23, PAGE 233.
 - G. PLAT 1980-01.
 - H. PLAT 2013-02, WRANGELL ROAD & UTILITY IMPROVEMENTS

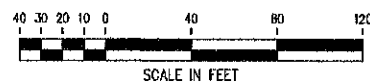
WRANGELL RECORDING DISTRICT**Revisions**

No.	Date	Description

R&M
R&M ENGINEERING-KETCHIKAN, INC. Phone: (907) 225-7917
365 Carlanna Lake Road Fax: (907) 225-3441
Ketchikan, AK 99901
CERTIFICATE OF AUTHORIZATION #: C576
WRANGELL OFFICE Phone: (907) 874-2177
P.O. BOX 701 Fax: (907) 874-2187
Wrangell, AK 99929

**PROJECT:
STIKINE INN TIDELANDS RECONFIGURATION**

THE SUBDIVISION OF UNSUBDIVIDED A.T.S. #83 AND LOTS 3A-1 AND 6A-1 WITHIN BLOCK 2A, AT# 83. THIS SUBDIVISION WILL CREATE LOT A AND LOT B, BLOCK 2A, AT# 83



Agenda Item 13c

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM February 15, 2017

INFORMATION:

PROPOSED RESOLUTION No. 02-17-1361: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING THE SALE OF CITY OWNED TIDELANDS, LOT B OF THE PROPOSED STIKINE INN TIDELANDS RECONFIGURATION FOR LESS THAN THE APPRAISED VALUE FOR ECONOMIC DEVELOPMENT PURPOSES AS ALLOWED UNDER WRANGELL MUNICIPAL CODE 16.12.012

Attachments:

1. **Proposed Resolution No. 02-17-1361**
2. Offer letter from Bill Goodale, Southeast Properties, LLC.
3. Assessment of the proposed property (full assessment is available upon request, in the Borough Clerk's office)
4. Map of proposed area
5. Memos from Manager Jabusch, Planning & Zoning Commission, Port Commission, and Economic Development Committee (added 2-14), as required ** Staff Report from Carol Rushmore also added.

RECOMMENDED ACTION:

Move to adopt Resolution No. 02-17-1361 that approves the sale of City owned Tidelands, Lot B of the Proposed Stikine Inn Tidelands Reconfiguration for the purchase price of \$64,507.50 which is lower than the appraised value from July 2015 of \$101,200 for economic development purposes, as allowed in WMC 16.12.012, to Bill and Cheryl Goodale.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION No. 02-17-1361

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING THE SALE OF CITY OWNED TIDELANDS, LOT B OF THE PROPOSED STIKINE INN TIDELANDS RECONFIGURATION FOR LESS THAN THE APPRAISED VALUE FOR ECONOMIC DEVELOPMENT PURPOSES AS ALLOWED UNDER WRANGELL MUNICIPAL CODE 16.12.012

WHEREAS, On July 28, 2015, the Borough Assembly adopted Resolution No. 07-15-1323 that authorized the conveyance of City Tidelands to Bill and Cheryl Goodale; and

WHEREAS, the Borough Assembly received the appraisal amount from the borough's assessor for the estimated fair market value of \$101,200 on July 1, 2015 for the Tidelands; and

WHEREAS, Bill Goodale, Southeast Properties, LLC, has completed the process of the Stikine Inn Tidelands Reconfiguration, a subdivision of unsubdivided ATS #83 and Lots 3A-1 and 6A-1 within Block 2A, ATS #83, creating Lot A and Lot B, Block 2A, ATS #83, Zoned Waterfront Development; and

WHEREAS, Bill Goodale, Southeast Properties, LLC, submitted an offer letter for consideration of the City Tidelands to be sold under economic development purposes, as allowed in Wrangell Municipal Code 16.12.012 for the amount of \$64,507.50 which is under the fair market value based on the July 1, 2015 appraisal; and

WHEREAS, the borough can dispose of real property for economic development purposes where the price does not exceed \$1,000,000 under Wrangell Municipal Code 16.12.012; and

WHEREAS, the Planning and Zoning Commission, the Port Commission and the Economic Development Committee all considered the sale of the City Tidelands on their respective agendas as required by 16.12.012 and all concluded and endorsed the sale to Bill and Cheryl Goodale, Southeast Properties, LLC.; and

WHEREAS, the Wrangell Borough Assembly held a public hearing on February 15, 2017 to review the recommendations of the three city boards and any other testimony from the public and did not receive any testimony against the sale; and

WHEREAS, The Wrangell Borough Assembly at their regular meeting on February 15, 2017 considered the sale of the City Tidelands to Bill and Cheryl Goodale,

Southeast Properties, LLC., and determined it was in the best interest of the borough after discussing the various relevant factors listed in 16.12.012 (B) to approve the sale;

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

Section 1. The Borough Assembly approves the sale of the Borough's City Tidelands to Bill and Cheryl Goodale, Southeast Properties, LLC, for the amount of \$64,507.50, more specifically described as Lot B of the proposed Stikine Inn Tidelands Reconfiguration, Wrangell Recording District, First Judicial District, State of Alaska.

ADOPTED: _____, 2017

David L. Jack, Mayor

ATTEST: _____
Kim Lane, Borough Clerk

January 23, 2017

CITY CLERK
JAN 24 2017
RECEIVED

City & Borough of Wrangell Assembly
205 Brueger Street (P.O. Box 531)
Wrangell, AK 99929

Attn: Kim Lane, Wrangell Borough Clerk
Jeff Jabusch, Wrangell Borough Manager
David Jack, Wrangell Borough Mayor
Assembly Members

Re: Lot B - Stikine Inn Tidelands Reconfiguration
Wrangell Recording District Purchase Proposal
Total Land Acquisition 27,450 square feet

Ladies & Gentlemen,

Southeast Properties, LLC (dba Stikine Inn & Restaurant) offers the following narrative and purchase proposal for the above mentioned tidelands reconfiguration.

First let me give you our economic view for Wrangell for the next 5 to 7 years:

- 1) We anticipate fewer state and federal funds coming into Wrangell. This will mean fewer capital projects, road maintenance, harbor improvements, fewer government officials coming through, ferry system cutbacks and possible employment losses.
- 2) Changes to revenue streams are going to need to be made within the community. This will be the toughest issue, you the administration and ruling body, will have to make. This will probably be where most of your controversy will stem from.
- 3) We, as a community, will have to look at new revenue streams (i.e. bolstering the fishing industry, boat yards & tourism). To a lesser degree, but equally as important, is the timber industry. Timber will be a much tougher sell than the other opportunities.
- 4) As a separate economic engine we must consider and work to bolster our medical community. This is a very important issue. This will probably require partnering with other medical corporations or facilities from outside the community.
- 5) We need to temper all the studies with grandiose plans, which some are the proverbial pipe dreams, and get down to common sense basic development of our resources and properties (for example, the institute property and others).

- 6) With all this being said, I don't want anyone to think we feel that the current economy is gloom and doom, but just an opportunity to make some adjustments and maybe changing direction in the way we do business in the future.

Wrangell is extremely lacking in the area of accommodations for the visitor industry. With the loss of rooms (beds) in the closing of the Thunderbird and the possible loss of rooms (beds) with the transition of the Sourdough Lodge from a lodge to an assisted living facility this issue will be exasperated. Even with the rumored rise in bed & breakfasts, we will all face revenue losses during the peak season from the third week of June through the first week of September.

What this does limits the following:

- 1) Ability to attract conventions (even during off season times)
- 2) Outside visitors, 4th of July, Bearfest, Birdfest, Salmon Derby
- 3) Handcuffs the work the Chamber of Commerce is doing or striving to do
- 4) Limits the funds available to the CVB and Chamber of Commerce to help promote Wrangell
- 5) State & Federal employee travel
- 6) Independent travelers
- 7) Boatyard use by owners from other communities
- 8) School travel & activities

This in turn affects the following:

- 1) Grocery stores
- 2) Restaurants and drinking establishments
- 3) Charter businesses (jet boats, tours, fishing)
- 4) Retailers
- 5) Tax revenue for the city
- 6) Ability to attract people to move here
- 7) Ability to attract economic development money
- 8) Ability to maintain public properties
- 9) Alaska Airlines (subsidized flights)

In further addressing the bed & breakfast increase. They are needed and we welcome them and applaud the owners, but many people want to stay downtown where they have easier access to stores, restaurants, harbors, etc.

The following is our anticipated schedule and revenue stream:

- 1) Present - 2 years - Little change to the area
 - a. Fix up visitor shed - Allow it to be used by locals with some restrictions
 - b. Pay property tax on the acquired property
 - c. Apply for fill permitting
 - d. Preliminary design & artists rendition
- 2) 2-3 years - Final design & possible start of the fill process. (Increase in property tax)

Preliminary cost estimate - design	\$ 72,000.00
Preliminary cost estimate - wall & fill	\$280,000.00 to \$320,000.00
- 3) 3-5 years - Building & landscaping, depending on economy and direction the City & Borough are heading (i.e. waterfront development, mill property possibilities, Institute property)

Preliminary cost estimate (building)	\$2,227,500.00
Plus a 10% contingency	\$225,000.00
Landscaping	\$50,000.00

 - a. City collects property tax revenue and additional sales & bed taxes

Initial jobs:

Construction -

a. Civil work - 3-4 jobs	3	4
a. General Carpentry - 6-10 jobs	6	10
b. Electrical - 2-3 jobs	2	3
a. Plumbing/Mechanical - 2-3 jobs	<u>2</u>	<u>3</u>
	13	20

As many local workers & companies as possible

*Plumbers & mechanical people will come out of Ketchikan

Existing full & part time jobs:

a. Existing year round jobs now	13
b. Existing peak season jobs	41

Projected full & part time jobs:

a. Year round jobs	19
b. Peak season jobs w/ longer hours	48

Projected increase in business anticipated

1-3 years - increased tax revenues

Sales & bed taxes only 3%-4%

4-5 years - increased tax revenue over the next 3 years above - 1.5%-2%

After building is occupied

Year 1 - 35% increase over 2016

Year 2 - 48% increase over 2016

Year 3 & beyond - 57% increase over 2016

Please realize that these estimates are based on 2015-2016 business -

We are anticipating -

- 1) The state economic woes will improve
- 2) The ferry system will finally resolve all the issues it has
- 3) The City & Borough will be proactive and progressive even during these tough economic times.
- 4) The Chamber & CVB will market Wrangell as a team with local businesses
- 5) The US Forest Service becomes more of an economic partner with the state and local governments along with the local businesses.

Southeast Properties has paid the City & Borough of Wrangell the following over the past five years:

Sales tax	\$487,484.27
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Bed tax	\$138,407.72
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This past year we paid \$15,577.95 in property tax on the Stikine Inn. Once the entire project is built out, the additional property tax revenue collected by the Borough will be between \$20,000.00-\$25,000.00 per year, depending on the final cost and assessed value of the improvements.

So far on the possible purchase of these tidelands we have spent \$6,150.00 in engineering and appraisal costs, \$5,671.00 in material costs to renovate the visitors cover, and approximately \$5,000.00 in preliminary design discussions for the new building.

We have received a copy of the restricted appraisal on the property and after reviewing it, we respectfully feel the appraised price is extremely high.

Our main argument being the following:

- 1) It will cost nearly as much as the appraised value of the land to renovate the shed for viable use over the next four to five years. If the City decides to keep it, that expense will be borne by the tax payers.
- 2) The undeveloped tidelands has no real value as it sits.
- 3) The cost of development is extremely expensive as detailed earlier in this letter.

- 4) The land is creating no revenue as it is and would better serve the community on the tax rolls.

I will close this narrative, but will be at the next assembly meeting to answer any questions or concerns you may have.

The following is our cash offer to purchase the property -

\$64,507.50 _____ dollars.

We thank you for your time and consideration. As always we look forward to working with the community to help advance our economy.

