

## Minutes of Regular Assembly Meeting

Held on August 25, 2020

Mayor Prysunka called the Regular Assembly meeting to order at 7:00 p.m., August 25, 2020 by Zoom teleconference and immediately recessed the Regular Meeting until 7:10 p.m.

The Regular Assembly meeting reconvened at 7:12 p.m.

The pledge was led by Assembly Member Gilbert and the roll was called.

PRESENT: POWELL, GILBERT, PRYSUNKA, MORRISON, HOWE, DALRYMPLE

ABSENT: DECKER

Borough Manager Von Barga and Borough Clerk Lane were also in attendance by teleconference.

CEREMONIAL MATTERS – None.

### PERSONS TO BE HEARD

**Keith Appleman, resident** commented on the development of the Institute Property. In favor of both residential and commercial use for the area.

**David Wilson, resident, and School Board Member** stated that he wanted to wait to speak until Agenda Item 13b came up on the Agenda (Rescission of COVID funds to school).

**Aaron Angerman, resident, and School Board Member** stated that he was in favor with waiting to speak on Agenda Item 13b until it came up on the Agenda (Rescission of COVID funds to school).

### AMENDMENTS TO THE AGENDA

#### CONFLICT OF INTEREST

Gilbert declared a potential conflict of interest to Item 13b (Rescission of CARES Act Funding to Wrangell Public Schools) due to her being a lobbyist for the School District as a member of the School Board. Prysunka declared that in reviewing with the attorney, it does appear that she did have a conflict of interest, due to her lobbying interest for the school and therefore that conflict did preclude her from participating in Item 13b. There were no objections from the Assembly.

Powell declared a potential conflict of interest to Item 13b (Rescission of CARES Act Funding to Wrangell Public Schools) since his wife works for the school district and he runs two businesses in town. Prysunka stated that he did not see a conflict since neither his household or the businesses would receive money above anyone else. There were no objections from the Assembly.

Howe declared a potential conflict of interest to Item 13b (Rescission of CARES Act Funding to Wrangell Public Schools) due to his employment with the School District. Prysunka declared that as an employee of the school, none of the funds would directly benefit him, above any other employee of the school. Therefore, Prysunka stated that he did not see a conflict. There were no objections from the Assembly.

### CONSENT AGENDA

- a. Minutes from the August 4, 2020 Special Assembly Meeting
- b. Minutes from the August 14, 2020 Special Assembly Meeting
- c. Minutes from the August 11, 2020 Regular Assembly Meeting

***M/S: Gilbert/Morrison to approve the Consent Agenda, as presented. Motion approved unanimously by polled vote.***

**BOROUGH MANAGER'S REPORT**

Von Barga provided updates on the following:

- Captain Sprehe gave a COVID-19 Update:
  - Working on the Risk Assessment (will present to Assembly in early September)
  - Continuing to meet every weekday morning to share updates
  - Statewide COVID numbers 4,843 residents; 823 non-residents; 36 deaths
  - Laura Holder compiled a group to assist those who are in quarantine
  - Overall decline in testing numbers across the State
  - SEARHC still offering free testing every weekend for asymptomatic individuals
  - Seeing more cases in smaller communities and homeless persons
  - EOC has put a request in with the State for 4,000 masks and informational yard signs and posters
- Cyni Crary, Library Director commented on the Historic Centennial flight from New York to Nome and encouraged folks to read the article in the Sentinel and come and see the exhibit at the Nolan Center; commented on Gig Decker's article on the Star of Bengal in the Fishing the Frontier
- Von Barga stated that the Generator that we received from Nome is up and running
- Steve Miller has accepted the position as Ports and Harbor Director
- RFQ for the Water Treatment Plant for the Engineering and Design will be released this week
- Collective Bargaining Team is having their first meeting on September 8<sup>th</sup>
- Armory building divestiture schedule will be on the September 8<sup>th</sup> Agenda
- RFQ for Engineering for the Water Mains project is closing this week
- Provided update on the Valvoda lawsuit costs incurred; APEI covers fifty percent so the actual costs are over \$100,000; our costs are almost \$50,000

**BOROUGH CLERK'S FILE**

Clerk Lane's report was provided.

