



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda Borough Assembly Regular Meeting

Monday, May 04, 2026

12:00 PM

Assembly Chambers

Zoom Information

When: May 4, 2026 12:00 PM Alaska

<https://petersburgak-gov.zoom.us/j/83478685277?pwd=Tjc2Y2iXFcININPogmEhxCOCTbkA80.1>

Webinar ID: 834 7868 5277

Passcode: 543578

Call-in (Audio Only) (253) 215-8782

1. Call To Order/Roll Call

2. Voluntary Pledge of Allegiance

3. Approval of Minutes

A. Regular Assembly Meeting Minutes April 13, 2026

Note: The April 20, 2026 minutes will be presented for approval at the May 18, 2026 meeting.

4. Amendment and Approval of Meeting Agenda

5. Public Hearings

6. Bid Awards

7. Persons to be Heard Related to Agenda

Persons wishing to share their views on any item on today's agenda may do so at this time.

8. Persons to be Heard Unrelated to Agenda

Persons with views on subjects not on today's agenda may share those views at this time.

9. Boards, Commission and Committee Reports

10. Consent Agenda

A. Moose Lodge Club Alcohol License Renewal

The Moose Lodge has applied with the Alcohol & Marijuana Control Office (AMCO) to renew their Club Alcohol license. AMCO has determined the application to be complete. A local governing body may support or protest the renewal within 60 days of the notice of filing the application.

B. El Zarape LLC License Renewal

El Zarape has applied with the Alcohol & Marijuana Control Office (AMCO) to renew their Restaurant Eating Place license. AMCO has determined the application to be complete. A local governing body may support or protest the renewal within 60 days of the notice of filing the application.

C. Engagement of Outside Counsel Providing Bond Counsel Services

Finance Director Tow requests approval of Kutak Rock LLP for bond counsel services to provide legal support and ensure compliance with applicable laws for the Borough's bond financing activities. A letter from Kutak Rock is attached.

11. Report of Other Officers

A. Petersburg Medical Center

PMC CEO Hofstetter has provided a report on Medical Center activities.

B. US Forest Service

District Ranger Case will provide an update on Forest Service activities.

C. Petersburg School District

Petersburg School Superintendent Taylor will provide a report on school district activities.

D. Waterworth Presentation on FY 2027 Electric and Wastewater Rates

Waterworth, the Borough's utility rate study consultant, will provide a presentation outlining recommended electric and wastewater rates for FY 2027.

E. Data Centers: Informational Presentation

Utility Director Hagerman will provide additional information on data centers based on questions submitted by the public. These Frequently Asked Questions (FAQ's) will also be posted on the Borough website.

F. SEAPA Special Meeting report from April 28, 2026

Utility Director Hagerman will provide a report on SEAPA's recent special meeting of April 28, 2026, including information on a Wrangell solar project and other SEAPA business.

12. Mayor's Report

A. May 4, 2026 Mayor's Report

13. Manager's Report

A. May 4, 2026 Manager's Report

14. Unfinished Business

A. Ordinance #2026-05: An Ordinance of the Petersburg Borough Adjusting the FY 2026 Budget for Known Changes - Third Reading

If approved in three readings, this ordinance would make changes to the following funds:

Secure Rural Schools Revenue: The federal government approved the Secure Rural Schools Reauthorization Act of 2025 on December 18, 2025. The Borough received its FY24 payment on March 23, 2026, in the amount of \$722,484 for Title I Schools and Roads. A letter from the State of Alaska is attached.

Elderly Housing – Fund 470: Funds are proposed for replacement of Elderly Housing's 44- year- old dry sprinkler system valve and air compressor, which have exceeded their useful life. Details are included in the attached memorandum.

Fire Department: To complete the funding of new SCBA tanks and masks to replace expiring equipment. This expenditure was authorized by Resolution 2026- 05, approved March 16, 2026. The resolution is attached.

Waste Water Outfall Repair Project – Fund 764: This adds \$275,000 in loan funding from the Alaska Department of Environmental Conservation (ADEC) as well as a \$275,000 expense for the project. Ordinance #2026-05 was unanimously approved in its first and second readings.

15. New Business

A. **Ordinance #2026-06: An Ordinance Amending Petersburg Municipal Code Title 20, Entitled “Watershed Management”, To Update Language and to Account for Borough Incorporation - First Reading**

If approved, this ordinance will update and codify existing watershed management regulations into the borough code, reflect borough formation, and continue protections for the City Creek and Cabin Creek water supply watersheds to safeguard water quality and quantity for Service Area 1.

B. **Ordinance #2026-07: An Ordinance Amending Petersburg Municipal Code Chapter 4.80 To Adjust the Marine Passenger Fee to Address Increased Borough Costs Associated with Services to and Infrastructure for Marine Passenger Vessels and Their Passengers - First Reading**

If approved, this ordinance will amend the Marine Passenger Fee by increasing the per- passenger charge to address rising costs for public safety, harbor operations, sanitation, emergency response, and other Borough services and infrastructure impacted by marine passenger vessels, while codifying the change in the municipal code with the increase effective January 1, 2027.

C. **Ordinance #2026-08: An Ordinance Updating Chapter 14.16 of the Municipal Code, Entitled “Electric Utility” - First Reading**

If approved, this ordinance will update electric utility rates and charges for FY 2027 to ensure Petersburg Municipal Power & Light can fully cover operating expenses, inflation, capital needs, reserve requirements, and debt coverage obligations, while maintaining reliable electric service and codifying the revised rates and fees in the municipal code. A memo from Director Hagerman is attached.

D. Ordinance #2026-09: An Ordinance of the Petersburg Borough Adopting the Budget for the Fiscal Year July 1, 2026 Through June 30, 2027 - First Reading

If approved, this ordinance will adopt the Fiscal Year 2027 operating budget for the Petersburg Borough.

16. Communications

A. Correspondence Received Since April 16, 2026

17. Assembly Discussion Items

A. Scow Bay Fire Station and Training Facilities

This agenda item requested by Member Meucci

Discussion regarding current and proposed plans for the Scow Bay Fire Station, including the fire training tower and associated fire department vehicles and equipment.

B. Petro Marine Property – Harbor Department Use

This agenda item requested by Member Meucci

Discussion on the status of efforts to acquire or lease the Petro Marine property across from Petersburg Cold Storage for use by the Harbor Department, including equipment storage.

C. Use of Electric Vehicles for Borough Fleet

This agenda item requested by Member Meucci

Discussion on whether the Borough has investigated the use of electric vehicles (EVs) for municipal operations.

D. Maritime Prosperity Zone Discussions

This agenda item requested by Member Meucci

Discussion on Borough participation in discussions with the communities of Ketchikan and Wrangell regarding the proposed “Maritime Prosperity Zone.”

E. Tidal Network Contract Update

This agenda item requested by Member Meucci

Update and discussion regarding the status of the Borough’s contract with Tidal Network, including performance, scope, and next steps.

F. Assembly Member Comments

G. Recognitions

18. Adjourn