A handwritten signature in cursive script that reads "William C Goodale".

William C Goodale

Managing Partner

Southeast Properties, LLC

July 1, 2015

City and Borough of Wrangell
P.O. Box 531
Wrangell, Alaska 99929

Attention: Kim Lane, Borough Clerk

Re: Lot B Stikine Inn Tidelands
Reconfiguration
City and Borough of Wrangell
Wrangell, Alaska

Dear Ms. Lane:

Pursuant to your request, I have prepared a restricted appraisal report on the fair market value of the above parcel as if vacant. The appraisal date is July 1, 2015. The purpose of the report is to determine the fair market value for sale purposes. A description site proceeds valuation section.

The reader is referred to the City and Borough of Wrangell comparable lease and sales book for a complete description of the comparable leases and sales utilized in this report.

This is a restricted appraisal report intended to meet the requirements of the client, the City and Borough of Wrangell. The estimated fair market value as of July 1, 2015 is :

One Hundred and One Thousand Two Hundred Dollars

\$101,200

A description of the site and the analyses which lead to the fair market value conclusion follows in this report. The comparable data is included in a separate report which is retained in the appraiser's work file.

If you have any questions regarding this restricted appraisal report please do not hesitate to call me.

APPRAISAL COMPANY OF ALASKA



Michael C. Renfro
Partner

CERTIFICATE OF OWNERSHIP AND DEDICATION

WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT WE HEREBY ADOPT THIS PLAN OF SUBDIVISION WITH OUR FREE CONSENT AND DEDICATE ALL STREETS, ALLEYS, WALKS, PARKS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE _____ MAYOR, CITY AND BOROUGH OF WRANGELL
LOT A

NOTARY'S ACKNOWLEDGMENT

U.S. OF AMERICA
STATE OF ALASKA
CITY AND BOROUGH OF WRANGELL

THIS IS TO CERTIFY THAT ON THIS _____ DAY OF _____, 20____, BEFORE ME, THE UNDERSIGNED A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED _____ TO ME KNOWN TO BE THE IDENTICAL INDIVIDUAL(S) MENTIONED AND WHO EXECUTED THE WITHIN PLAT AND _____ ACKNOWLEDGED TO ME THAT _____ SIGNED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES THEREIN SPECIFIED.

WITNESS MY HAND AND NOTARY SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST HEREIN WRITTEN.

NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA
MY COMMISSION EXPIRES _____

CERTIFICATE STATE OF ALASKA
(FIRST JUDICIAL DISTRICT)

I, THE UNDERSIGNED, BEING DULY APPOINTED AND QUALIFIED, AND AN ACTING ASSESSOR FOR THE CITY AND BOROUGH OF WRANGELL, HEREBY CERTIFY, THAT ACCORDING TO THE RECORDS IN MY POSSESSION, THE FOLLOWING DESCRIBED PROPERTY IS CARRIED ON THE TAX RECORDS OF THE CITY AND BOROUGH OF WRANGELL, IN THE NAME OF _____

AND THAT ACCORDING TO THE RECORDS IN MY POSSESSION, ALL TAXES ASSESSED AGAINST SAID LANDS ARE PAID IN FULL; THAT CURRENT TAXES FOR THE YEAR 20____ WILL BE DUE ON OR BEFORE OCTOBER 15, 20____ DATED THIS _____ DAY OF _____

ASSESSOR CITY AND BOROUGH OF WRANGELL _____

CERTIFICATE OF APPROVAL BY THE PLANNING COMMISSION

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY AND BOROUGH OF WRANGELL PLANNING COMMISSION, AND THAT SAID PLAT HAS BEEN APPROVED BY THE COMMISSION BY PLAT RESOLUTION NO. _____ DATED _____, 20____ AND THAT THE PLAT SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT MAGISTRATE, EX-OFFICIO RECORDER, WRANGELL, ALASKA.

DATE _____ CHAIRMAN, PLANNING COMMISSION, CITY AND BOROUGH OF WRANGELL
SECRETARY _____

CERTIFICATE OF APPROVAL BY THE ASSEMBLY

I HEREBY CERTIFY THAT THE SUBDIVISION PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE SUBDIVISION REGULATIONS OF THE CITY AND BOROUGH OF WRANGELL ASSEMBLY AS RECORDED IN MINUTE BOOK _____ PAGE _____ DATED _____, 20____ AND THAT THE PLAT SHOWN HEREON HAS BEEN APPROVED FOR RECORDING IN THE OFFICE OF THE DISTRICT COURT, EX-OFFICIO RECORDER, WRANGELL, ALASKA.

DATE _____ MAYOR, CITY AND BOROUGH OF WRANGELL
ATTEST: _____
CITY CLERK _____

CERTIFICATE OF OWNERSHIP AND DEDICATION

WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE PROPERTY SHOWN AND DESCRIBED HEREON AND THAT WE HEREBY ADOPT THIS PLAN OF SUBDIVISION WITH OUR FREE CONSENT AND DEDICATE ALL STREETS, ALLEYS, WALKS, PARKS AND OTHER OPEN SPACES TO PUBLIC OR PRIVATE USE AS NOTED.

DATE _____ SOUTHEAST PROPERTIES, LLC. LOT B
PRINTED NAME AND TITLE, AUTHORIZED OFFICER _____

NOTARY'S ACKNOWLEDGMENT

U.S. OF AMERICA
STATE OF ALASKA
CITY AND BOROUGH OF WRANGELL

THIS IS TO CERTIFY THAT ON THIS _____ DAY OF _____, 20____, BEFORE ME, THE UNDERSIGNED A NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA, DULY COMMISSIONED AND SWORN, PERSONALLY APPEARED _____ TO ME KNOWN TO BE THE IDENTICAL INDIVIDUAL(S) MENTIONED AND WHO EXECUTED THE WITHIN PLAT AND _____ ACKNOWLEDGED TO ME THAT _____ SIGNED THE SAME FREELY AND VOLUNTARILY FOR THE USES AND PURPOSES THEREIN SPECIFIED.

WITNESS MY HAND AND NOTARY SEAL THE DAY AND YEAR IN THIS CERTIFICATE FIRST HEREIN WRITTEN.

NOTARY PUBLIC IN AND FOR THE STATE OF ALASKA
MY COMMISSION EXPIRES _____

CLIENT: SOUTHEAST PROPERTIES, LLC.
BOX 5503
KETCHIKAN, ALASKA 99901

DRAWN BY: JLS / MGH
CHECKED BY: CGP
DATE PLATTED: 09/22/2015
DATE SURVEYED: 05/28/2015
SCALE: 1"=40'
SURVEYOR: CGP
PROJ NO.: 152706

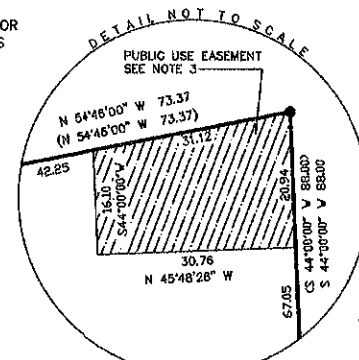
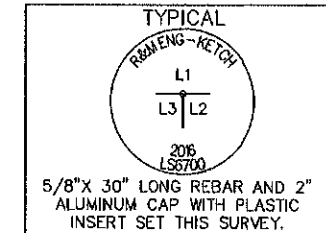
SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT I AM A REGISTERED SURVEYOR, LICENSED IN THE STATE OF ALASKA, AND THAT IN 2016 _____ A SURVEY OF THE HEREIN DESCRIBED LANDS WAS CONDUCTED UNDER MY DIRECT SUPERVISION AND THAT THIS PLAT IS A TRUE AND ACCURATE REPRESENTATION OF THE FIELD NOTES OF SAID SURVEY, AND THAT ALL DIMENSIONS AND OTHER DETAILS ARE CORRECT ACCORDING TO SAID FIELD NOTES.

DATE _____ CHRISTOPHER G. PIBURN LS 107552

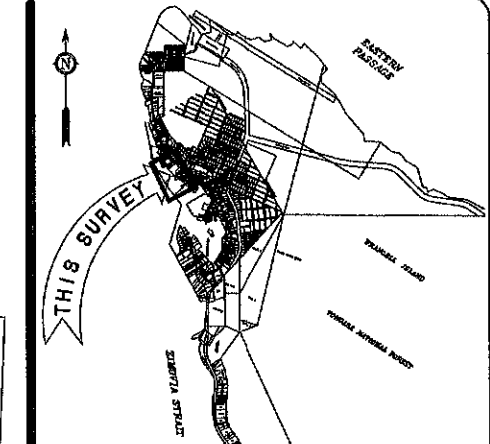
PLAT NOTES

1. REFERENCE THE FOLLOWING WITHIN THE WRANGELL RECORDING DISTRICT:
 - A. HUBBELL AND WALLER TIDELANDS PLAT OF ATS #83.
 - B. PLAT 1904-07, TIDELANDS RESUBDIVISION.
 - C. PLAT 2004-10, STIKINE INN TIDELANDS RESUBDIVISION.
 - D. PLAT 2010-07, TIDELANDS SUBDIVISION.
 - E. BOOK 30, PAGE 244-253
 - F. BOOK 23, PAGE 233.
 - G. PLAT 1980-01.
 - H. PLAT 2013-02, WRANGELL ROAD & UTILITY IMPROVEMENTS



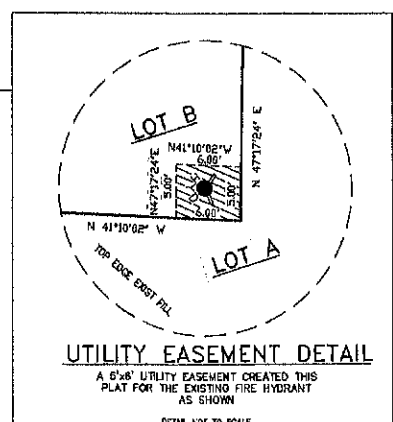
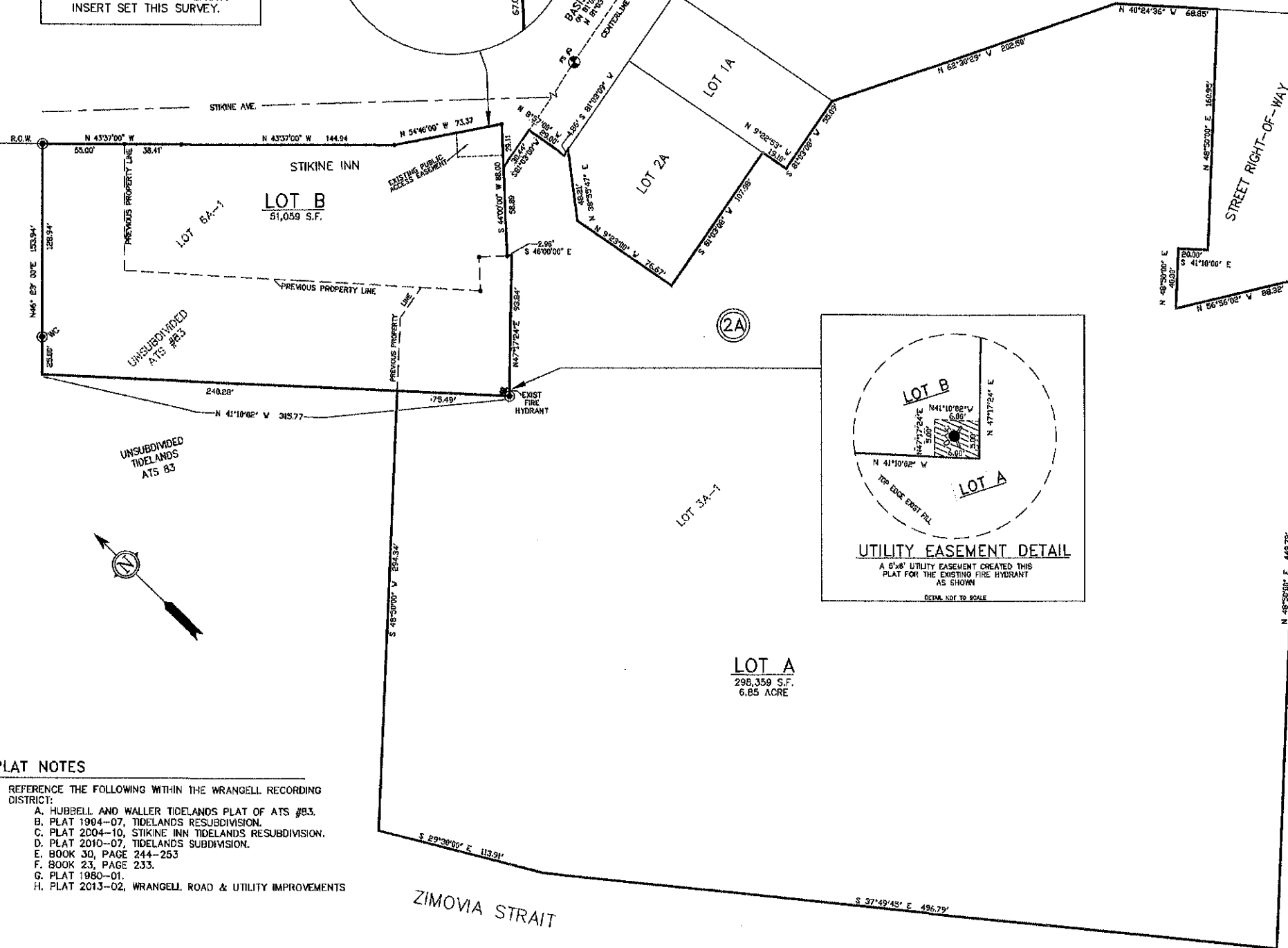
LEGEND

