



**City & Borough of Wrangell  
SPECIAL ASSEMBLY MEETING AGENDA  
August 17, 2012  
12:00 p.m.**

1. Call to Order
  2. Roll Call
  3. Conflict of Interest:
  4. Persons to be Heard:
  5. Items of Business:
    - a. **PROPOSED ORDINANCE: AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING TITLE 3, CHAPTER 3.32 OF THE WRANGELL MUNICIPAL CODE RELATING TO THE WRANGELL MEDICAL CENTER AND LONG-TERM CARE FACILITY BOARD (*first reading*)**
- Motion: Move to approve first reading and move to second with a public hearing to be held on August 28, 2012.**
6. Adjournment

CITY AND BOROUGH OF WRANGELL, ALASKA

ORDINANCE NO. \_\_\_\_

AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING TITLE 3, CHAPTER 3.32 OF THE WRANGELL MUNICIPAL CODE RELATING TO THE WRANGELL MEDICAL CENTER AND LONG-TERM CARE FACILITY BOARD

WHEREAS, the Home Rule Charter of the City and Borough of Wrangell provides in Article I, Section 1-5: “The City and Borough of Wrangell, Alaska, shall have all the powers, functions, rights, privileges, franchises and immunities of every name and nature whatever, which a home-rule borough may have under the constitution and laws of the State of Alaska. The borough may exercise all powers not prohibited by law or by this charter. The powers of the borough shall be liberally construed. The enumeration or mention of particular powers by this charter shall not be deemed to be exclusive or limiting”; and

WHEREAS, Article III of the Charter, regarding the Borough Manager and Administrative Departments, provides in Section 3-9: “The borough-operated Wrangell Medical Center shall be operated by a board established by ordinance and elected by the voters”; and

WHEREAS, the Wrangell Medical Center and Long-Term Care Facility is a part of the City and Borough of Wrangell and is not a separate public entity from the City and Borough of Wrangell; and

WHEREAS, the Wrangell Medical Center and Long-Term Care Facility is not a municipal government under Title 29 of the Alaska Statutes and does not have the powers and authority of a municipal government under AS Title 29, or the powers of the City and Borough of Wrangell enumerated in Section 1-5 of the Charter and is not otherwise a quasi-public agency

or authority or separate public entity from the City and Borough of Wrangell under any state law;  
and

WHEREAS, the powers and authority of the Wrangell Medical Center and Long-Term Care Facility board are specifically limited by the Charter and state law to such powers and authority as may be provided by ordinance adopted by the Borough Assembly; and

WHEREAS, the budget for the operation and maintenance of the Wrangell Medical Center and Long-Term Care Facility consists entirely of public funds; and

WHEREAS, the Borough is responsible for obligations lawfully incurred by the Wrangell Medical Center and Long-Term Care Facility through the Borough general fund; and

WHEREAS, the budget for the operation of the Wrangell Medical Center and Long-Term Care Facility is subject to review and approval by the Borough Assembly; and

WHEREAS, the board of the Wrangell Medical Center and Long-Term Care Facility for the period of approximately January 1, 2008 through June 20, 2012, took actions detrimental to the best interests of the Borough and the Wrangell Medical Center and Long-Term Care Facility, and took actions adverse to the financial health and well-being of the Borough and the Wrangell Medical Center and Long-Term Care Facility; and

WHEREAS, the board of the Wrangell Medical Center and Long-Term Care Facility for the period of approximately January 1, 2008 through June 20, 2012, took actions which have placed the general fund of the Borough at substantial risk; and

WHEREAS, the board of the Wrangell Medical Center and Long-Term Care Facility for the period of approximately January 1, 2008 through June 20, 2012, took actions which required the Borough to institute legal proceedings to preserve and protect the general fund of the Borough and to effect the return of public funds distributed or obligated, and/or attempted to be

distributed or obligated, by the board, which distribution and/or obligation and/or attempt to obligate by the board served no purpose related to the operation or maintenance of the Wrangell Medical Center and Long-Term Care Facility; and

