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**Minutes of Regular Assembly Meeting
Held on June 12, 2018**

Mayor David L. Jack called the Regular Assembly meeting to order at 7:00 p.m., June 12, 2018, in the Borough Assembly Chambers. Assembly Members Decker, Gilbert, Larrabee, Powell, Howell, Prysunka, and Mayor Jack were present. Borough Manager Von Barga and Deputy Clerk Aleisha Mollen were also in attendance.

The Pledge of Allegiance was led by Assembly Member Patty Gilbert.

The Invocation was given by Don McConachie.

CEREMONIAL MATTERS - None.

PERSONS TO BE HEARD -

Sally Schlichting, *Unit Manager for Technical Services, Policy & Regulations (ADEC)* was present to give an update on the Byford Junkyard Clean-Up Project.

Prysunka asked about the projections for cost and Schlichting said that it looked like it would be in under budget and that she will be in communication with the Borough Manager about such.

Von Barga also added that the City & Borough will provide direction and information about the end state of the property in July or August. Schlichting also said that any leftover materials will go to a State agency first, possibly DNR or DOT.

Jack asked about the weather effect on moving the material. It was replied that there are pads to be able to put a tarp over for transportation.

Don McConachie spoke about the Mariner's Memorial and asked about the lease amount. Von Barga stated that the lease shows \$10 per year as the amount.

Michael Lockabey spoke about the Sea Otter Resolution that was part of the legislative priorities for the City and Borough. The current legislation is dead in the legislature. No action or discussion was taken at a recent meeting with Senator Dan Sullivan. The item is not able to be taken up in 2018 again.

AMENDMENTS TO THE AGENDA

Von Barga stated that there was a formal protest received by the second lowest bidder for the Shoemaker Project. Von Barga stated that we have 2 options - to remove it from the agenda or leave it and then move to postpone at the time. The Assembly agreed to the second option.

Decker asked to reverse 13a and 13b and move them to the end of the agenda. There were no objections from the Assembly.

Gilbert had some concerns about the Mariner's Memorial Lease; would address them at the time the item comes up.

CONFLICT OF INTEREST - Prysunka declared a potential conflict due to his wife's employment and status at the Wrangell Medical Center. Jack declared no conflict; there were no objections from the Assembly.

CONSENT AGENDA

Consent Agenda Items:

- a. Approval of Assembly Minutes – May 22, 2018

Correspondence Items:

- b. School Board Minutes – School Board Action – May 21, 2018
- c. Wrangell Medical Center Minutes – April 18, 2018
- d. School Board Press Release – Strategic Plan

M/S: Powell/Gilbert, to approve the Consent Agenda as submitted. Motion approved unanimously by polled vote.

BOROUGH MANAGER'S REPORT

Manager Von Bargen provided a verbal report on the following:

- Thank you to Brett Woodbury for use of his equipment and to the Jabusch family for the work done recently at the Library.
- There was a meeting with Trident recently about touring the plant for the summer season.
- A recent meeting with Alpine Construction was productive and this will lead to the mill property coming up for discussion in the near future.
- At a recent WMC Board Meeting, the WMC CEO's contract was renewed for a year, including an assumption contract for the SEARHC assumption.
- Lisa attended a meeting in Seattle with SEARHC and they were able to talk about intent and go through a line-by-line purchase agreement. This was a needed face-to-face meeting and was highly productive.
- After the Budget is passed, the focus will shift to the hospital and hiring the department heads for the Nolan Center, Finance, and WMLP. Nuisance abatement will also be a priority along with the Byford Lot and the Capital/Public Works split.
- Lisa will be taking some time off this weekend due to family obligations.
- Today is Lee's last day physically here; will return in August and September for audit purposes.

BOROUGH CLERK'S FILE

Clerk Lane's report was provided.

Decker asked about the SEAPA alternate spot currently held by Lee. He can participate telephonically if needed. Prysunka stated that there are some options he'd like to speak to Lisa about before going forward.