- 2" PRIMARY BRASS CAP RECOVERED
- SECONDARY MONUMENT RECOVERED
- 5/8" REBAR AND 2" ALUM CAP SET THIS SURVEY
- (S 30°08'27" W 3553.92) DATA OF RECORD
- S 30°08'27" W 1373.51 DATA MEASURED OR CALCULATED



VICINITY MAP

NOT TO SCALE



SQ. FOOTAGE CHANGE TABULATION

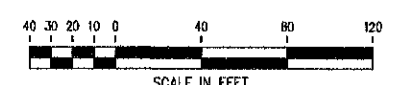
LOT 6A-1 - EXISTING SQ. FT.	= 23,608
PROPOSED PORTION SQ. FT.	= 27,480
NEW STIKINE LOT A SQ. FT.	= 51,059
TOTAL FROM CITY PROPERTIES TO BE ADDED TO NEW STIKINE LOT A = 27,450	
TAKE FROM ATS #83	
TO NEW STIKINE LOT A =	21,000
TAKE FROM LOT 3A-1	
TO NEW STIKINE LOT A =	5,500

WRANGELL RECORDING DISTRICT

Revisions		
No.	Date	Description
R&M ENGINEERING-KETCHIKAN, INC. Phone: (907) 225-7917 365 Carlanna Lake Road Fax: (907) 225-3441 Ketchikan, AK 99901 CERTIFICATE OF AUTHORIZATION #: C576 WRANGELL OFFICE Phone: (907) 874-2177 P.O. BOX 701 Fax: (907) 874-2187 Wrangell, AK 99929		

PROJECT:
STIKINE INN TIDELANDS RECONFIGURATION

THE SUBDIVISION OF UNSUBDIVIDED A.T.S. #83 AND LOTS 3A-1 AND 6A-1 WITHIN BLOCK 2A, ATS # 83. THIS SUBDIVISION WILL CREATE LOT A AND LOT B, BLOCK 2A, ATS #83



MEMORANDUM

DATE: January 25, 2017

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

FROM: JEFF JABUSCH, BOROUGH MANAGER

SUBJECT: SALE OF TIDELANDS TO THE STIKINE INN

History and Background:

I am providing the following information for each board to consider as they deliberate on the merits of granting the sale of the tidelands without public bid and at less than the fair market value.

Bill Goodale, the owner of the Stikine Inn, approached the Borough Assembly some time ago to update them with an expansion plan he would like to do with the Stikine Inn. This involves purchasing the tidelands from the Borough to accomplish this task. The Borough assembly endorsed the concept in principal and this gave Mr. Goodale the green light to continue the process.

Recently, Mr. Goodale brought in a letter outlining his plans on what he has planned to do concerning the expansion project. Mr. Goodale has asked that he be allowed to purchase the tidelands at a price of \$64,507.50 rather than the value our assessor put on the land which was \$101,200.

Under Wrangell Municipal Code (WMC) 16.12.012 (A), the borough may dispose of borough owned land, including tidelands if the value is under \$1,000,000 without requests or sealed bid and for less than the fair market value if the borough feels it is in the best interest of the borough when considering the relevant factors described in WMC 16.12.012 (B).

The borough is required to present the plan to the Planning and Zoning Commission, the Port Commission and the Economic Development Committee for comments. After that the assembly must have a public hearing and then can act on the proposal after considering testimony from the boards and the public hearing in determining if the economic benefits from the sale meet the criteria in the code which is shown below.

Granting Mr. Goodale's request for this land meets most of the criteria described in WMC 16.12.012 (B). In addition, the land likely does not have another use other than to the Stikine Inn. Once the plan is completed, Mr. Goodale's expansion project would provide an additional \$20,000 plus to property taxes annually. During construction it would create jobs and economics to the community. After construction it would provide additional rooms which would create

more bed and sales taxes. It would also provide more rooms in town to accommodate larger conventions. In the past we have lost opportunities for conventions because of the rooms available in town. Now that the Sourdough Lodge is moving in a direction to convert the lodge to another use, it becomes even more needed to expand the rooms in town. Wrangell has struggled in building its tax base by new construction in town and this would give our tax base a substantial boost. The difference in the price that Mr. Goodale is proposing and the amount the assessor has established as the value would likely be made up in the first year after opening between the employment factor and the sales, property and bed taxes paid by Mr. Goodale. Since Mr. Goodale has taken over the Stikine he has already put in a huge investment in renovating all portions of the hotel and restaurant. This has shown his commitment to Wrangell and I believe his proposed project will also be first class and an asset to the community.

The borough has made other economic deals to promote expansion and economic development. One of the largest was the incentives to bring Silver Bay Logging in to town to purchase and run the saw mill after it had been closed down. That provided jobs in town for a long period of time which provided a lift when the community needed it. With the state's economic crisis, it is important for Wrangell to seize every opportunity it can to continue to grow in a way that provides more taxes to offset some of the cut backs we are seeing from the state.

Mr. Goodale also has promised to the assembly that he is going to renovate the existing shelter currently owned by the borough. He is doing this with his own money. It is estimated the designing and permitting will take several years and during that time he wanted to upgrade the shelter until which time his construction would begin and then it would be removed.

The following is the actual Wrangell Municipal Code pertaining to his proposal.

16.12.012 Disposition of real property for economic development purposes.

A. In the exercise of the borough's economic development powers, the assembly may determine, in its sole discretion, that it is in the best interest of the borough to dispose of borough-owned real property, including tidelands, or any interest therein, which interest has a value of \$1,000,000 or less (as determined by the borough assessor or a qualified appraiser), without requests for proposals or sealed bid procedures and at less than fair market value.

B. In determining the best interests of the borough under this section, the assembly may consider any relevant factors, which may include:

1. The desirability of the economic development project;
2. The actual or potential economic benefits to the borough, its economy and other businesses within the borough;

3. The contribution of the proponent to the economic development project in terms of money, labor, innovation, expertise, experience and otherwise;
4. The business needs of the proponent of the project in terms of integration into existing facilities and operations, stability in business planning, business commitments, and marketing;
5. Actual or potential local employment due to the economic development project;
6. Actual and potential enhancement of tax and other revenues to the borough related to the project; and
7. Existing and reasonably foreseeable land use patterns and ownership.

C. Prior to disposal under subsection (A) of this section, the assembly shall hold a public hearing. The borough clerk shall publish notice of the public hearing in a newspaper of general circulation in the borough at least 14 days prior to the hearing. The notice shall include the date, time and place of the hearing, and general or legal description of the real property or interest, and the proposed disposition and its purpose.

D. Following the hearing, and with comments/recommendations from the port commission, the planning and zoning commission, and the economic development committee, the assembly may authorize disposition of the real property or interest therein by resolution.

E. Where the acquisition of the real property or any interest therein or the construction of a permanent improvement has been approved by the voters at an election, the disposition of such property, interest or improvement under this section by sale, trade or lease for a term exceeding five years shall be made only by authority of an ordinance ratified by a majority of the qualified voters of the borough who vote upon the question. For purposes of this subsection, the term of any such lease shall include the terms of all options to extend or renew the lease. The requirements of this subsection do not apply where the voter approval involved was in the form of authorizing the issuance of bonds to finance the acquisition of the real property or any interest therein or the construction of a permanent improvement. [Ord. 781 §§ 1, 2, 2006; Ord. 756 § 1, 2004.]

Memo

To: Kim Lane, City Clerk
From: Lavonne Klinke, Planning & Zoning Secretary
CC: Assembly Members
Date: 2/10/2017
RE: Request from Southeast Properties (dba Stikine Inn and Restaurant) to purchase tidelands below appraised value under the Economic Development code, WMC 16.12.012

The Planning and Zoning Commission at their regular meeting of February 9, 2017 unanimously recommend to the Assembly to approve the request from Southeast Properties (dba Stikine Inn and Restaurant) to purchase tidelands below appraised value under the Economic Development code, WMC 16.12.012

Wrangell Port Commission

MEMO

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

FROM: SHERRI COWAN, PORT RECORDING SECRETARY

SUBJECT: Request from Bill Goodale to purchase City owned Tidelands, Lot B of the
Proposed Stikine Inn Tidelands Reconfiguration

DATE: February 3, 2017

At their February 2, 2017 Regular Meeting, the Port Commission approved the request from Bill Goodale to Approve the sale of City owned Tidelands, Lot B of the Proposed Stikine Inn Tidelands Reconfiguration for the purchase price of \$64,507.50 which is lower than the appraised value from July 2015 of \$101,200.00 for economic development purposes, as allowed in WMC 16-12-012, Bill and Cheryl Goodale.

MEMORANDUM

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

**FROM: MS. CAROL RUSHMORE
ECONOMIC DEVELOPMENT DIRECTOR**

**SUBJECT: Request from Southeast Properties (dba Stikine Inn and Restaurant) to
purchase tidelands below appraised value under the Economic Development
code, WMC 16.12.012**

DATE: February 14, 2017

RECOMMENDATION:

The Economic Development Committee at their meeting on February 13, 2017 reviewed the above request and unanimously voted to recommend to the Assembly to approve the request from Southeast Properties to purchase tidelands below appraised value per the request.

They found that the request would facilitate tremendous economic and social benefits for the community and spur future development.

ATTACHMENTS:

1. Memo from Carol Rushmore to the Planning and Zoning Commission and Economic Development Committee

City and Borough of Wrangell, Alaska

Date: February 3, 2017

To: Planning and Zoning Commission and Economic Development Committee

From: Carol Rushmore, Economic Development Director

Re: Request from Southeast Properties (dba Stikine Inn and Restaurant) to purchase tidelands below appraised value under the Economic Development code, WMC 16.12.012

Background:

Southeast Properties approached the Borough Assembly last year requesting to purchase the tidelands adjacent to the Stikine Inn. The Assembly endorsed the concept of the Hotel expansion and gave Southeast Properties approval to move forward. This has included obtaining a conditional use permit from the Planning and Zoning Commission, a subdivision plat of the City owned tidelands and an appraisal. A final plat has been approved by the Planning and Zoning Commission in November 2017, but has not yet been before the Assembly due to a new proposal by Mr. Goodale regarding the purchase price. As part of the initial discussions, Mr. Goodale also committed to an improvement to the existing Vendor Shelter.

