



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda Borough Assembly Regular Meeting

Monday, May 20, 2024

6:00 PM

Assembly Chambers

You are invited to a Zoom webinar.
When: May 20, 2024 06:00 PM Alaska
Topic: May 20, 2024 Borough Assembly Meeting

Please click the link below to join the webinar:

<https://petersburgak.gov.zoom.us/j/83211841550?pwd=NcvP2vZeF5lxBisINAv78s7u5P4gWg.MKrkQxoiOxjPk6ZE>

Passcode: 275097

Or Telephone:

(720) 707-2699 or (253) 215-8782

Webinar ID: 832 1184 1550

Passcode: 275097

1. **Call To Order/Roll Call**
2. **Voluntary Pledge of Allegiance**
3. **Approval of Minutes**
 - A. May 6, 2024 Assembly Meeting Minutes
4. **Amendment and Approval of Meeting Agenda**
5. **Public Hearings**
 - A. **Public Hearing for Ordinance #2024-07: An Ordinance Amending Section 4.33.030 of Chapter 4.33, *Transient Room Tax*, of the Petersburg Municipal Code, to Increase the Transient Room Tax Rate from Four Percent (4%) to Seven Percent (7%), and Directing that the Amendment be Submitted to the Qualified Voters of the Borough for Ratification**

Any public testimony regarding Ordinance #2024-07 should be given during this public hearing. A copy of Ordinance #2024-07 may be found under agenda item 14B.

B. Public Hearing for Ordinance #2024-08: An Ordinance Amending Section 4.33.060 of the Petersburg Municipal Code to Clarify the Permitted Uses of Proceeds of the Borough Transient Room Tax

Any public testimony regarding Ordinance #2024-08 should be given during this public hearing. A copy of Ordinance #2024-08 may be found under agenda item 14C.

C. Public Hearing for Ordinance #2024-09: An Ordinance of the Petersburg Borough Adopting the Budget for the Fiscal Year July 1, 2024 through June 30, 2025

Any public testimony regarding Ordinance #2024-09 should be given during this public hearing. A copy of Ordinance #2024-09 may be found under agenda item 14D.

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. Alaska Commercial Electronics LLC Lease Renewal

Alaska Commercial Electronics LLC wishes to renew their lease with the Borough through May 14, 2029 at an annual rental rate of \$2,172.

11. Report of Other Officers

12. Mayor's Report

There is no written Mayor's Report for this meeting.

13. Manager's Report

A. May 20, 2024 Manager's Report

14. Unfinished Business

A. Ordinance #2024-06: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough to Rezone Lots 3, 4, 5, and 6, Block 66, US Survey 1252 from Single-Family Residential (SF) to Public Use (P-1) - Third and Final Reading

Ordinance #2024-06 will rezone lots named from Single-Family Residential to Public Use at the request of the Petersburg Children's Center, who currently leases the property, for future development of childcare and learning facilities. The Assembly unanimously approved Ordinance #2024-06 in its first and second readings.

B. Ordinance #2024-07: An Ordinance Amending Section 4.33.030 of Chapter 4.33, *Transient Room Tax*, of the Petersburg Municipal Code, to Increase the Transient Room Tax Rate from Four Percent (4%) to Seven Percent (7%), and Directing that the Amendment be Submitted to the Qualified Voters of the Borough for Ratification - Second Reading

If approved in three readings, Ordinance #2024-07 will bring a proposition before Borough voters at the October 2024 municipal election to increase the Transient Room Tax from 4% to 7%. Transient Room Tax is levied on rental of rooms at hotels, motels, or other lodging, for fewer than 30 days. It is estimated that increasing the Transient Room Tax to 7% will generate approximately \$53,000 in additional funds to support Borough infrastructure and expenses related to tourism in Petersburg. The Assembly unanimously approved Ordinance #2024-07 in its first reading.

C. Ordinance #2024-08: An Ordinance Amending Section 4.33.060 of the Petersburg Municipal Code to Clarify the Permitted Uses of Proceeds of the Borough Transient Room Tax - Second Reading

If adopted in three readings, Ordinance #2024-08 will clarify uses for the proceeds of the Transient Room Tax by adding visitor-related signage, park maintenance and improvements, borough beautification and improvement projects, and repair and maintenance of visitor-related borough infrastructure, including stairs and sidewalks in the downtown area. The Assembly unanimously approved Ordinance #2024-08 in its first reading.

