



# Petersburg Borough

12 South Nordic Drive  
Petersburg, AK 99833

## Meeting Agenda Borough Assembly Regular Meeting

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Monday, May 18, 2026

6:00 PM

Assembly Chambers

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### **Zoom Information**

When: May 18, 2026 6:00 PM Alaska

Topic: Regular Assembly Meeting

[https://petersburgak-  
gov.zoom.us/j/82468822879?pwd=b1bIYRO24Ph8TQaPQ2seD6L3tPZ9vp.1](https://petersburgak.gov.zoom.us/j/82468822879?pwd=b1bIYRO24Ph8TQaPQ2seD6L3tPZ9vp.1)

Webinar ID: 824 6882 2879

Passcode: 346452

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 20, 2026**
  - B. **Regular Assembly Meeting Minutes May 4, 2026**
4. **Amendment and Approval of Meeting Agenda**
5. **Public Hearings**
  - A. **Ordinance #2026-06: An Ordinance Amending Petersburg Municipal Code Title 20, Entitled “Watershed Management”, To Update Language and to Account for Borough Incorporation**

Any public testimony regarding Ordinance #2026-06 should be given during this public hearing. A copy of Ordinance #2026-09 may be found under agenda item 14A.
  - 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**

Any public testimony regarding Ordinance #2026-07 should be given during this public hearing. A copy of Ordinance #2026-07 may be found under agenda item 14B.

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

Any public testimony regarding Ordinance #2026-08 should be given during this public hearing. A copy of Ordinance #2026-08 may be found under agenda item 14C.

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

Any public testimony regarding Ordinance #2026-09 should be given during this public hearing. A copy of Ordinance #2026-09 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**

**11. Report of Other Officers**

**12. Mayor's Report**

**A. May 18, 2026 Mayor's Report**

**13. Manager's Report**

**A. No manager's report for this meeting.**

**14. Unfinished 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 - Second Reading**

If approved, this ordinance would 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.

Ordinance #2026-06 was unanimously approved in its first reading.

**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 - Second Reading**

If approved, this ordinance would 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.

Ordinance #2026-07 was unanimously approved in its first reading.

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

If approved, this ordinance would 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.

Ordinance #2026-08 was unanimously approved in its first reading.

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

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

Ordinance #2026-09 was unanimously approved in its first reading.

**15. New Business**

**A. Ordinance #2026-10: An Ordinance Amending Section 4.28.120 of the Petersburg Municipal Code, To Increase the Amount of the Single Purchase Sales Tax Cap from \$1,200 To \$5,000, and Directing That the Proposed Amendment Be Submitted to the Qualified Voters of the Borough - First Reading**

If approved, Ordinance #2026-10 would increase the maximum single purchase amount subject to the borough sales tax from \$1,200 to \$5,000 and submit the change to borough voters at the October 6, 2026 regular election. The increase would raise the maximum sales tax on a single transaction from \$72 to \$300, modernize a cap that has changed only once since 1959, and help generate additional revenue to support essential borough services, including the Petersburg School District, while still remaining among the lowest caps in Southeast Alaska.

**B. Ordinance #2026-11: An Ordinance Updating Chapter 14.08 of The Municipal Code, Entitled “Sewer Utility” - First Reading**

If approved, Ordinance #2026-11 would update sewer utility service rates for FY2027 through FY2030 based on the annual rate review, reflecting higher projected operating costs and planned capital needs. The changes amend Section 14.08.320A of the Municipal Code to establish updated service charges and commodity rates to support long-term financial sustainability of the Sewer Utility. A memo from Assistant Public Works Director Rummel is attached to this agenda item.

**C. Ordinance #2026-12: An Ordinance Amending Title 19 Zoning, of the Petersburg Municipal Code to Regulate Wireless Communication Facilities (WCF) And Other Towers and Transmitters - First Reading**

If approved, this ordinance would establish zoning and permitting standards for wireless communication facilities and other towers. It requires these facilities to be reviewed as conditional uses, providing public notice and Planning Commission review and approval, while remaining consistent with the Federal Telecommunications Act of 1996 and related regulations.

The ordinance creates a new chapter of the municipal code governing wireless facilities, prioritizes collocation and use of existing structures, and sets development standards addressing location, safety, visual impacts, and FCC compliance. It is intended to balance the community's need for reliable wireless and other communication services with public safety and aesthetic concerns.

A memo from Director Cabrera is attached to this agenda item.