Attached is a letter from Mr. Goodale regarding the reasons for his modified request of the purchase price and a memo from Borough Manager Jeff Jabusch identifying additional information regarding an appraisal that was conducted and the Code requirement for the Borough to sell the property. The Commission needs to review certain factors when making their recommendation to the Assembly whether to sell the City tidelands at less than the appraised value.

The following page summarizes the points that the Planning and Zoning Commission, along with the Economic Development Committee and Port Commission should consider in their findings and recommendation to the Assembly.

WMC 16.12.012 B. In determining the best interests of the borough under this section, the assembly may consider any relevant factors, which may include:

1. The desirability of the economic development project: Southeast Properties has made huge investments within the City of Wrangell through the upgrades made to the Stikine Inn Hotel and restaurant. Their proposal to expand the hotel was met with community wide support and now with the loss the Diamond C hotel and Sourdough Lodge, the expansion need is not only more economical for the company, but much more of a critical service and need for the community in order to meet demand of room nights during high use time periods. The project will expand a successful use, and improve on the value of the adjacent tidelands increasing revenue stream to the City and Borough.
2. The actual or potential economic benefits to the borough, its economy and other businesses within the borough: While the purchase price may be less, it provides a development incentive for Southeast Properties to begin construction sooner than later. Approval of the reduced sale price makes the hotel expansion project financially feasible

and will benefit local businesses during a statewide reduced spending economy through local hire and purchases.

3. The contribution of the proponent to the economic development project in terms of money, labor, innovation, expertise, experience and otherwise: Mr. Goodale has outlined his proposed cost of construction, the estimated number of employees, estimated economic benefits to the community from added sales tax, transient tax and property taxes after completion of the project. The reduced sale cost will be recouped easily within 2 years of completion and annual revenues will continue beyond.
4. The business needs of the proponent of the project in terms of integration into existing facilities and operations, stability in business planning, business commitments, and marketing: The reduced sale price encourages immediate investment by Southeast Properties which will benefit local businesses and Borough revenue. The expanded hotel enables more investment and opportunity for conferences. Southeast Properties will be able to plan for their design, permitting and development knowing there is not only community support but financial commitment to their plans.
5. Actual or potential local employment due to the economic development project: Mr. Goodale outlined his expected employee hires and construction jobs. Exactly how many actually go to local persons is unknown, but it is expected there will be local hires for construction. Full time and part time employees will be from Wrangell or will result in residency in Wrangell. The investment will also support other local businesses due to product purchase or service hire.
6. Actual and potential enhancement of tax and other revenues to the borough related to the project: Based on their existing payments to the City and Borough of Wrangell, the payments to the Borough are a considerable contribution. Their annual transient tax payment (bed tax collected at 6% per room per night) is approximately \$27,000 annually which is more than half collected annually City-wide. While the appraisal of the tidelands was over \$100,000 with no fill, the property taxes should increase considerably once filled and developed. Mr. Goodale is not seeking a reduction in property tax, but of the initial sale price;
7. Existing and reasonably foreseeable land use patterns and ownership: The City owns the tidelands in front of the Stikine Inn. The GAO, (Post Office Property) owns a sliver of tide lands to the north of the Stikine Inn in front of the Post Office. Years ago we had investigated the potential of acquiring that land in order to allow former owners of the Stikine Inn to expand slightly to the north along Stikine Avenue. The process is very long very arduous and was met with considerable resistance. It could be a future option, but expanding in front of the existing hotel makes business and development sense and increases the value of the tidelands. Mr. Goodale has also indicated his interest in expanding the Waterfront Master Plan concepts in front of the hotel in the tidelands so public benefits to waterfront walks/views could be increased and will work with the City in the future to determine the best and safest way to make that happen.

Agenda Item 13d

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM February 15, 2017

INFORMATION:

PROPOSED RESOLUTION No. 02-17-1362: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, TO RESTRICT THE USE OF THE BOROUGH'S NATIONAL FOREST RECEIPTS FUND TO THE WRANGELL PUBLIC SCHOOLS

Attachments:

- 1. Proposed Resolution No. 02-17-1362**
2. Memo from Manager Jabusch

RECOMMENDED ACTION:

Move to adopt Resolution #02-17-1362, for the purpose of safeguarding the Secure Rural Schools (Timber Receipts) Fund for Wrangell Public Schools.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION NO. 02-17-1362

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, TO RESTRICT THE USE OF THE BOROUGH'S NATIONAL FOREST RECEIPTS FUND TO THE WRANGELL PUBLIC SCHOOLS

WHEREAS, the City and Borough of Wrangell has received federal payments for both streets and schools over multiple years through the National Forest Receipts Program or also called the Secure Rural Schools Program; and

WHEREAS, the portion of the money used for roads has been transferred into the General Fund each year and the portion that was received for schools was retained in the Borough's National Forest Receipts Fund; and

WHEREAS, in some years the amount received in National Forest Receipts funding was more than was needed for the annual transfer to Wrangell Public Schools and these funds remained in the National Forest Receipts Fund; and

WHEREAS, the purpose of these funds is to assist schools in areas affected by timber harvesting decline and are required to be spent to support schools and nothing else; and

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

The Assembly of the City and Borough of Wrangell hereby places a restriction on the use of the National Forest Receipts Fund or Sometime referred to as the Secure Rural Schools Fund for the sole purpose of funding and supporting Wrangell Public Schools.

ADOPTED: _____

David L. Jack, Mayor

ATTEST: _____
Kim Lane, Borough Clerk

MEMORANDUM

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

**FROM: JEFF JABUSCH
BOROUGH MANAGER**

SUBJECT: SECURE RURAL SCHOOLS RESOLUTION

DATE: FEBRUARY 6, 2017

Background:

For some time, the Borough has been receiving funds from the federal government through the Secure Rural Schools program. This federal program was originally to help offset the effects of reduced timber activity in the national forests. The money was to be used to assist schools primarily and also roads on a smaller scale. About six years ago the amount that was given to Wrangell was more than was actually needed and that excess was put into a reserve for the school. That amount today is a little over 4 million dollars.

The program to the best of my knowledge has not and is endager of no funding in the current year and maybe years into the future. If that happens the 4 million would begin to be used up until it is gone. I would hope if the SRS program goes away that the school and assembly could come up with a long term solution to the loss of this funding which makes up about 56% of the total funds that is given to the school each year. That would be next to impossible to replace with city funds without raising the mill rate about 7 mills. This is probably for a later discussion if and when the SRS program goes away for is greatly reduced.

The main reason for the resolution is to be sure everyone involved understands that the Secure Rural Schools Reserve Fund within the City and Borough of Wrangell's books is for the school and only the school. This money by law can't be used for other borough uses. Since I am retiring and the history of that program in some ways leaves also, I think it important to do the resolution. The other reason for the resolution is in the upcoming years, we all know the state and local economy will be challenged and this is a big pot of money that would be tempting to use for other needed purposes.

Recommended Action:

Move to approve Resolution #02-17-1362, for the purpose of safeguarding the Secure Rural Schools (Timber Receipts) Fund for Wrangell Public Schools.

Agenda Item 13e

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM February 15, 2017

INFORMATION:

Approval of a Sole-Source Procurement to Meridian Systems for upgrades to the Swimming Pool's Temperature Controls

Attachments:

1. Memo from Amber Al-Haddad, PW Director and Manager Jabusch
2. Proposal from Meridian Systems
3. Certification letter from Honeywell

RECOMMENDED ACTION:

Move to approve a sole-source procurement to Meridian Systems for upgrades to the Swimming Pool's temperature controls and move forward with Phase 1 in the total amount of \$15,320 to be paid from the Parks & Recreation Department's FY17 capital projects fund.

MEMORANDUM

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

FROM: AMBER AL-HADDAD, PUBLIC WORKS DIRECTOR

**SUBJECT: SOLE-SOURCE PROCUREMENT OF SWIMMING POOL'S
TEMPERATURE CONTROL SYSTEM**

DATE: February 1, 2017

BACKGROUND

In 2014, SystemsHouse Inc., who at that time was the Honeywell's direct digital temperature control contractor in the State of Alaska, provided Parks & Recreation a price to replace the Swimming Pool's failing pneumatic temperature control system with direct digital controls (DDC). The cost to provide this upgrade was broken down into two phases, as a means of completing one phase with FY14 funds and then budgeting for the second phase the following year. This project was not pursued at that time due to more critical needs of the swimming pool, which required the purchase of the new heat exchanger and repairs to the pool leak.

Since working with SystemsHouse Inc. in 2014, that company has dissolved its Honeywell operations, and Meridian Systems has taken over the Honeywell contract in Alaska. Meridian Systems assumed all of SystemsHouse's clients for control systems currently in operation. Wrangell was one of those clients, with Honeywell control systems operating in the Nolan Center as well as in the High School.

The Parks & Recreation Department's FY 2016/17 budget included funding for Phase 1 of the DDC upgrade to their temperature control system. Following review with Meridian Systems of the DDC project and the SystemsHouse quote, Meridian Systems is willing to honor the Phase 1 and Phase 2 pricing put together by their predecessor, along with modifications due in part to Honeywell's changing technology. In lieu of tying into the high school's Honeywell server, as earlier recommended by SystemsHouse, the new system is now proposed to connect to a Honeywell web-based server, to which access would be allowed by Parks & Rec and Meridian Systems, for ease of monitoring and maintenance.

Since control contractors typically provide a design/build delivery method, Phase 1 of the temperature control upgrades for the Swimming Pool includes the system's engineering and design labor, as well as the procurement of all temperature control components required to upgrade the pneumatic controls to digital controls. Under a future, Phase 2 project, would be included the labor to completely replace the pneumatic temperature controls and bring the new system on-line.

Under Wrangell's procurement code, WMC Section 5.10.050, competitive bidding is not required when materials can be furnished only by a single dealer. Meridian Systems is the Alaskan

Honeywell Contractor Partner, as referenced by the attached letter from Honeywell's Contractor Representative, Steven Nichols. We seek approval to sole source the procurement of the Swimming Pool's temperature control upgrades from Meridian Systems and move forward with the budgeted Phase 1 work for a cost of \$15,320.

RECOMMENDATION

Move to approve a sole-source procurement to Meridian Systems for upgrades to the Swimming Pool's temperature controls and move forward with Phase 1 in the total amount of \$15,320 to be paid from the Parks & Recreation Department's FY17 capital projects fund.

ATTACHMENT

- A. Meridian Systems January 31, 2017 quote for Swimming Pool Systems Repairs and Upgrades (for temperature controls).
- B. Honeywell's confirmation letter of Meridian System as their Alaskan Contractor Partner.

MEMORANDUM

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

**FROM: JEFF JABUSCH
BOROUGH MANAGER**

**SUBJECT: SOLE-SOURCE PROCUREMENT OF SWIMMING POOL'S
TEMPERATURE CONTROL SYSTEM**

DATE: JANUARY 31, 2017

Background:

Amber Al-Haddad was written a memo that is attached that explains the reasoning to go sole source with this procurement and why the work needs to be done. And as explained in Amber's memo, this had been previously budget, but other things ended up being more important to fix. This work is essential going forward with operating the pool control system. In the future it will also be less expensive for getting help because they can monitor and look at what is going on with the system online rather than having to come to Wrangell.

Although Amber did not mention this in her quote, the mechanical engineer that worked on the condition assessment report on the pool indicated that the price given was a very good deal and that we should not hesitate to take advantage of it.

