



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda Borough Assembly Regular Meeting

Monday, April 21, 2025

6:00 PM

Assembly Chambers

You are invited to a Zoom webinar!

When: Apr 21, 2025 06:00 PM Alaska

Topic: 4.21.2025 Regular Assembly Meeting
Join from PC, Mac, iPad, or Android:

[https://petersburgak-
gov.zoom.us/j/85386518178?pwd=6BuqxSmru6aLKu96BZKiCvYPwcuNNK.1](https://petersburgak.gov.zoom.us/j/85386518178?pwd=6BuqxSmru6aLKu96BZKiCvYPwcuNNK.1)

Passcode:438359

Join via audio:
(253) 205-0468 or (720) 707-2699

Webinar ID: 853 8651 8178
Passcode: 438359

1. **Call To Order/Roll Call**
2. **Voluntary Pledge of Allegiance**
3. **Approval of Minutes**
 - A. **April 7, 2025 Board of Equalization Hearing and Regular Assembly Meeting Minutes**
4. **Amendment and Approval of Meeting Agenda**
5. **Public Hearings**
 - A. **Public Hearing for Ordinance #2025-03: An Ordinance Adjusting the FY 2025 Budget for Known Changes**

Any public testimony regarding Ordinance #2025-03 should be given during this public hearing. A copy of Ordinance #2025-03 may be found under agenda item 14A.

B. Public Hearing for Ordinance #2025-04: An Ordinance Amending Chapter 19, Zoning, of the Petersburg Municipal Code to Establish Overlay Zones within Municipal Zoning Regulations, and to Create a Marine Industrial Overlay Zone

Any public testimony regarding Ordinance #2025-04 should be given during this public hearing. A copy of Ordinance #2025-04 may be found under agenda item 14B.

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. Birchell Properties LLC Lease #2

Birchell Properties LLC wishes to renew their tidelands lease with the Borough through May 15, 2030, at an annual rate of \$6,810.00.

11. Report of Other Officers

12. Mayor's Report

A. April 21, 2025 Mayor's Report

13. Manager's Report

A. Manager's Report 4.21.2025

14. Unfinished Business

A. Ordinance #2025-03: An Ordinance Adjusting the FY 2025 Budget for Known Changes - Second Reading

The FY25 budget policy document states that the Borough will designate 50% of the of the previous year's annual General Fund surplus into the Property Development Fund for the purpose of financing major capital maintenance and repairs in any year where the General Fund undesignated fund balance is within the target range of established policy levels. This ordinance, if approved, will transfer \$292,314 from the General Fund to the Property Development Fund.

Finance Director requests the Assembly amend Ordinance #2025-03 to accept bond revenue. Suggested motion:

I make a recommendation to add to the FY25 Borough supplemental budget a revenue and expense line item for \$3,557,800 into Fund 762 - Public School Projects. These bond proceeds were received by the Borough on April 8, 2025, from

the Alaska Municipal Bond Bank. These funds will be used for the purposes set out in Ordinance 2024-12 that was approved by the Borough Assembly and ratified at a public election in 2024.

B. Ordinance #2025-04: An Ordinance Amending Chapter 19, Zoning, of the Petersburg Municipal Code to Establish Overlay Zones within Municipal Zoning Regulations, and to Create a Marine Industrial Overlay Zone - Second Reading

If approved in three readings, Ordinance #2025-04 will establish a new Marine Industrial Overlay Zone within the Industrial Zone of Service Area 1, applicable to certain tideland parcels as reflected in Exhibit A, attached.