**MAYOR AND ASSEMBLY BUSINESS** – None.

**MAYOR AND ASSEMBLY APPOINTMENTS** – None.

**PUBLIC HEARING** – None.

**UNFINISHED BUSINESS**

**12a** Approval of the FY 2019 Audit (*postponed from the August 11, 2020 Regular Assembly Meeting*)

***M/S: Gilbert/Morrison to approve the 2019 Audit.***

**Joyce Mason, Finance Director** stated that there were findings on the 2019 Audit and asked that Mr. Thomson speak to the findings.

**Sam Thompson, BDO Director** explained the standards that were used in evaluating the governmental agencies; required by general auditing standards to report findings; identified four deficiencies or material weaknesses in the Borough's internal control in financial reporting. Mr. Thompson explained each of those deficiencies to the Assembly and explained also how he suggested correcting these deficiencies.

In response to Gilbert on if corrective action has been taken to prevent further deficiencies, Mr. Thompson stated that on page 148, the Borough submitted a statement on how they will correct these deficiencies or material weaknesses moving forward; will know if corrective action has been taken when the 2020 audit is done.

Ms. Mason explained measures and other corrective action that has been put in place to prevent deficiencies.

Mr. Thompson stated that if BDO was able to get what they need from the Borough in a timely manner, the audit should be done by December; gave suggestions on CARES Act auditing requirements.

#### NEW BUSINESS

**13a** Approval to Negotiate the Sale of Borough Owned Property, Lot 6A, Block 61, Industrial Park Subdivision III, to Brett Woodbury and Mike Matney

***M/S: Morrison/Howe to approve the Negotiation of the Sale of Borough Owned Property, Lot 6A, Block 61, Industrial Park Subdivision III, with Brett Woodbury and Mike Matney.***

Von Bargaen explained that the City has received a request from these two individuals to purchase parcels that are adjacent to their property in the Industrial Lot; appraisal was done in July 2019 and would like concurrence from the Assembly that a new appraisal would not be required.

***Motion approved unanimously by polled vote.***

**13b** Approval of Rescission of CARES Act Funding to Wrangell Public Schools in the Amount of \$250,000

***M/S: Morrison/Powell to approve the Rescission of CARES Act Funding to Wrangell Public Schools in the Amount of \$250,000.***

Von Bargaen explained that she had received concerns from Assembly Members, that community members had contacted them with regard to a trip to Juneau that had taken place to purchase COVID materials for the start of school; there were concerns that CARES Act funds were being spent inappropriately. Von Bargaen stated that that was why this item was on the Agenda for consideration.

**David Wilson, resident, and School Board Member** spoke to Item 13b (Rescission of CARES Act Funding to Wrangell Public Schools): acknowledged that some policies were not followed and that there was a lack of communication between the Board and the community; however, he believed that the intent was good and that it was not to bring injury to the district or the community; stated that there was a special School Board meeting to bring everything out into the open; acknowledged that the trip violated some of the policies and practices; there is a Board policy revision in the works to insert a local purchase preference clause; asked that we put this behind us and move forward; requested that the Assembly vote against rescinding the CARES Act funding to the school.

**Aaron Angerman, resident, elected official and parent** spoke to Item 13b (Rescission of CARES Act Funding to Wrangell Public Schools); stated that he did have some concerns with this item being on the Agenda this evening; held a special School Board meeting and took steps to resolving the issue in-house, as a School Board member, would appreciate support from the Assembly, to allow the School Board to operate on their own timeline to act in a timely manner, and if not done to the Assembly's satisfaction, to step in at that time; believed that if the concerns from the Assembly had gone through the School Board instead of putting this on the Agenda, there may not have been the added stress or pressure on Board Members and Staff; the rescission will hurt the teachers and students; encouraged the Assembly to vote no on the rescission so that the school can open up safely.