Recommended Action:

Move to approve a sole-source procurement expenditure to Meridian Systems for Phase 1 of the Swimming Pool temperature control upgrades in the total amount of \$15,320 to be paid from the Parks & Recreation Department's FY17 capital projects fund.



1/31/2017

City and Borough of Wrangell
 P.O. Box 531
 Wrangell, AK 99929
 Attn. Amber Al-Haddad, Public Works Director

RE: Proposal for the City of Wrangell Swimming Pool System Repairs and Upgrades

Amber,

Thank you for taking the time to discuss the project with John Fortner and myself. I appreciate the information you provided and I look forward to working with you.

Based on our discussions I have prepared the following proposal for your review:

The following is Meridian Systems pricing and scope of work for the control system for the above referenced project:

Phase 1:	\$15,320
Phase 2:	\$23,450

General Clarifications:

- Phase 1 work: Provide system engineering and design labor, order all control components required to replace the pneumatic control system and ship to Wrangell.
- Phase 2 work: Provide all the labor and material required to completely replace the pneumatic control system in Rm 303, SF6, RF-8, P-14.
- We will be providing the Honeywell N4 direct digital control system in lieu of the system that was proposed in the previous quote you received. The Honeywell XL5000 system is no longer supported by Honeywell. The proven migration path from the Honeywell Legacy products is using the Honeywell N4 platform. This will allow for expansion, migration, and forward compatibility. The open platform of the Honeywell N4 system can use almost any open protocol along with powerful yet easy to use graphics that can be accessed over the Internet from any web enabled device.
- We will be providing to access your system over the web through the Honeywell N4 Server interface, which eliminates the need for the City and Borough to maintain a computer and software.
 - The customer will be responsible for providing an Internet connection to allow the Direct Digital Control system to communicate to the Honeywell N4 device.

Inclusions:

1. Necessary devices, engineering, submittals, checkout, and certification of the control system.
2. Control system installation, wiring, and conduit (where required) of all devices provided by Meridian Systems.
3. Web based interface for system access and maintenance.
4. New Temperature control valve for SF-6 hot deck heating coil with electronic actuator. Please note that this valve will need to be replaced by city maintenance staff during installation phase.
5. Electronic damper actuators to upgrade all pneumatic damper actuators connected to the SF-6 fan system.
6. All pneumatic control system demolition, interface and modifications required to remove existing electronic monitoring and pneumatic control system while keeping the necessary portions that will remain in service intact and operating under their existing pneumatic system until they can be upgraded.
7. Pneumatic interface to existing fire alarm system originating from the main FACP in the High School maintenance office. Existing fan shut down accomplished pneumatically. All work to the fire alarm system itself is excluded as are new duct smoke detectors.
8. Complete programming to meet sequence of operations.
9. Full system graphical representation.
10. 8hrs of customer training.
11. Travel Expense.
12. Vehicle Expense.
13. Room and Board.
14. Freight.
15. Please note that if invoice payments are paid by credit card there will be a 5% additional fee assessed to cover credit card transaction and processing costs.

Exclusions:

1. Payment & Performance Bonds and bidders risk insurance expenses.
2. Removal and replacement of control valve AV-24 serving the hot deck of SF-6.
Please note that the valve will be flanged and a 4-hole gasket will need to be provided by the city.
3. Work to all other control systems or areas other than SF6/RF8/P14 Mechanical Room are not included in this proposal.
4. Installation of sensor wells or provision and installation of taps.
5. Testing or balancing of any hydronic, steam, or air systems.
6. Any and all work associated with the fire alarm system to include smoke detectors and smoke/fire dampers.
7. Access Panels.
8. Painting and Patching.
9. Hazardous material handling, removal, or disposal.

Thank you and please contact me if you have any questions.

Sincerely,
Chris Schneider
Meridian Systems
An Employee Owned Company

Contractor Representative, Steven Nichols. We seek approval to sole source the procurement of the Swimming Pool's temperature control upgrades from Meridian Systems and moving forward with the budgeted Phase 1 work for a cost of \$15,320.

RECOMMENDATION

Move to approve a sole-source procurement to Meridian Systems for upgrades to the Swimming Pool's temperature controls and move forward with Phase 1 in the total amount of \$15,320 to be paid from the Parks & Recreation Department's FY17 capital projects fund.

ATTACHMENT

- A. Meridian Systems January 31, 2017 quote for Swimming Pool Systems Repairs and Upgrades (for temperature controls).
- B. Honeywell's confirmation letter of Meridian System as their Alaskan Contractor Partner.

Steven J. Nichols

Contractor Rep N.W. District
steve.nichols@honeywell.com
801-244-8304

This letter is to certify that Meridian Systems Inc. is the Alaskan Honeywell Contractor Partner. They're authorized to purchase, install, program, & service the Honeywell Webs, Excel 5000, & SymmetrE product lines.

Sincerely,
Steve Nichols

A handwritten signature in black ink, appearing to read "Steve Nichols", followed by a horizontal line.

Agenda Item 13f

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM February 15, 2017

INFORMATION:

Approval to combine Lots on Etolin Avenue, owned by the City and Borough of Wrangell

Attachments:

1. Memo from Carol Rushmore, Economic Development Director
2. Map of the proposed area

RECOMMENDED ACTION:

Move to approve combining Lot 1 and Lot 2, Block 38, creating a 15,000 square foot lot, and leave Lot 3 to combine with Lot 4 for some time in the future if Cedar Street is extended, and in Block 30B, combining Lots 16, Lot 17 and half of Lot 18 to create a 19,500 square foot lot and the other half of Lot 18 with Lot 19 and Lot 20 creating an 18,592 square foot lot, as recommended by the Planning & Zoning Commission.

MEMORANDUM

TO: JEFF JABUSCH, BOROUGH MANAGER

Cc: AMBER AL-HADDAD, PUBLIC WORKS DIRECTOR

**FROM: MS. CAROL RUSHMORE
ECONOMIC DEVELOPMENT DIRECTOR**

SUBJECT: Recommendation and discussion regarding configuration and sale of lots owned by the City and Borough of Wrangell on Etolin Ave.

DATE: December 9, 2016

BACKGROUND: In late 2015 we put out for bid and over the counter sale 8 lots on the south end of Etolin Avenue, on the detour route that went to the Clinic during the Wood Street Project. Six of the lots are under 8000 square feet, one is 15,500 square feet but the lot has a huge nob making construction difficult, and the last one at 15,134 square feet has recently sold.

We have received several comments from individuals looking at the lots that if the corner lot on Cedar street next to the one was larger, combined with the one behind, they might be interested in purchasing the lot. The reason we did not sell Lots 2-4 Block 38 is because we were not going to be spending funds to extend sewer and water.

As you are aware, we began discussions of what might be done to encourage the land sales. 1) are they appraised too high; 2) could we combine additional land to create slightly larger lots. The issue was taken to the Planning and Zoning Commission to discuss and see what input they might have.

The Planning and Zoning Commission agrees that they are too small for the location and condition of the lots.

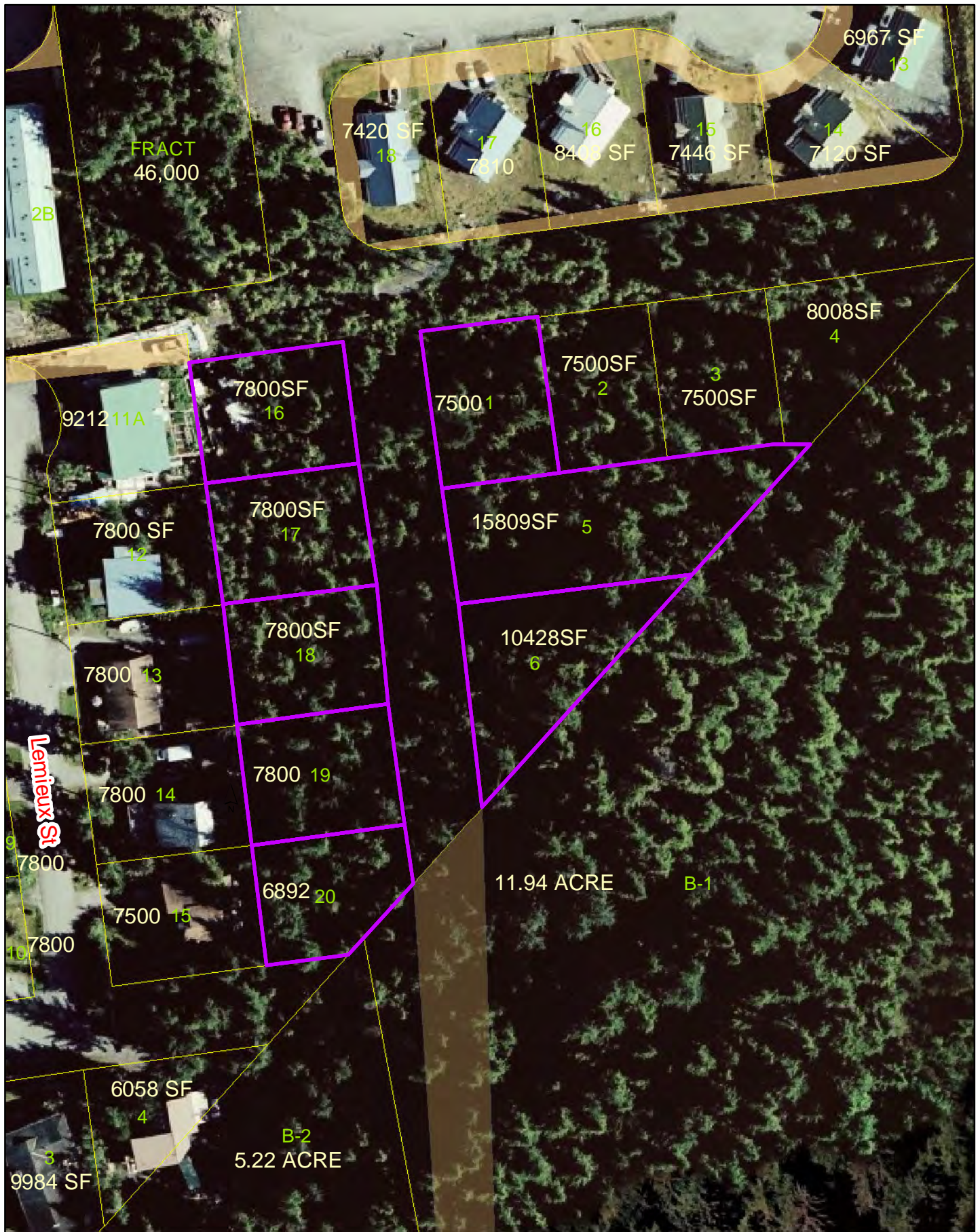
RECOMMENDATION:

Planning and Zoning Commission recommends combining Lot 1 and Lot 2, Block 38 creating a 15,000 square foot lot, and leave Lot 3 to combine with Lot 4 for some time in the future if Cedar Street is extended. In Block 30B, they also suggest combining Lots 16, Lot 17 and half of Lot 18 to create a 19,500 square foot lot and the other half of Lot 18 with Lot 19 and Lot 20 creating an 18,592 square foot lot.

They had discussed creating 3 lots rather than 2, but felt the larger lots would be better than approximately 12,600 square feet lots.

ATTACHMENTS:

1. Aerial Photo



1 inch = 83.333333 feet

DISCLAIMER: THESE MAPS ARE FOR PLANNING PURPOSES ONLY.
 PROPERTY LINES ARE APPROXIMATE. UPDATED MARCH 2013.
 AERIAL PHOTO 2002.