MAYOR AND ASSEMBLY BUSINESS

Gilbert will be attending an IFA Board Meeting on Thursday and will respond back.

Larrabee thanked the AmeriCorps group that had been working around town. They have done a lot of nice things.

Prysunka stated that SEAPA will be doing their budget at the meeting next week and all were welcome.

MAYOR AND ASSEMBLY APPOINTMENTS – None.

PUBLIC HEARING – None.

UNFINISHED BUSINESS – None.

NEW BUSINESS

13a PROPOSED RESOLUTION NO. 06-18-1412 of the Assembly of the City and Borough of Wrangell, Alaska Authorizing a Lease for the Mariners Memorial

M/S: Gilbert/Decker, moved to approve Resolution 06-18-1412, Authorizing a Lease for the Wrangell Mariners Memorial with corrections.

Gilbert offered corrections to the lease and resolution that were not content-based correction and will be made to both documents. Decker also had 2 corrections of similar nature.

Prysunka asked about the listing of the organization and if it was correct as listed on their 501(c)3 paperwork. Von Bargaen replied that their attorney had reviewed it.

Decker stated that the document was a bit overly boilerplate for this activity. Von Bargaen said that we are moving to a standard lease to be used for everyone and that this one is the first one using that template.

Motion approved unanimously by polled vote.

13b Approval of Wrangell Medical Center FY 2019 Budget

M/S: Gilbert/Decker moved to approve the Wrangell Medical Center FY2019 Budget. Motion approved unanimously by polled vote.

After the vote, Prysunka asked that in the future, someone should be available to speak to Agenda items like this.

13c Approval of Wrangell Medical Center 2019 Personnel Policies

M/S: Powell/Decker moved to approve the Wrangell Medical Center 2019 Personnel Policies. Motion approved unanimously by polled vote.

13d PROPOSED RESOLUTION NO. 06-18-1416 of the Assembly of the City & Borough of Wrangell, Alaska Authorizing Continued Pursuit of a Community Healthcare Solution Strategic Affiliation with Southeast Alaska Regional Health Consortium

M/S: Howell/Prysunka moved to approve Resolution No. 06-18-1416 of the Assembly of the City & Borough of Wrangell, Alaska Authorizing Continued Pursuit of a Community Healthcare Solution Strategic Affiliation with Southeast Alaska Regional Health Consortium.

Gilbert asked what the asset purchase agreement was and if it was still called a purchase agreement even though no money had changes hands. Von Bargaen said that the agreement was the transactional document. It reviews the transfer, construction of the new hospital, and what each entity was responsible for. Although no money was changing hands, it is a purchase agreement because value changes hands. Each side was currently doing their review and when ready, it will come to the Assembly

for an Executive Session Review. Once the final document was complete, it will come to the Assembly for approval.

Gilbert also asked how we work around the charter and if an appraisal will be needed. Von Bargaen replied that we don't have to work around the charter and that we were still waiting to see if an appraisal was needed.

Decker summarized that this resolution keeps us on track and authorizes the Borough Manager and the attorney to negotiate. Von Bargaen agreed and said that this moves us into the due diligence phase. She also noted that the SEARHC Board would be taking similar action tomorrow so that the architect can move forward.

Motion approved unanimously by polled vote

13e Approval of Contract with Tamico RnR JV in the Amount of \$8,355,240 for the Shoemaker Bay Harbor Project

M/S: Prysunka/Powell moved to approve a contract award to Tamico RnR JV in the amount of \$8,355,240 for the Shoemaker Bay Harbor Project.

Amber Al-Haddad gave an update about the bid process. The engineers reviewed and went with an intent to award to the apparent low bidder. Then last night an email was received from the second low bidder, Western Dock and Bridge, with a protest on 2 points:

1. There was not a Business License for the Joint Venture, although both companies have individual licenses. The companies should have that license soon, but it was not in place at the time of the bid opening.
2. An Addendum required experience in marine projects of a similar size and scope. Western Dock and Bridge is protesting the experience of the low bidder in that one project was out of the scope and one project was 11 years ago, outside of the 10-year window.