WHEREAS, the Borough Assembly is responsible to protect the general fund from risk of any unauthorized and/or irresponsible expenditure of Wrangell Medical Center and Long-Term Care Facility monies derived from income or other sources, as well as the from Borough general fund; and

WHEREAS, the Borough Assembly has at all times asserted that the Wrangell Medical Center and Long-Term Care Facility exists as a part of the City and Borough of Wrangell, and further that the Wrangell Medical Center and Long-Term Care Facility is not and never has been a stand alone, separate public entity from the City and Borough of Wrangell; and

WHEREAS, the Borough Assembly deems it necessary to clarify the Wrangell Municipal Code provisions relating to the board of the Wrangell Medical Center and Long-Term Care Facility to protect the Borough and the people of Wrangell from any future board exceeding the scope of its powers and authority under state law, the City and Borough of Wrangell Charter and the Wrangell Municipal Code.

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

[The bolded language are the changes to the existing code and the strikethroughs are the language to be deleted from the code.]

SEC. 1.        Action. The City and Borough of Wrangell Charter, Article III, Section 3-9, authorizes the Assembly to establish, by ordinance, a board for the borough-operated Wrangell Medical Center and Long-Term Care Facility. Title 3 of the Wrangell Municipal Code addresses Administration and Personnel of the City and Borough of Wrangell; Chapter 32 of that title sets

out the Code provisions regarding the establishment, powers, authority and duties of the Wrangell Medical Center and Long-Term Care Facility board, and administration of the facility.

The Assembly of the City and Borough of Wrangell declares that Title 3, Chapter 3.32 of the Wrangell Municipal Code, shall be clarified and amended as follows:

### Chapter 3.32

## MEDICAL CENTER AND LONG-TERM CARE FACILITY – BOARD AND ADMINISTRATION

Sections:

- 3.32.005 Established – Composition.
- 3.32.007 Membership – Appointment – Terms.
- 3.32.010 Oath of office.
- 3.32.020 **Physical** Property management – Purchasing powers.
- 3.32.030 ~~Hospital administration~~ **Hospital Board – General powers and duties.**
- 3.32.040 Hospital Administrator.**
- ~~3.32.040~~ **3.32.050** Accounting procedures.
- ~~3.32.050~~ **3.32.060** Bylaws **and organization.**
- ~~3.32.060~~ **3.32.070** Noncompensation.
- ~~3.32.070~~ **3.32.080** Advisors to the board.
- ~~3.32.080~~ **3.32.090** Hospital board liaison.
- ~~3.32.090~~ **3.32.100** Annual reports to assembly – Annual **budget and annual** audit.

Section 3.32.005 Establishment – Composition.

There is established a board, **subject to the ordinances set out and adopted in this chapter**, to be known as the "Wrangell Medical Center and Long-Term Care Facility Board," designated in this chapter as "board" or "hospital board," presently composed of nine members.

Board members shall be qualified electors of the borough. [Ord. 826 § 1,2008; Ord. 797 § 1,2007; Ord. 442 § 4, 1983; prior code § 3.63.010.]

3.32.007 Membership – Appointment – Terms.

The Wrangell Medical Center and Long-Term Care Facility board shall consist of nine members. No member of the board shall be an employee of the Wrangell Medical Center and



[Ord. 334 § 5, 1975; prior code § 3.63.030.]

Section 3.32.020 **Physical** Property management – Purchasing ~~powers~~.

A. The ~~eustody and~~ **physical** management of the municipal hospital building, the land upon which the **building is located**, ~~same is situated~~ and **the equipment and furnishings and property in the building** situated thereon and therein is entrusted to the board **by the assembly, and subject to the control and review by the borough assembly as deemed necessary by the assembly in the best interest of the borough.** ~~which shall have full power and authority to make all repairs and improvements thereto which are necessary to maintain the same in good condition, but no addition to or replacement of real property shall be made by the board~~ **The board shall have the authority to make repairs and improvements to the hospital building as necessary to maintain the building in good condition, provided the board has no authority to approve or make additions or replacements or enter any contracts or agreements to do so in excess of \$25,000, including contracts for professional services or consulting contracts, without approval of the borough assembly. The board shall review and make recommendations to the assembly for proper maintenance of the Wrangell Medical Center and Long-Term Care Facility or any future facility, and the real property, for all projects in excess of \$25,000;**