D. Ordinance 2024-09: An Ordinance Adopting the Budget for the Fiscal Year July 1, 2024 through June 30, 2025 - Second Reading

Ordinance #2024-09 will set the Borough budget for FY 2025. The Assembly unanimously approved Ordinance #2024-09 in its first reading.

15. New Business

A. Ordinance #2024-10: An Ordinance Amending Section 4.28.120 of the Petersburg Municipal Code to Increase the Amount of Sales Tax that can be Collected on a Single Sales Transaction from \$72 to \$300, and Directing that the Proposed Amendment be Submitted to the Qualified Voters of the Borough

If adopted by the Assembly in three readings, Ordinance #2024-10 will place a proposition on the 2024 Municipal Election ballot to increase the maximum taxable transaction amount from \$1,200 to \$5,000, resulting in an increase of the maximum collectible sales tax from \$72 to \$300 per single purchase of goods or services.

B. Resolution #2024-07: A Resolution Supporting the Transfer of Certain State-Owned Tidelands Located Within the Petersburg Borough for the Purposes of Developing a Marine Vessel Haul Out and Harbor and Other Economic Development Activities

Adoption of Resolution #2024-07 will show support for the Borough's application to the State of Alaska for conveyance of 21 acres of state-owned tidelands in Scow Bay for the purpose of developing a vessel haul out and harbor.

C. Resolution #2024-08: A Resolution of the Petersburg Borough Assembly in support of Amendment 123 to the Fishery Management Plan (FMP) for Groundfish of the Bering Sea and Aleutian Islands (BSAI) Management Area which Amends Regulations Governing Limits on the Pacific Halibut Prohibited Species Catch (PSC) and Links the Halibut PSC Limit for the Amendment 80 Commercial Groundfish Trawl Fleet in the BSAI Groundfish Fisheries to Halibut Abundance

The Petersburg Vessel Owner's Association requests Assembly support, by passage of this Resolution, for Amendment 123 of the NMFS Fishery Management Plan which links the halibut bycatch for the commercial groundfish trawl fleet to halibut abundance.

D. Municipal Land Selections Response - ADL 108982, 108983, and 108984

Alaska Department of Natural Resources issued a preliminary decision to convey 1,758 acres of municipal entitlement lands to the Borough and is accepting public comment on the decision until May 24, 2024. The lands are on Mitkof Island (Frederick Point, Woodpecker, and the parcel containing the shooting range) and also include three small islands in Sumner Strait. The Borough's comments to the decision are attached in this packet for Assembly approval.

E. Acceptance of Dedication of Easements, Rights-of-Way, Alleys and Roadways proposed on the Alaska Mental Health Trust's Plat of the South Mitkof Subdivision

The State of Alaska, Department of Natural Resources, requires borough mayors to sign for acceptance of any land dedicated for public use and for public purposes within the borough, regardless of whether or not the borough has platting authority in the area. This land dedication is south of the Papke's Landing area, which is currently exempt from platting authority. Acceptance of lands for public use or public purpose does not obligate the public or any governing body to construct, operate or maintain improvements. DNR is requesting Mayor Jensen sign the plat of the South Mitkof Subdivision.

At the September 5, 2023 meeting, the Assembly unanimously rejected the request for Mayor Jensen to sign the plat and accept the proposed subdivision lands dedicated for public use. Vice Mayor Marsh requests the subject be reconsidered.

F. 2024 Fuel Adjustment Charge for Annual SEAPA Maintenance Shutdown

Per Municipal Code Section 14.16.720, *Rates - Fuel and Purchased Power Adjustment Charge*, the Assembly has the discretion to implement a fuel adjustment charge to all kilowatt hours sold in the billing period that includes the annual SEAPA maintenance shutdown and the resulting 10-day diesel plant run by our electric utility. Utility Director Hagerman is requesting the fuel adjustment charge be

implemented for the billing period between May 27 and June 27, 2024. The SEAPA maintenance period is scheduled for June 6 - 12, 2024. The fuel adjustment charge will appear on the July, 2024 electric bill.

16. Communications

A. Correspondence Received Since May 2, 2024

17. Assembly Discussion Items

A. Assembly Member Comments

B. Recognitions

18. Adjourn