Al-Haddad was hoping to hear from the attorney soon to keep with the timeliness of the project.

Von Bargaen also stated that they would be returning with a Funding Package for the project.

M/S: Prysunka/Powell moved to postpone this item until the issues are resolved. Motion approved unanimously by polled vote.

13f PROPOSED RESOLUTION NO. 06-18-1415 of the Assembly of the City & Borough of Wrangell, Alaska Adopting the Budget for All Funds of the City and Borough of Wrangell, Alaska for the Fiscal Year 2018-2019

M/S: Prysunka/Howell moved to approve Resolution No. 06-18-1415 of the Assembly of the City & Borough of Wrangell, Alaska Adopting the Budget for All Funds of the City and Borough of Wrangell, Alaska for the Fiscal Year 2018-2019.

After extensive discussion about the fees, possible fee increases, and the upcoming Rate Analysis Study to take a look at the fees charged by the City and Borough of Wrangell, an amended motion was made.

Amended M/S: Decker/Gilbert moved to amend the motion to include a 5% increase to the Sanitation Fund Rates.

Recess at 8:18 p.m.

Reconvene at 8:28 p.m.

Al-Haddad answered questions about the way sanitation fees were currently billed; to charge by weight, additional equipment, structure and logistics would be needed; not sure that this is the right course, but that it does need to be addressed; also noted that rates for shipping garbage out will likely increase due to a new formula and that in 4 years we will be required to send garbage out bailed.

Amended Motion failed by polled vote with Larrabee, Powell, Prysunka, Gilbert, Howell, and Jack voting no; Decker voted yes.

Main Motion approved unanimously by polled vote.

13g PROPOSED RESOLUTION NO. 06-18-1414 of the Assembly of the City & Borough of Wrangell, Alaska Levying a General Tax for School and Municipal Purposes upon all Taxable Property within the Borough for the Tax Year 2018 Pursuant to Wrangell Municipal Code Section 5.04.010; Providing for the Collection of Taxes Due in 2018 and Prescribing Penalties and Interest for Delinquent Taxes

M/S: Prysunka/Howell moved to approve Resolution No. 06-18-1414 of the Assembly of the City & Borough of Wrangell, Alaska Levying a General Tax for School and Municipal Purposes upon all Taxable Property within the Borough for the Tax Year 2018 Pursuant to Wrangell Municipal Code Section 5.04.010; Providing for the Collection of Taxes Due in 2018 and Prescribing Penalties and Interest for Delinquent Taxes.

Gilbert asked about the Appraiser's Certification of the Tax Roll and if it was due by June 1st each year. Von Barga answered that it is and was some clerical oversight on their part that caused the delay.

Decker noted that the General Fund is feeling the pinch and that it is primarily sales and property tax that fund that. Historically the mill rate has fluctuated higher and lower than where it is now and could be a source to fix a deficit.

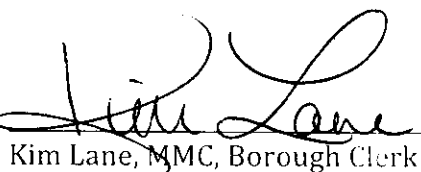
Motion approved unanimously by polled vote.

ATTORNEY'S FILE – Available for Assembly review in the Borough Clerk's office.

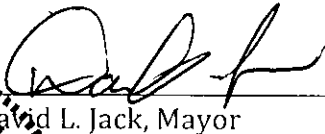
EXECUTIVE SESSION – None.

Regular Assembly Meeting adjourned at 8:47 p.m.

ATTEST


Kim Lane, MMC, Borough Clerk




David L. Jack, Mayor