15. New Business

A. Resolution #2025-08. A Resolution Approving The Real Property Improvement And Conveyance Of Borough Owned Land, Described As Lots 1, 2, 3, 4, 5 And 6, Block 304, and Lots 16, 17, 18, 19 and 20, Block 305, Airport Addition Subdivision, According To Plat 77-2 Recorded on March 1, 1977, Six (6) of Which will be Conveyed to the Tlingit Haida Regional Housing Authority (THRHA) And Five (5) Of Which Will Stay In Borough Ownership, For The Purpose of Expanding the Airport Subdivision; and Authorizing the Borough Manager to Sign Conveyance Documents

On January 6, 2025, the Assembly approved Resolution #2025-01 which authorized Manager Giesbrecht to enter into a Real Property Improvement and Conveyance Agreement with THRHA, who will provide improvements (roads, electric, water, sewer and storm drainage utilities) to 11 lots in the Airport Addition Subdivision in return for ownership of 7 of the 11 lots. THRHA now requests to provide improvements to an additional 11 lots, for a total of 22 lots, with 13 lots to be owned by THRHA, and 9 lots to be retained by the Borough. Addendum No. 1 to the THRHA/Petersburg Borough Real Property Improvement and Conveyance Agreement was approved by the Assembly on April 7, 2025.

B. Resolution #2025-03 (Amended) A Resolution Authorizing Temporary Lease of Borough Owned Tidelands at the Scow Bay Turnaround to Andrew Rutherford

At the March 3, 2025 meeting, the Assembly approved Resolution #2025-03 authorizing a temporary tidelands lease permit to Andy Rutherford. Mr. Rutherford requests the annual lease rate be prorated to reflect the actual land use. An amended Resolution #2025-03 is attached for Assembly approval.

C. Fuel Adjustment Charge Request - 2025

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, 2025. The SEAPA

maintenance period is scheduled for June 10-19, 2025. The fuel adjustment charge will appear on the July 2025 electric bill.

D. Nordic Real Estate Lease Application

Nordic Real Estate has applied to lease Lot 4A, Skylark II Subdivision Plat 90-14, Parcel ID #01-010-737. On April 8, 2025, the Planning Commission held a public hearing and recommends the Borough Assembly approve the lease.

Borough Code Section 16.12.080(E) states that the Assembly shall determine whether an application shall move forward in the application process or be denied. If the application is to move forward, the Assembly shall decide if the lease shall be auctioned publicly or processed by direct lease to the applicant.

E. Greg and Heidi Johnson Land Purchase Application

Greg and Heidi Johnson submitted an application to purchase Borough owned lots 6-10, Block 255, Northeast Subdivision and Lots 2-5 Scenic View Subdivision (unrecorded). The Johnson's request that all nine lots are offered for sale as a block and understand lots 2-5 will need to go through the subdivision process and most likely be rezoned before they are ready for public sale.

The Planning Commission held a public hearing regarding the application to purchase on March 11, 2025. The motion to recommend approval of sale failed due to lack of a second.

Borough Code Section 16.12.080(E) states that the Assembly shall determine whether an application shall move forward in the application process or be denied. If the application is to move forward, the Assembly shall schedule a public sale or exempt the application from public sale. If the application is exempted from public sale, the Assembly may authorize the Borough Manager to negotiate the sale with the applicant, the final terms of which are subject to approval by the Assembly.

F. David Mazzella - Land Purchase Application

David Mazzella submitted an application to purchase one Borough owned lot located at 1009 Augusta St, Lot 8, Block 255, Northeast Subdivision, Parcel ID #01-002-560.

The Planning Commission held a public hearing regarding the application to purchase on March 11, 2025, and recommends the Assembly approve the application to move forward in the process as a direct sale to Mr. Mazzella.

Borough Code Section 16.12.080(E) states that the Assembly shall determine whether an application shall move forward in the application process or be denied. If the application is to move forward, the Assembly shall schedule a public sale or exempt the application from public sale. If the application is exempted from public sale, the Assembly may authorize the Borough Manager to negotiate the sale with the applicant, the final terms of which are subject to approval by the Assembly.

G. Letter of Interest for Parks and Recreation Advisory Board

Chrystine Lynn has submitted a letter of interest to serve on the Parks and Recreation Advisory Board.

H. Budget Work Session

Finance Director Tow requests that the Assembly choose a date and time for a budget work session. The first reading of the budget will be at the May 5th Assembly meeting.

The following dates were suggested.

Monday, April 28th. Noon or 5pm

Thursday, May 1st. Noon or 5pm

16. Communications

A. Correspondence Received Since April 3, 2025

17. Assembly Discussion Items

A. Assembly Member Comments

B. Recognitions

18. Adjourn