**D. Resolution #2026-13: A Resolution of the Petersburg Borough Setting the Millage Rates for the Fiscal Year July 1, 2026 Through June 30, 2027**

If approved, this resolution would establish the property tax millage rates for the fiscal year July 1, 2026 through June 30, 2027, based on final assessed property values and in accordance with Borough code and charter limits. The adopted rates fund area-wide services, education, voter- approved general obligation bond debt, and Service Area 1 services, and set the due date for 2026 property taxes.

**E. Resolution #2026-14: A Resolution Authorizing the Borough Manager to Transfer Ownership of Certain Antique Fire Apparatus to the Petersburg Volunteer Fire Department Association**

If approved, this resolution would allow the Petersburg Volunteer Fire Department Association to take ownership of three antique fire apparatus it has restored and maintained. The Association will assume all insurance and maintenance responsibilities, continue to make the vehicles available for public display, and return ownership to the Borough if the Association dissolves. A letter from William Tremblay, the PVFD Association President, is attached to this agenda item.

**F. Resolution #2026-15: A Resolution of the Petersburg Borough Assembly Approving the Sale of a Borough Owned Parcel to Taylor Jensen**

If approved, Resolution #2026- 15 would authorize the sale of a Borough- owned parcel at 505 Mill Street to Taylor Jensen under the negotiated Contract of Sale.

The Planning Commission recommended approval after a public hearing, and the Assembly later authorized direct negotiations. The parcels are not needed for municipal use, and PMC 16.12.160(C) requires Assembly approval by resolution for their disposal. The Contract of Sale is attached to this agenda item.

## **G. Land Purchase Application**

The Borough has received an application from Robert Funk to purchase Borough- owned property at 502 Lumber Street. The Planning Commission held a public hearing on April 14, 2026, as required by PMC § 16.12.080, and recommends approval of the sale of the property to the applicant. The assessed value of the property is \$33,100. The Planning Commission's Report is attached to this agenda item.

During this meeting, the Assembly shall determine whether the 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 and disposal from public sale.

If public sale, the Assembly shall determine if the sale shall be by Outcry Auction or Sealed Bid, and shall choose a date/time for the sale. If exempted from public sale, the Assembly shall establish the alternative method, terms and conditions of disposal.

## **H. Letter of Interest for Planning Commission**

The Assembly has received a letter of interest from Jim Floyd expressing his willingness to serve on the Planning Commission. His letter is presented for Assembly review and consideration for appointment. If appointed, Mr. Floyd will serve until the October 2026 election.

## **I. Scow Bay Fire Station Training Props Relocation Plan**

*This agenda item requested by Member Meucci*

Consider directing the Borough Manager to develop a plan to relocate the Scow Bay Fire Station training props to a site adjacent to Fire Station One.

The plan shall include a proposed timeline for the move, detailed cost estimates for relocating the training vans, burn tower, and associated gear, estimated engineering and construction costs for a suitable pad at the Fire Station One site, and identification of potential funding options. The plan shall also include coordination with and required approval from the Department of Transportation (DOT). If DOT does not grant approval for the proposed location, staff shall immediately begin evaluation and planning for an alternative site.

## **J. Formation of a Housing Task Force**

*This agenda item requested by Member Meucci*

Consider the formation of a Housing Task Force. Discussion to include proposed guidelines, goals, and objectives for the task force. See the attached list for additional details.

## **16. Communications**

### **A. Correspondence Received Since April 20, 2026**

## 17. Assembly Discussion Items

### A. Arctic Security Cutter Homeport Consideration

*This discussion item requested by Member Meucci*

Discussion regarding the potential for Petersburg to be considered as a homeport location for one of the 11 Arctic Security Coast Guard Cutters. Discussion to include whether any formal outreach or expressions of interest with the U.S. Coast Guard has occurred and the Borough's level of interest in pursuing this opportunity.

### B. Former South Mitkof Ferry Terminal

*This discussion item requested by Member Meucci*

Update and discussion on any potential or proposed uses of the former South Mitkof Ferry Terminal as part of a larger Coast Guard facility or related operations.

### C. Power and Light Ordinances (Large Commercial Users)

*This discussion item requested by Member Meucci*

Discussion regarding potential updates to the Power and Light ordinances as they relate to Large Commercial Users, including but not limited to data centers and other high- volume consumers of electricity.

### D. Assembly Member Comments

### E. Recognitions

## 18. Adjourn