B. The board shall have the power to purchase, sell, exchange, operate, maintain and repair all personal property **necessary for the daily operation and maintenance of the hospital** ~~which it deems advisable~~; provided, however, that no property or equipment other than supplies shall be purchased until and unless the board has funds ~~either~~ derived from the operation of the hospital **and** ~~or~~ appropriated for that purpose by the borough assembly. **All personal property**

of any kind and any nature existing at the Wrangell Medical Center and Long-Term Care Facility or any future facility (both the existing facility and future facility may be referred to as “hospital”) or purchased in the future shall be the property of the borough and shall not disposed of or sold in any manner inconsistent with the Wrangell Municipal Code provisions governing the disposal or sale of personal property. [Ord. 250 § 5, 1969; prior code § 3.63.040.]

Section 3.32.030. ~~Hospital administration~~ **Hospital Board – General powers and duties.**

~~A. The board has full power and authority to operate and maintain the hospital; to employ an administrator who shall have the active management of the hospital, subject to the supervision and control of the board; and to delegate to such administrator authority to hire and discharge such subordinate employees as it may deem advisable.~~

**A. The hospital board shall review and make recommendations through the borough manger to the assembly on all hospital construction, consulting, engineering, and architectural services contracts before submitting such contracts to the assembly for approval. No such contracts shall be executed without review by the borough manager and the borough attorney, and such contracts in excess of \$25,000 shall be executed only after approval by the assembly. All contracts shall be executed in the name of the city and borough;**

**B. The board shall review and make recommendations through the borough manager to the assembly for review and approval by the assembly of proposals or plans for development of any new hospital construction and improvements;**

**C. The board shall have the authority to solicit grants and funds from any sources for the furtherance of the provision of medical care at the hospital. Any solicitations from federal or state agencies shall be subject to prior approval of the borough manager. The board shall keep the borough manager advised of grants and funds being sought by a written report from the board or hospital administrator;**

**D. The board shall adopt personnel policies for hospital employees, subject to annual review by the assembly during May of each year. The personnel policies shall be consistent with the personnel rules and regulations of the borough, and shall be subject to modification by the assembly;**

**E. The board shall employ a hospital administrator by contract, which contract shall be subject to review and approval by the borough manager. No administrator may be employed without a contract approved by the borough manager and the borough attorney. The administrator's contract may not be modified, amended or changed without approval of the borough manager and the borough attorney. The board shall only terminate or remove the administrator after consultation with the borough manager and the borough attorney and approval by the borough manager;**

**F. B. The board shall determine all salaries and wages to be paid to each classification of labor employed at the hospital, except that the salary and any other wages or monies or benefits to be paid or provided to the hospital administrator shall be only as provided in the administrator's contract.**

~~G. €.~~ The board shall determine, charge and collect ~~such~~ fees and charges for the services rendered and furnished by the hospital. ~~as it shall deem advisable.~~ **The rates as determined by the board shall be in full compliance with federal and state laws. The rates as determined by the board** ~~Said rates, however,~~ shall be subject to modification by the borough assembly, which may change the rates at any time. ~~No rates, however, will be changed by the borough assembly without the board being advised of a proposal to review such rates and until the board has an opportunity to be present and be heard with respect thereto.~~

~~H. Đ.~~ **The board** ~~It~~ shall have authority to take all **lawful necessary** action to collect all accounts owing to the hospital and the borough for services rendered or furnished by the hospital. ~~and the board.~~ **No legal action shall be instituted unless reviewed and approved by the borough manager and borough attorney.**

~~I. E.~~ The board shall require that all persons admitted to the hospital be under the supervision and care of a licensed physician.