Agenda Item 13g

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM February 15, 2017

INFORMATION:

PROPOSED RESOLUTION No. 02-17-1363: A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, SUPPORTING APPROPRIATION OF DISASTER RELIEF FUNDING BY THE US CONGRESS FOR THE 2016 ALASKA PINK SALMON COMMERCIAL FISHERY FAILURE

Attachments:

1. **Proposed Resolution No. 02-17-1363**
2. Correspondence between Governor Walker and US Dept. of Commerce Secretary Pritzker re: Federal Fishery Disaster

RECOMMENDED ACTION:

Move to adopt Resolution No.02-17-1363 which supports Governor Walker's letter to the US Department of Commerce, requesting that the 2016 Southeast Alaska Pink Salmon Fisheries be declared a Fisheries Resource Disaster under the Magnusson-Stevens Act.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION No. 02-17-1363

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, SUPPORTING APPROPRIATION OF DISASTER RELIEF FUNDING BY THE US CONGRESS FOR THE 2016 ALASKA PINK SALMON COMMERCIAL FISHERY FAILURE

WHEREAS, the State of Alaska, Department of Fish & Game (ADF&G) reports a five year average harvest of 49.5 million pink salmon in Southeast Alaska waters; and

WHEREAS, the 2016 pink salmon harvest in Southeast Alaska yielded 18.4 million pink salmon, which represents a 62% loss in numbers of fish and a 74% loss in revenue to the fishermen; and

WHEREAS, the impacts of the low harvest of pink salmon in Southeast Alaska are being felt by commercial fishermen, fish processors, businesses that provide fuel, fishing gear and supplies, groceries and lodging, vessel machine and equipment upgrades and repair, as well as local governments who are feeling the impact to their economic base through less taxes collected and lower raw fish tax proceeds; and

WHEREAS, Section 312(a) of the Magnuson-Stevens Fishery Management and Conservation Act authorizes the Secretary of Commerce to determine if a commercial fishery failure has occurred; and

WHEREAS, at Alaska's Governor Walker's request, and after reviewing the information provided by ADF&G and the National Marine Fisheries Service (NMFS), Secretary of Commerce Pritzker declared the 2016 pink salmon fishery in Southeast Alaska met the requirements of a commercial fishery failure due to a fishery resource disaster, as she did for the Gulf of Alaska, including Prince William Sound, the Kodiak Management Area, the Chignik Management Area, the Lower Cook Inlet Management Area, the Yakutat Area, and the South Alaska Peninsula; and

WHEREAS, Secretary Pritzker's disaster declaration provides a basis for the US Congress to appropriate disaster relief funding, and then for the NMFS to provide assistance to the State of Alaska and the affected communities.

THEREFORE BE IT RESOLVED, the City and Borough of Wrangell Assembly encourages the US Congress to appropriate disaster relief funding for the 2016 Alaska pink salmon commercial fishery failure in Alaska, including Southeast Alaska.

ADOPTED: _____

David L. Jack, Mayor

ATTEST:

Kim Lane, Borough Clerk

STATE CAPITOL
P.O. Box 110001
Juneau, AK 99811-0001
907-465-3500
fax: 907-465-3532



Governor Bill Walker
STATE OF ALASKA

550 West Seventh Avenue, Suite 1700
Anchorage, AK 99501
907-269-7450
fax 907-269-7461
www.Gov.Alaska.Gov
Governor@Alaska.Gov

October 26, 2016

The Honorable Penny Pritzker
Secretary
United States Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

Re: Federal Fishery Disaster

Dear Madam Secretary:

Thank you for your letter of October 17 in regard to the State of Alaska's request for a determination of commercial fishery failure due to a fisheries resource disaster under the Magnusson-Stevens Act (MSA) for the 2016 pink salmon fisheries in Prince William Sound, the Kodiak Management Area, the Chignik Management Area and Lower Cook Inlet. We look forward to working with the National Marine Fisheries Service (NMFS) to assess the situation.

At this time, I am writing to further amend our request to include the pink salmon fishery of Southeast Alaska under Section 312(a) of the MSA.

2016 Southeast Alaska Pink Salmon Fishery

The preliminary harvest estimate for Southeast Alaska is 18.3 million fish, compared to a five year average for even years of 22.1 million fish. The projected value of this catch is more than \$10 million less than the five year average. As of October 21, 2016, Alaska Department of Fish and Game's records indicate a 36.1 percent loss of revenue which is within the eligibility threshold of a 35-80 percent loss, thus allowing the National Marine Fisheries Service to consider disaster relief funding.

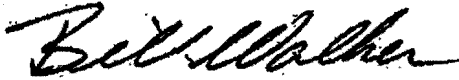
Like the other management areas for which Alaska has requested fishery disasters, impacts of the low harvest of pink salmon in Southeast Alaska are being felt by commercial fishermen, fish processors, and those who sell fuel, tackle, supplies, groceries, and lodging. Local governments will feel the impact to their economic base. The Alaska Departments of Commerce, Community, and Economic Development and Fish and Game are standing by to provide NMFS and your office with any additional information needed to make a determination for the areas in which we have requested fishery disaster declarations.

2016 OCT 31 PM 2:34
OS EXECUTIVE SECRETARIAT

The Honorable Penny Pritzker
Fishery Disaster Request Amendment Southeast Alaska
October 26, 2016
Page 2

I appreciate your prompt attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Walker", with a stylized, cursive script.

Bill Walker
Governor

cc: The Honorable Lisa Murkowski, United States Senate
The Honorable Dan Sullivan, United States Senate
The Honorable Don Young, United States House of Representatives
The Honorable Sam Cotten, Commissioner, Alaska Department of Fish and Game
The Honorable Chris Hladick, Commissioner, Alaska Department of Commerce,
Community, and Economic Development
Craig Fleener, Director of State and Federal Relations, Office of the Governor



UNITED STATES DEPARTMENT OF COMMERCE
The Secretary of Commerce
Washington, D.C. 20230

January 18, 2017

The Honorable Bill Walker
Governor of Alaska
P.O. Box 110001
Juneau, AK 99811-0001

Dear Governor Walker:

Thank you for your letter requesting a determination of a commercial fishery failure due to a fishery resource disaster. Your request relates to the impacts to the 2016 pink salmon fisheries in seven areas in the Gulf of Alaska, including Prince William Sound, the Kodiak Management Area, the Chignik Management Area, the Lower Cook Inlet Management Area, the Yakutat Area, South Alaska Peninsula, and Southeastern Alaska. The impacts resulted from poor pink salmon returns due to a variety of factors outside the control of fishery managers to mitigate, including unfavorable ocean conditions, freshwater environmental factors, and disease.

The National Oceanic and Atmospheric Administration's National Marine Fisheries Service (NMFS) evaluated whether a commercial fishery failure occurred due to a fisheries resource disaster. After reviewing the information provided by the Alaska Department of Fish and Game and the NMFS evaluation, I have found that the request for a determination of a commercial fishery failure due to a fishery resource disaster for the 2016 pink salmon fisheries meets the requirements for such a finding under Section 312(a) of the Magnuson-Stevens Fishery Conservation and Management Act (MSA).

This determination provides a basis for Congress to appropriate disaster relief funding under the MSA, Section 312(a), and then for the NMFS to provide assistance to the State of Alaska and the affected communities. If Congress appropriates disaster relief funding, NMFS Alaska Region looks forward to working with the State of Alaska to develop a spend plan that will create a more resilient fishery that can better withstand similar environmental disasters in the future. Section 312(a)(3) requires that the Federal share of the cost of any activity carried out under the authority of this subsection shall not exceed 75% of the cost of that activity.

If you have any further questions, please contact Jim Schufreider at (202) 482-3663.

Sincerely,

Penny Pritzker

cc: Byron Mallott, Lieutenant Governor of Alaska

Agenda Item 13h

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM February 15, 2017

INFORMATION:

Approval of a Contract with CAMA Company, LLC to provide
Municipal Assessment Software

Attachments:

1. Memo from Finance Director Burgess and Manager Jabusch
2. Proposed Contract from CAMA Company, LLC
3. Example of parcel card under existing paper card system
4. Screenshot of MARS CAMA Software that will replace paper/pencil card system
5. Copies of Cost Estimates from Appraisal Co. of Alaska, LLC

RECOMMENDED ACTION:

Move to approve the contract with Alaska CAMA Company, LLC for an assessor program and to authorize a budget amendment in the amount of \$30,000 to the assessor budget with the funds to come from the general fund reserves.

MEMORANDUM

To: Mayor David Jack and Assembly
CC: Jeff Jabusch, Borough Manager
From: Lee Burgess, Finance Director
Subject: Computer-assisted mass appraisal (CAMA) system for property appraisal/assessment
Date: FEBRUARY 9, 2017

Background:

The following is a proposal to purchase licensing and convert the Borough's property assessment process to an electronic system commonly in use in other municipalities and governments that conduct assessments and levy property taxes.

The Appraisal Company of Alaska, LLC, with which the Borough contracts for its property assessment services, has for many years performed its assessments in Wrangell using a combination of a standard computer database and paper assessment files which are updated both electronically and by pencil and paper on those cards and kept at City Hall. Advancements in computer and database programs and technology have rendered this paper card method antiquated. Most governments that perform or contract for property assessments for the purpose of levying property taxes now utilize computer-assisted mass appraisal software. This software is called MARS and was developed in Sitka by and for small to medium sized Alaska municipalities. This software will accomplish the following:

- Provides for more efficient methods for updating property records, including while in the field in real time.
- Allows for the electronic storage of all data in the current property record which is easily retrievable, reportable, transmissible, secure, and modifiable by the assessor(s)
- Will interface with the Borough's GIS mapping system
- Will save significant time for the Borough's contract assessor team as well as Borough staff

In addition to encouragement from Mike Renfro (Appraisal Company of Alaska, LLC), the State Assessor with the State of Alaska, Ronald Brown, has strongly advised that the Borough adopt and implement a computer-aided mass appraisal system such as this as soon as possible. One of the primary reasons for this strong recommendation, in addition to the efficiencies and long-term time and cost savings, is that the Assessor's Office is required by statute to gather data annually via an annual report on taxation and assessment, which is completed by municipal finance departments, and the reliability and consistency of data across different municipalities depends on there being robust, reliable and efficient methods for maintaining and updating property records. The Borough's current assessment methodology does not conform to this standard.

The cost of converting to this system will be \$92,000 over three years (detailed further below). Despite this cost, Mr. Renfro estimates that it will be recovered within approximately five years, based on an estimated savings of approximately \$20,000 per year, relative to the current assessment contract, which is possible as a result of how much more efficient it is to work within the software compared to the paper card system. These savings do not take into account the savings in staff hours.

Breakdown of MARS CAMA implementation & conversion costs over four years:

Annual costs	License	Training & Setup	Annual Maintenance	Data conversion	Estimated savings	Total Net Cost, 4 years
Feb. 2017	\$24,000	0	0	\$22,500	(\$20,000)	\$26,500
Year 2	0	\$8,000	\$5,000	\$22,500	(\$20,000)	15,500
Year 3	\$0	\$0	\$5,000	\$0	(\$20,000)	(\$15,000)
Years 4+	\$0	\$0	\$5,000	\$0	(\$20,000)	(\$15,000)
Total	\$24,000	\$8,000	\$15,000	\$45,000	(\$80,000)	\$12,000

Attachments:

- 1) Copy of Contract with Alaska CAMA Company, LLC
- 2) Example of parcel card under the existing paper card system
- 3) Screenshot of MARS CAMA software that will replace paper/pencil card system
- 4) Copies of cost estimates from Appraisal Company of Alaska, LLC

Recommendation:

Move to approve the contract with Alaska CAMA Company, LLC for an assessor program and to authorize a budget amendment in the amount of \$30,000 to the assessor budget with the funds to come from the general fund reserves.

MEMORANDUM

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

**FROM: JEFF JABUSCH
BOROUGH MANAGER**

SUBJECT: CONTRACT FOR ASSESSOR SOFTWARE

DATE: FEBRUARY 9, 2017

Background:

Our assessor and I have been talking and looking for a reasonably priced assessor program for the last 4 or 5 years. Recently he discovered one that was written for small communities like Wrangell and is by far the most reasonably priced program he has looked at. The program was developed by Charles Horan, an appraiser out of Sitka and he has been in business for years. Currently Sitka has already purchased the product and have begun the conversion process. I believe there are a couple of other communities in Southeast that are also using it or are in the process of purchasing it.