Prysunka explained how much the City received in COVID Act funding for the listening public and the Assembly, explained that once this money is gone, we will have to spend funds out of our General Fund; could have an impact on our General Fund if we offset the school budget.

**Debbe Lancaster, Wrangell Public School Superintendent** stated that she was sincerely apologetic and had no idea of the perspective that the public would have; was focusing on procuring the supplies that were not available and were necessary to open the schools safely.

Ms. Lancaster further stated that the majority of the approved COVID Cares Act funds was to hire sanitation and screening personnel at the school; have not yet hired for those positions; 2020 audit is complete and there were no findings; has an amazing staff that has worked through the summer without pay; apologized and stated that she made a terrible mistake.

Prysunka recapped the chain of events for the Juneau trip; explained that Cares Act funds are not wide open; the City will be audited for funds spent; if the City reimburses the School on expenditures that are not allowable under the Cares Act, the City will have to pay that.

In response to Morrison, Joyce Mason explained that not only will the Federal Government be auditing the Cares Act expenditures, the State will also be auditing these expenditures.

Powell stated that after reading the purchases made, he saw no emergency on making the trip to Juneau; stated that his idea was to take this money back, let the school spend their own funds and then come to the Assembly and ask for reimbursements; can spend their reserve funds first; this has hurt the relationship between the School Board and the Assembly; wants one hundred percent control of this money.

Dalrymple questioned how this money was to be given to the School. Prysunka explained the process. Von Barga explained that the School was directed by Finance Director Mason, to submit receipts to the City so that eligibility could be established and reimbursed.

Howe asked for clarity on what the School would submit from this trip. Prysunka explained what was submitted; Von Barga clarified that travel and food was not eligible for reimbursement.

Howe also stated that school is going to open and needs supplies to open safely; if the supplies are reimbursable, would like to see that happen.

Prysunka stated that the Assembly banned all non-essential travel and training by the City; does not believe that this trip warranted an emergency trip; terrified that by the end of October or December, we will be dipping into our reserves.

Powell stated that he has no confidence in the administration at the school on spending these funds; we need to have complete control of these funds.

Howe asked that the Assembly consider that yes, there was a mistake made by the Superintendent, but not to punish the School District as a whole for this mistake and remember what these funds are for; the School District is not one person, but 500 people and they are all effected by this.

Prysunka asked Ms. Lancaster how many kids were anticipated to enroll; Lancaster stated that she did not know; enrollment is open now.

Prysunka further stated that a lot of the safety supplies that were purchased are available free, from the State.

After further discussion, Von Barga clarified that if the motion was voted down, Staff would bring something back to the next Assembly Meeting to approve and "up to" amount and not a blanket approval; would make sure that the approval of receipts submitted were eligible for reimbursement.

***Motion approved with Morrison, Powell, Dalrymple, and Prysunka voting yes; Howe voted no; Gilbert did not take part in the discussion or the vote since a conflict of interest was established.***

**13c RESOLUTION No. 08-20-1537 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADOPTING THE SUPPLEMENTAL BUDGET FOR GENERAL, NOLAN CENTER, PARK & RECREATION, SALES TAX AND TRANSIENT TAX FUNDS OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, FOR THE FISCAL YEAR 2019-2020**

***M/S: Morrison/Powell to postpone Resolution No. 08-20-1537.***

Von Barga stated that she and the finance director had realized that they needed to relay this item in a more detailed fashion; therefore this item was not ready for Assembly consideration; would come back to the Assembly at the next regular meeting.