~~J. F.~~ **Subject to review and approval by the assembly,** ~~the~~ board shall have **the** ~~power and~~ authority to make ~~such~~ rules and regulations ~~as it deems advisable or necessary~~ for the efficient and safe operation of the hospital, **provided that any rules and regulations shall be consistent with federal and state law and the Wrangell Municipal Code and be in the best interests of the borough and in accordance with sound business practices. The board must submit the rules and regulations through the manager to the assembly for review and approval. The assembly may modify or amend any rules and regulations.**[Ord. 263 § 6, 1971; prior code § 3.63.050.]

**K. The board shall undertake the annual budget, annual audit, and annual reports for the hospital as required by 3.32.100. The board shall make no expenditure of funds or obligation of funds unless the expenditure or obligation is in conformance with the annual budget, or a budget amendment, that has been approved and adopted by the assembly.**

**Section 3.32.040 Hospital Administrator [new section].**

**A. General. The hospital administrator shall be responsible for the overall supervision of the hospital in a manner consistent with all federal and state laws, the City and Borough of Wrangell Charter, and Wrangell Municipal Code, and in a fiscally responsible manner in the best interests of the borough and in accordance with sound business practices. The borough manager shall have governing power over the administrator, except as related to the selection of the administrator pursuant to 3.32.030E, in the same manner as the borough manager has governing power over all other administrative department heads pursuant to 3.06.020A.**

**B. The authority and duties of the hospital administrator are as follows:**

- (1) To be responsible for carrying out all applicable federal and state laws, the Wrangell Charter and Code, borough resolutions, and the hospital rules and regulations;**
- (2) To be responsible for carrying out policies established by the hospital board and the assembly;**

- (3) To prepare and submit to the hospital board for approval, a plan of organization and a job classification plan for the personnel at the hospital;**
- (4) To prepare an annual report and an annual budget as required by 3.32.100;**
- (5) The administrator shall have the authority to hire and discharge subordinate employees at the hospital in a manner consistent with federal and state laws and in accordance with the personnel policies of the hospital, the borough code, and the borough personnel rules and regulations;**
- (6) To work with the professional staff and with those concerned with the rendering of professional services at the hospital to the end that the best possible care may be rendered to all patients;**
- (7) To prepare such reports as may be required on any phase of hospital activity by the board, the assembly, or the borough manager;**
- (8) To attend all meetings of the hospital board and of standing committees of the board except where otherwise specified by the board;**
- (9) To perform any other duty that may be in the best interests of the borough as assigned by the board, the assembly, or the borough manager.**

Section ~~3.32.040~~ **3.32.050** Accounting procedures.

The board shall establish a system of accounts and procedure for collecting revenues from the operation of the hospital which revenues shall be deposited periodically as determined by the board in a bank in Wrangell, Alaska, and a system for paying of all expenses of operation and costs of services and equipment purchased. **The City and Borough of Wrangell shall be**

**named on all accounts. The borough manager shall be a signatory on all accounts.** [Ord. 250 § 5, 1969; prior code § 3.63.060.]

**Section ~~3.32.050~~ 3.32.060 Bylaws and organization.**

A. The board shall adopt bylaws governing its own proceedings ~~and elect from the membership of the board a president, a secretary, and such other officers as it deems necessary,~~ **which bylaws shall be submitted to the assembly for review and approval and** ~~where duties shall be set forth in the bylaws, which may be amended by the assembly.~~ A copy of the bylaws shall be filed with the borough clerk together with all rules and regulations made by the board.

**B. The board shall elect annually from its membership a president, a secretary, and such other officers as it deems necessary.**

[Ord. 263 § 6, 1971; prior code § 3.63.070.]

**Section ~~3.32.060~~ 3.32.070 Noncompensation.**

No member of the board shall be paid for any services rendered or duties performed in connection with the administration and operation of the hospital. [Ord. 250 § 5, 1969; prior code § 3.63.080.]