With the manual system we have, it is next to impossible to provide some of the information that is annually required by the state assessor's office. We literally spend days on this report and when it is completed it still is not accurate in some areas. This program when complete will do this annual report in a matter of minutes. It will also provide online information the public can access. The assessors can go in the field and take photos of a house and download them instantly in addition to doing measurements and notes at the site and are done. Now they take photos, have them printed and then tape them into the paper records. Each record now goes into a data base and then is manually entered into the paper card record by hand. A lot of time consuming duplication by both the assessor and our staff.

In Lee Burgess's attached memo he shows that we will break even in year 5 and after that there should be about a \$15,000 savings in just the assessor's annual cost because of the efficiencies. This does not count the time saved by staff and the added convenience the public will have in accessing some of the basic assessment information online.

With money getting tighter and tighter, anything we can do to be more efficient and save money in the future we should do even when there is some additional costs upfront.

Our attorney has reviewed the contract and other than one small change is ok with it. The change we are requesting is to have the court jurisdiction in Wrangell rather than Sitka. At this time we are not sure Mr. Horan will be willing to do that. Either way, it is something that I think we still should move forward on.

The recommended motion and budget amendment requested is shown in Lee's Memo.

SOFTWARE LICENSE AGREEMENT

This Software License Agreement ("Agreement") is made effective beginning on the _____ day of _____, 2017, between Alaska CAMA Company, LLC ("Licensor"), with an address at 403 Lincoln Street, Suite 210, Sitka, Alaska 99835, and the City and Borough of Wrangell (CBW), including its employees, agents and contractors ("Licensee") with an address of PO Box 531, Wrangell, AK 99929.

The terms of this Agreement apply to the software solution referred to as the Municipal Assessment Record Solution (MARS) and its supporting documentation or materials, all updates or upgrades to the software that may be provided later by Licensor as part of any maintenance, technical support, or other programming for the software, unless such update or upgrade comes with separate software license terms, and all accompanying documentation, (collectively "Software" or "MARS").

1. Grant of License; Restrictions

A. **License.** In consideration of, and conditioned upon, Licensee's payment of applicable fees to Licensor and subject to the terms set forth in this Agreement, Alaska CAMA Company (ACC), LLC "Licensor", hereby grants Licensee a non-exclusive, and non-transferrable right and license to use the Software in the specific configuration provided. With the exception of documents and reports generated through Authorized Applications (as hereinafter defined in paragraph C), the Software is for Licensee's internal use only.

B. **Restrictions.** Licensee must not violate any applicable laws in its use of the Software. Unless and only to the extent that this Agreement expressly permits, Licensee must not

- (i) modify or create derivatives of the Software;
- (ii) install or use the Software in a floating, concurrent, or any other shared context;
- (iii) distribute or otherwise make the Software or any password, key, or other access code for the Software available to any third party;
- (iv) reverse engineer, decompile, or disassemble the Software, unless and only to the extent that applicable law expressly prohibits this restriction;
- (v) defeat or work around any access restrictions or encryption in the Software, unless and only to the extent that applicable law expressly prohibits this restriction;
- (vi) sublicense, lease, lend, or rent the Software;
- (vii) remove, minimize, block, or modify any titles, logos, trademarks, copyright and patent notices, digital watermarks, disclaimers, or other legal notices that are included in the Software, whether or not they are Licensor's or a third party's;

- (viii) cause any of the Software to become subject to distribution without written prior consent of Licensor, including but not limited to Freedom of Information Act requests, or circumstances under a lawsuit or court issued subpoena; and,
- (ix) use any Software functionality or method to create an application that edits the Software.

C. **Use.** Licensee's use of the Software shall be in accordance with the applicable documentation or user manual that accompanies the Software ("Authorized Applications") and not in any manner that circumvents or is intended to circumvent such documentation or the intent of this Agreement. All Licensee employees and agents may use the Software. Subject to any license grant requirements, Licensee may install and use the MARS on any computer system(s) or central processing unit(s) selected by Licensee for their use.

Licensee's third party contractors may access and use the Software, provided that they do so for Licensee's benefit, they agree to use the Software solely in accordance with the terms of this Agreement, and Licensee agrees to remain liable to Licensor for any breach by Licensee's contractors of this Agreement.

D. **Copies.** Licensee may make a reasonable number of complete or partial copies of the MARS for testing, backup or archival purposes, and for internal purposes only. In making copies of the MARS, Licensee may not remove any copyright or other proprietary rights or notices contained in, or placed upon, the Software by Licensor.

E. **Third Party.** Licensee acknowledges there may be requirements for third party software, which is not provided by Licensor. Licensee agrees to acquire all necessary licenses and installation and support for this software as its sole responsibility and to not violate this Agreement in doing so. These applications include, but are not limited to, the necessary operational versions of FileMaker software and others that are individually trademarked by their respective corporations.

2. Ownership; Copyright.

A. **Ownership.** The Software is licensed and not sold. The Software, all copies of the Software, related documents, its contents, and all rights therein are owned by Licensor and are subject to applicable copyright, intellectual property, and all other laws. All rights not expressly granted to Licensee in this Agreement are reserved to Licensor. All data generated from the Software, and all rights therein, are owned by Licensee and are subject to applicable laws.

3. Fees; Term; Termination

A. **Fees & Term.** The license granted to Licensee is perpetual, provided Licensee makes timely payments as provided in Appendix A and is otherwise in complete compliance with all terms of this Agreement.

B. Termination. Licensor conditions its license to Licensee based on Licensee complying with the terms set forth in this Agreement, and this Agreement will terminate, immediately if Licensee fails to comply with its terms.

C. Effect of Termination. Upon termination of this Agreement, regardless of the reason, License grants contained herein will terminate and Licensee must immediately cease all use of the Software and destroy all copies; provided, however, Licensee must deliver the Software and all copies to Licensor if Licensor has so demanded in lieu of any destruction. Sections 1 (B) & (E), 4 (C)-(E), and 5 (B), (D), and (E) will survive any termination of this Agreement.

4. Compliance; Limited Warranty.

A. Compliance. Licensee agrees to make, upon reasonable notice, all applicable records, equipment, software and other resources available for review by Licensor during normal business hours so as to permit Licensor to verify compliance with the terms and conditions of this Agreement. Licensor may, upon written notice, inspect Licensee's use of the Software during normal business hours to ensure compliance with this Agreement. Further, Licensee agrees that upon the request of Licensor it will promptly document and certify in writing to Licensor that its use of the Software complies with the terms and conditions of this Agreement.

B. Annual Update. For purposes of improvement, instruction, upgrade, communication with Licensee and any other legal use, Licensee shall furnish Licensor a complete copy of its MARS files with all records within 10 days after the annual tax roll is complete and certified . Copies will be provided on a thumb drive or other suitable device and delivered to the licensor's address unless other download arrangements have been made.

C. Limited Warranty. Licensor warrants that for a period of one year from the date it is first installed by Licensee (i) the Software will perform substantially in accordance with the documentation that accompanies the Software and (ii) the Software will be free from defects in materials and workmanship under normal use and service ("Limited Warranty"). The Limited Warranty is contingent upon Licensee's complete compliance with this Agreement and any Appendix attached hereto.

D. No Other Warranties. Except as expressly set forth in this Agreement, no other warranty, either express or implied, is made by Licensor with respect to the Software or its use and Licensee expressly waives any and all other express or implied warranties.

E. Other Liabilities. To the maximum extent permitted by law, in no event will

Licensor, its employees or contractors be liable for any direct, indirect, special, punitive, exemplary or consequential damages or losses, of any kind, whether or not caused by Licensor's errors or omissions, in any way tied to Licensee's use of the software. To the extent the foregoing limitation of liability is not enforceable or fails of its essential purpose, or any liability not capable of being excluded by applicable law, the sole liability of Licensor to Licensee under or in connection with this Agreement shall be limited to the total amount received by Licensor for the applicable software license.

5. General.

A. Entire Agreement and Amendments. This Agreement is the entire agreement between the parties and supersedes all earlier and simultaneous agreements regarding the subject matter. This Agreement may be amended only in a written document, signed by both parties.

B. Jurisdiction and Choice of Law. The laws of the State of Alaska shall govern the construction and interpretation of the Agreement and this Amendment. The Superior court for the State of Alaska, First Judicial District at Sitka, Alaska, shall be the exclusive court for jurisdiction and venue of any and all actions of any kind and any nature arising out of or related to the Agreement or this Amendment.

C. Assignment. This Agreement binds and inures only to the benefit of the Licensor's successors and assigns, and is not assignable or transferrable by Licensee.

D. No Waivers, Cumulative Remedies. Licensor's failure to insist upon strict performance of any provision of this Agreement is not a waiver of any of its rights under this Agreement. Except if expressly stated otherwise, all remedies under this Agreement, at Law or in equity, are cumulative and nonexclusive.

E. Severability. If any portion of this Agreement is held to be unenforceable, the unenforceable portion must be construed as nearly as possible to reflect the original intent of the parties, the remaining portions remain in full force and effect, and the unenforceable portion remains enforceable in all other contexts and jurisdictions.

F. Notices. All notices, including notices of address changes, under this Agreement must be sent by registered or certified mail, or by overnight commercial delivery, to the address set forth in this Agreement, by each party.

G. Captions and Plural Terms. All captions are for purposes of convenience only and are not to be used in interpretation or enforcement of this Agreement. Terms defined in the singular have the same meaning in the plural and vice versa.

IN WITNESS WHEREOF, the parties execute this Agreement. Each person who signs this Agreement below represents that such person is fully authorized to sign this Agreement on behalf of the applicable party.

LICENSOR – Alaska CAMA Company, LLC

By: _____ Date: _____
Charles E. Horan

Its: Owner

LICENSEE –City and Borough of Wrangell, Alaska

By: _____ Date: _____

Print Name: _____

Its: _____

----- APPENDIX A -----

For Licensor (ACC) and Licensee (CBW) the particulars and deliverables are as follows:

Licensor will provide:

1. The **MARS solution**, through the Appraisal Company of Alaska (ACA), and
2. **Import of data** after receiving a download in Excel from the Appraisal Company of Alaska.
3. **Training** will be provided to the Appraisal Company of Alaska who will in turn train CBW staff. ACA will provide documentation as needed. CBW staff are expected to become familiar with how Filemaker functions and its resources for training.
4. For the years paid, the annual MARS membership and maintenance service which include upgrades to the latest version of MARS when they are released, ongoing tech assistance such as syncing, creating new tax years, and other how-to questions up to 20 hours per year, as well as receiving input from CBW and ACA on MARS updates.

Licensee will provide:

1. Assistance through its contractor, ACA, in matching up existing data fields from appropriate bridge files such as Excel to MARS;
2. Presentation of its legacy data through ACA in a manner suitable for import into the MARS solution;
3. Its own field work through a contractor (ACA) for sketches, photos and property descriptions;
4. The market data and analysis for valuation formulas and factors;
5. All reports and any other information, data or analysis required to complete its own assessment functions;
6. All hardware and software necessary to operate MARS in the office and in the field.

----- **APPENDIX A (continued)** -----

Hardware and Software Installation Supplied by Licensee:

1. A suitable server to run FileMaker server software version 15 or later;
2. A suitable sketch program and field device as needed for field sketching;
3. iPads for each concurrent inspector in the field;
4. FileMaker Server software version 15 or later;
5. FileMaker Pro 15 or later for each client station and field device;
6. 360 works Mirror Sync for syncing portable devices.

Fees & Term:

The total fee is \$47,000 paid as stated in the schedule below.