***Motion approved unanimously by polled vote.***

**13d** Approval of Amendment to Professional Services Agreement with R&M Engineering Ketchikan in the Amount of \$41,021

***M/S: Powell/Morrison to approve the Amendment to Professional Services Agreement with R&M Engineering Ketchikan in the amount of \$41,021. Motion approved unanimously by polled vote.***

**13e RESOLUTION No. 08-20-1538** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE FY 2021 BUDGET IN MULTIPLE FUNDS PROVIDING FOR THE AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT FOR THE LAND DEVELOPMENT SURVEY SERVICES PROJECT

***M/S: Morrison/Gilbert to approve Resolution No. 08-20-1538. Motion approved unanimously by polled vote***

**13f RESOLUTION No. 08-20-1539** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA DECLARING AN ECONOMIC DISASTER IN THE CITY AND BOROUGH OF WRANGELL, ALASKA DUE TO COVID-19 AND POOR REGIONAL RETURNS OF ALL SALMON SPECIES

***M/S: Powell/Howe to approve Resolution No. 08-20-1539.***

Von Bargaen explained that due to COVID-19, the lack of tourism, and the dismal salmon return; we believe that Wrangell needs to get in front of this and declare an economic disaster; we know that the impacts locally will be large.

Gilbert requested that we send this Resolution to our Lobbyist; also supply an easy pathway for the public to read these economic documents; post on our website; this really paints a grim picture.

***Motion approved unanimously by polled vote***

**13g** Approval of CARES Act Expenditure in the Amount of \$15,000 for Southeast Senior Services for Senior Center Van Match Funding for COVID-19 Mitigation Services for Wrangell Seniors

***M/S: Gilbert/Morrison to approve CARES Act Expenditure in the Amount of \$15,000 for Southeast Senior Services for Senior Center Van Match Funding for COVID-19 Mitigation Services for Wrangell Seniors.***

Von Bargaen explained that the Senior Center van needed to be replaced; being used to transport Seniors for activities as well as additional meals due to COVID, additionally the Senior Service is picking up mail, prescriptions, groceries, and performing face-to-face wellness checks.

Southeast Senior Services was able to get eighty percent of the purchase covered for the van, from Department of Transportation; they are asking if we can cover \$15,000.

**Motion approved unanimously by polled vote.**

**13h** Approval of CARES Act Expenditure in the Amount of \$6,700 for KSTK Radio for COVID-19 Related Broadcasting and Public Service Notices

**M/S: Morrison/Gilbert to approve CARES Act Expenditure in the Amount of \$6,700 for KSTK Radio for COVID-19 Related Broadcasting and Public Service Notices. Motion approved unanimously by polled vote**

**13i** Approval of Contract with Ketchikan Mechanical for the Touchless Plumbing Fixtures Project in the Amount of \$256,505.65

**M/S: Gilbert/Powell to approve a contract with Ketchikan Mechanical for the Touchless Plumbing Fixtures Project in the amount of \$265,505.65.**

Ms. Al-Haddad spoke to the lifespan of these units; said that her assumption was that they were commercial-grade; further confirmed for the Assembly that this contract would include toilets, urinals, and the faucets.

**Motion approved with Dalrymple, Howe, Gilbert, Morrison, and Prysunka voting yes; Powell voted no.**

**13j** Approval to Dispose of City Surplus Property

**M/S: Gilbert/Morrison to approve the disposition of surplus property in conformance with Wrangell Municipal Code Section 5.10.060 and to authorize the Borough Manager to dispose of any Surplus items that were not bid on for the Surplus Sale, in a manner that is in the best interest of the Borough.**

In response to Prysunka on the surplus of the old dump truck, Von Bargaen stated that she did not feel that it was appropriate to bring this to the Assembly until the new dump truck purchase report was provided to the Assembly.

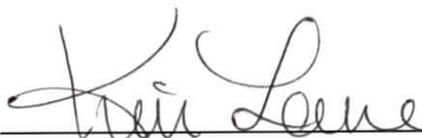
**Motion approved unanimously by polled vote.**

ATTORNEY'S FILE

**14** Available for Assembly review in the Borough Clerk's office.

EXECUTIVE SESSION – None.

Regular Assembly meeting adjourned at 10:01 p.m.

ATTEST:   
Kim Lane, MMC, Borough Clerk

  
Stephen Prysunka, Mayor  
Patricia Gilbert, Vice-Mayor