**Section ~~3.32.070~~ 3.32.080 Advisors to the board.**

**Subject to the limitations and provisions of 3.06.020, the** ~~The~~ hospital board may appoint ~~such~~ persons in an advisory capacity, **other than consultants referenced in 3.32.030A,** as it deems advisable, **except that any consultant agreement or contract in excess of \$5,000,**

**or which may potentially exceed \$5,000, must be reviewed by the borough manager and the borough attorney and approved by the borough assembly before the consultant may retained.** The board will consult with all physicians and surgeons practicing in the borough from time to time so as to determine, understand and take such action upon the views and recommendations of such physicians and surgeons as the board considers advisable. [Ord. 250 § 5, 1969; prior code § 3.63.090.]

**Section ~~3.32.080~~ 3.32.090 Hospital board liaison.**

~~The assembly of the City and Borough of Wrangell hereby declares that the~~ **The** borough assembly shall appoint from its membership a liaison to the **Wrangell Medical Center and Long-Term Care Facility** ~~Wrangell medical center board~~. The borough assembly liaison shall represent the assembly and attend and participate in all ~~Wrangell medical center~~ **hospital** board meetings and all executive sessions of the ~~Wrangell medical center~~ board. **The board has no authority to exclude the assembly liaison from any executive session.** The assembly liaison will not participate as a voting member of the ~~Wrangell medical center~~ board and the presence of the assembly liaison shall not be used to establish a quorum to convene a meeting of the ~~Wrangell medical center~~ board.

**Section ~~3.32.090~~ 3.32.100 Annual reports to assembly - Annual audit and annual budget.**

A. The board shall annually submit a **detailed report to the borough manager and the assembly** setting forth the principal facts regarding its policies, rules, regulations procedure and statistics in connection with the operation of the hospital **and submit the annual audit to the borough manager and the assembly** . ~~which report will be filed by the president and secretary of the board.~~

**B.** The board shall annually, on or before the fifteenth day of May of each year, submit a **detailed** budget setting forth the anticipated income and expense of the hospital operations for the ensuing year starting July 1st. **The hospital administrator shall prepare the budget in accordance with approved City and Borough procedure and shall submit it to the hospital board for approval. The hospital board shall submit the budget to the borough manager with its recommendations in the same manner as the budgets are submitted by the other government departments of the borough, and the borough manager will submit the budget to the assembly.** The purpose of the budget is to allow the assembly to ~~provide~~ **appropriate** necessary funds for operations; **to insure that the proposed expenditures and financial obligations in the budget are in the best interests of the borough and the people of Wrangell; to insure that the budget reflects sound business practices; to insure that none of the proposed expenditures or obligations place the general fund of the borough at risk, and to use excess revenue of the hospital in the general fund of the borough. The board shall not obligate or expend by contract or otherwise any funds generated by hospital income or funds from the general fund of the borough unless such obligation or expenditure has been identified with specificity in the budget and the budget has been reviewed by the borough manager and approved and adopted by the assembly. The Wrangell Medical Center and Long-Term Care Facility budget as submitted to the borough manager and assembly is not final and may not be implemented until approved by the assembly.**

**C.** The borough assembly at any time may request from the hospital additional reports or information the assembly deems necessary and the board shall direct the administrator to prepare the requested reports and provide the reports to the borough manager within the time frame established by the assembly.

SEC. 2. Classification. This ordinance is of a permanent nature and shall be codified in the Wrangell Municipal Code.

SEC. 3. Severability. If any portion of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

SEC. 4. Purpose. The purpose of this ordinance is to clarify and amend Wrangell Municipal Code Ch. 3.32, consistent with the historical authority of the Borough Assembly, the Charter of the City and Borough of Wrangell, and Title 29 of the laws of the State of Alaska, and in the public interest and the best interests of the borough.

SEC. 5. Effective Date. This ordinance shall be effective upon adoption by the assembly.

PASSED IN FIRST READING: \_\_\_\_\_, 2012.

PASSED IN SECOND READING: \_\_\_\_\_, 2012.

Attest: \_\_\_\_\_

Kim Flores  
Borough Clerk

\_\_\_\_\_  
Jeremy Maxand  
Mayor