- The basic license fee of \$24,000 is due by February 24, 2017.
- Administrative and membership service fees are as follow:
 - Year 1 - \$13,000 due July 1, 2017;
 - Year 2 - \$5,000 due July 1, 2018;
 - Year 3 - \$5,000 due July 1, 2019.

Additional fees charged for hours of services outside the scope of this agreement will be billed at AK CAMA Company's going rate.

Alley		
Curb & Gutter		
Other		
TOTAL		
Net + (-)		

LAND VALUE
31,700

YEAR	OWNER	ASSESSED VALUATION			REASON FOR CHANGE
		Land	Bldgs.	Total	
87	M. WALKER (Contract buyers)	7280	41960	49240	
88		7300	41960	49260	
89		7300	41960	49260	
90		7670	41960	49630	
91		7700	42000	49700	
92		10,500	44,100	54600	
93		10,500	44,100	54600	N/C SW
94		10500	44100	54600	NR
1997		10500	50,300	60800	NR
98		18,500	135,800	154,300	
99		18,500	143,900	162,400	
2001		37,000	158,300	195,300	REAPP RF
2004		31,700	141,600	173,300	1/2004 Reappraisal (CAB)
2005		18,400	141,600	160,000	Corrected Principal Size 3,171,000 to 18,400
2010	Mark & Nola Walker Family Trust	18400	141600	160,000	2010-000303-0
2013		18,400	146,300	164,700	REV NR
2015		18,400	153,600	172,000	REV NR

REMARKS: 10/97 P/U 100% Remo
New Siding SF INCREASE 3P/U DKS
11/00 - INSP - N/C A.V.



Concrete _____ Block _____
Log _____
1. FOUNDATION 2.0
Concrete _____ Thick _____
Conc. Block _____
✓ Wood Posts _____
Skids _____
Wood Sills _____
2. BASEMENT _____
Partial x S.F. _____
Full _____
Cribbed _____
Concrete _____
Outside Entrance _____
Rec. Room _____ Size _____
Living Area _____ Size _____
Fin. Walls _____ Kind _____
Fin. Floor _____ Kind _____
Fin. Ceiling _____ Kind _____
3. FRAME 2.0
Walls _____ o.c. _____
Bracing _____ o.c. _____
Roof _____ o.c. _____
Floor _____ o.c. _____
Ceiling _____ o.c. _____
Other _____

Log _____ Slab _____
Log Siding _____
Metal _____
Plywood _____
5. ROOF 3.0
Flat ✓ Gable _____ Hip _____
Other _____ Kind _____
✓ Shingle WOOD
Shakes _____
Comp. No. _____ Shingle _____
Insulation _____ Kind _____
Tar Paper _____
Metal _____ Kind _____
Built-up _____
Other _____
6. INTERIOR 2.5
✓ Insulation Board Ceiling
✓ Plasterboard _____
Plaster _____
Masonry _____
Wood Paneling _____
✓ Plywood UP
Finished _____
Unfinished _____
Open Stud _____

3rd Floor _____
Attic 4
Total No. 16 1 1/2
Grade of _____
Floor Plan P A G
Ceiling Height _____
Basement _____
1st Floor 8'
2nd Floor 8'
Attic 7'
Grade of 6' 1 1/2"
Kitchen P A G E
Oven Built-in _____
Range Built-in _____
Bath Room Finish Linoleum
✓ Attic Stairway _____
Attic Unfinished _____
✓ Attic Useful _____ %
Number Dormers _____
Shed Type _____ Size _____
Gable _____ Size _____
7. FLOORS 2.6
2nd 1st Floor 24 o.c. _____
Bridged _____
Post Size _____ o.c. _____
Beam Size _____ o.c. _____
2nd 2nd Floor 24 o.c. _____

8. HEAT _____
Fuel _____ Oil _____ Gas _____ Wood _____
✓ Stove _____
Coal _____ Stoker _____
Hot Water _____
Hot air Forced _____
Radiant _____
Space Heater _____ Kind _____
Floor Furnace _____
Number of Chimneys 1
Kind Brick
NUMBER OF FIREPLACES _____
Basement _____
1st Floor _____ Type _____
9. PLUMBING 2.0
Grade _____
1 No. Tubs w/shw. _____
2 No. Toilets _____
2 No. Basins _____
2 No. Kitch. Sinks _____
1 No. Shower Stalls _____
2 Hot Wa. Tanks _____
No. Gal. _____ Kind _____
No. Laundry Trays _____
Quality P A G E
10 Total No. Fixtures 400

9. PLUMBING (Continued)
✓ Water Source City
✓ Sewer Source City
10. ELECTRICAL 4.0
✓ Wired _____ Grade _____
✓ 220 Service _____
TOTAL GRADE 2.4
11. GARAGE _____
12. PORCHES
20x20 = 400
20x6 = 120
13. YARD IMPROVEMENTS _____

Accessory Bldgs.	Area	Age	Floor	Roof	Interior	Heat	Plumb.	Unit Cost	Adds & Deducts	Repl. Cost	Net Cond. %	Deprec. Cost

BUILDING VALUE CALCULATION			
Grade	Area	Unit Cost	Total
6000.12	2832	44.29	125,429

Performed By _____ Date _____
Inspection _____
Classification _____
Calculation _____
Review _____

BUILDING AREA CALCULATION			
Floor or Part	Width	Length	Area
1ST	31	36	1116
2ND	31	36	1116
Attic	irregular		600

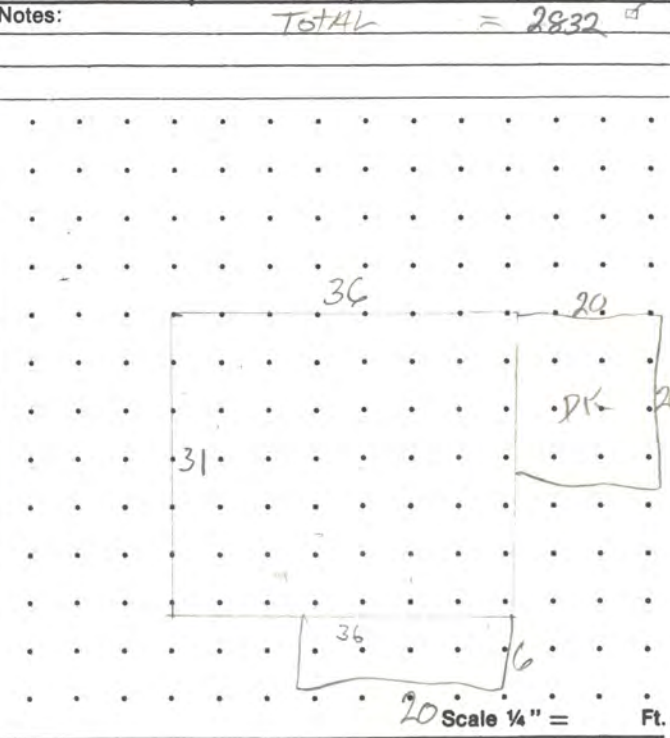
ADDITIONS AND DEDUCTIONS			
Item			
12	520	5.00	2600

DEPRECIATION
a. Effective Age 206/165 20%
b. Physical Condition 0%
c. Obsolescence 0%
d. Total Depreciation (a+b+c) _____ %
e. NET CONDITION (100-d) 71%

INCOME APPROACH:			
Est. rent x GRM			
\$ x = \$			
MARKET APPROACH:			
RT's			
□@\$ = \$			
SUMMARY OF APPRAISED VALUE			
Principal Building Appraisal			153,600
Other Principal Bldg. Appraisal			
Accessory Buildings Appraisal			
Total Building Appraisal			
Total Land Appraisal			18,400
TOTAL APPRAISED VALUE			\$ 172,000

Total Replacement Cost New \$128,029
Cost Conversion Factor 1.40
Adjust Replacement Cost \$
A.R.C. x Net Condition
\$ 172,240 x 1.15 % \$ 206,126

INCOME APPROACH:
Est. rent x GRM
\$ x = \$
MARKET APPROACH:
RT's
□@\$ = \$
SUMMARY OF APPRAISED VALUE
Principal Building Appraisal 153,600
Other Principal Bldg. Appraisal
Accessory Buildings Appraisal
Total Building Appraisal
Total Land Appraisal 18,400
TOTAL APPRAISED VALUE \$ 172,000



Appraisal Company of Alaska LLC

3940 ARCTIC BOULEVARD, SUITE 103
ANCHORAGE, ALASKA 99503
office@appraisalalaska.com
EIN#26-2071908

13h-4

September 22, 2016

Jeff Jabusch
Borough Manager
City & Borough of Wrangell
P.O. Box 531
Wrangell, Alaska 99929

RE: MARS CAMA System

Dear Mr. Jabusch:

The MARS software is a locally developed CAMA system (Computer aided mass appraisal) that will replace the current assessment cards system. In addition to allowing for the storage of the data in the current property record cards the software will interface with the current GIS system, allow for the computer aided mass appraisal, generate the State report and any other reports as needed. The software requirement is Filemaker Pro which costs \$540.00 for 5 users.

Charles Horan of MARS has provided the following Cost:
Total cost of the license to the City and Borough is \$24,000 or \$8000 per year for three years.

First year training for staff and set up is \$8000 and \$5000 per year for updates and tech time for any issues up to 20 hours.

License	Year 1	\$8000	Year 2	\$8000	Year 3	\$8000
Training and Setup		\$8000				
Maintenance fee		\$5000		\$5000		\$5000
Total		\$21,000		\$13,000		\$13,000

From year 4 forward cost would be \$5000 per year for updates including 20 hours of tech support.

In year one we would transfer the current borough tax roll database to MARS, make sure all of the fields link to the Borough GIS system and start the process of entering Borough all of the data from the cards.

At this point I have not calculated the cost to enter all of the remaining data from the property record cards.

Sincerely,



Michael C. Renfro
Contract Assessor
City & Borough of Wrangell



Appraisal Company of Alaska LLC

3940 ARCTIC BOULEVARD, SUITE 103
ANCHORAGE, ALASKA 99503
office@appraisalalaska.com
EIN#26-2071908

13h-5

October 17, 2016

Jeff Jabusch
Borough Manager
City and Borough of Wrangell
P.O. Box 531
Wrangell, Alaska 99929

RE: MARS CAMA System

Dear Mr. Jabusch:

In addition to the hard costs of MARS CAM program, I estimate the complete data entry would cost \$45,000 or \$22,500 per year for the first two years. During that time we would run both our current assessment program and the MARS system. At the end of the two years the CAMA system will be completely installed and running all of our assessment functions.

I believe that the entire cost of the system could be recovered in five years, based on a savings of \$20,000 per year when compared to our current assessment contract. This is due to the automation of the assessment valuation process and the requirement for less staff time. An additional benefit is more accurate assessment which could result in additional revenue to the Borough. If you have additional questions, please call or email.

Sincerely,



Michael C. Renfro
Contract Assessor
City and Borough of Wrangell

Agenda Item 14

CITY & BOROUGH OF WRANGELL

**BOROUGH ASSEMBLY
AGENDA ITEM
February 15, 2017**

INFORMATION:

ATTORNEY'S FILE – None.

Agenda Item 15

CITY & BOROUGH OF WRANGELL

BOROUGH ASSEMBLY AGENDA ITEM February 15, 2017

INFORMATION:

- a. Executive Session – Discussion and possible selection for the Borough Manager Position
- b. Executive Session – Discuss with the Borough Attorney, the options regarding the Land Deal with SEARHC and the City and Borough of Wrangell

RECOMMENDED ACTION:

15a. I move that pursuant to 44.62.320 (c) (2), that we recess into executive session to discuss matters that may tend to prejudice the reputation and character of any person, specifically: Discussion and possible selection for the Borough Manager's position.

15b. I move that pursuant to AS 44.62.310 (c), (1), that we recess into executive session with the 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 Land Deal with SEARHC and the City and Borough of Wrangell.