



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda Borough Assembly Regular Meeting

Monday, August 03, 2026

6:00 PM

Assembly Chambers

Zoom Information

When: August 3, 2026 6:00 PM Alaska

Topic: Regular Assembly Meeting

<https://petersburgak-gov.zoom.us/j/82149362126?pwd=11YoKRjeOK1XOXImbjncTTCchDkYkYB.1>

Webinar ID: 821 4936 2126

Passcode: 170453

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 July 20, 2026**
4. **Amendment and Approval of Meeting Agenda**
5. **Public Hearings**
 - A. **Ordinance #2026-15: An Ordinance of the Assembly of the Petersburg Borough, Alaska, Amending Title 3 of the Petersburg Borough Code to Establish Nepotism Standards for Elected Officials**
 - B. **Ordinance #2026-16: An Ordinance Amending the Petersburg Municipal Code to Provide a Senior Sales Tax Exemption to Qualified Residents of the Borough 70 Years of Age or Older**
 - C. **Ordinance #2026-17: An Ordinance of the Assembly of the Petersburg Borough, Alaska, Establishing the Thomas Bay Service Area of the Borough, Providing for Its Governance and Financing, And Authorizing Use of Local Improvement Districts Within the Service Area**

D. Ordinance #2026-18: An Ordinance Amending Chapters 4.13, 4.16, 4.20, 4.27, and 14.18 of the Former City of Petersburg Code to Account for Borough Formation

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

A. Petersburg Medical Center

PMC CEO Hofstetter will update the Assembly on Medical Center activities.

B. Petersburg School District

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

C. Clerk Election Report

Clerk Regula will update the Assembly on the October 6, 2026 election.

12. Mayor's Report

A. Mayor's Report August 3, 2026

13. Manager's Report

A. Manager's Report August 3, 2026

14. Unfinished Business

A. Ordinance #2026-15: An Ordinance of the Assembly of the Petersburg Borough, Alaska, Amending Title 3 of the Petersburg Borough Code to Establish Nepotism Standards for Elected Officials - Second Reading

If approved in three readings, this ordinance will amend Title 3 of the Petersburg Borough Code to establish nepotism standards for elected officials, as required by the Borough Charter. The ordinance creates disclosure and recusal requirements when an elected official's family member has a substantial financial interest in a matter before the Borough and prohibits participation in certain employment-related decisions involving family members.

Ordinance #2026-15 was unanimously approved in its first reading.

B. Ordinance #2026-16: An Ordinance Amending the Petersburg Municipal Code to Provide a Senior Sales Tax Exemption to Qualified Residents of the Borough 70 Years of Age or Older - Second Reading

The Borough has received and certified an initiative petition proposing a senior sales tax exemption for qualified Borough residents 70 years of age and older. Pursuant to PMC 2.44.080, this ordinance is being presented to the assembly for its consideration.

Adoption of this ordinance would not affect the existing senior sales tax exemption available to qualified Borough residents age 65 and older who participate in the Alaska Senior Benefits Program. Those residents would remain eligible for the current exemption. The proposed ordinance would create an additional exemption for qualified Borough residents age 70 and older.

If the assembly adopts a substantially similar measure, the initiative petition is void and the initiated matter is not put on the ballot, however, because this ordinance would create a sales tax exemption, it would still require voter ratification under Borough charter section 12.02B. If this ordinance is not adopted, the initiated matter will be submitted to the voters.

Ordinance #2026-16 was unanimously approved in its first reading.

C. Ordinance #2026-17: An Ordinance of the Assembly of the Petersburg Borough, Alaska, Establishing the Thomas Bay Service Area of the Borough, Providing for Its Governance and Financing, And Authorizing Use of Local Improvement Districts Within the Service Area - Second Reading

If approved in three readings, Ordinance #2026-17 establishes the Thomas Bay Service Area within the Petersburg Borough and creates a new chapter in the Borough Code defining its boundaries, services, and financing. The service area would include all property within ASLS 81-235, excluding the federally owned parcel, and would authorize the provision of services, such as fire and EMS, police, road construction and maintenance, and parks and recreation.

The ordinance does not mandate a specific level of service; the level and form of services, if any, will be determined subsequently by the Assembly through the annual budgeting process.

Because no voters reside within the proposed service area, its creation is based on the consent of the Borough and the State of Alaska as the sole property owners within the area.

A memo from Director Cabrera, a Letter of Consent from DNR and a map of the area are attached to this agenda item.

Ordinance #2026-17 was unanimously approved in its first reading.

D. Ordinance #2026-18: An Ordinance Amending Chapters 4.13, 4.16, 4.20, 4.27, and 14.18 of the Former City of Petersburg Code to Account for Borough Formation - Second Reading

If approved in three readings, this ordinance will update the Petersburg Municipal Code by removing outdated provisions, consolidating utility extension requirements into a single chapter, and updating Cabin Creek Road use fees. The changes are intended to modernize code language, clarify utility extension procedures, and better reflect current Borough operations and costs.

Ordinance #2026-18 was unanimously approved in its first reading.

E. Land Purchase Application

(Postponed from July 20, 2026 meeting)

The Borough has received an application from Brian Newman to purchase Borough- owned property at 1205 Lake Street. The Planning Commission held a public hearing on June 9, 2026, as required by PMC § 16.12.080, and recommends approval of the sale of the property. The assessed value of the property is \$15,000. 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.

F. Special Use Permit - Lake Street Right of Way

(Postponed from July 20, 2026 meeting)

If approved, this Special Use Permit will allow Brian Newman to use a portion of the undeveloped Lake Street right-of-way for access to 1205 Lake Street. The Planning Commission recommended approval, contingent upon conveyance of the property to the applicant.

If someone other than Mr. Newman purchases the property; the new owner will need to submit an application for a special use permit to access the lot.

15. New Business

A. Resolution #2026-22: A Resolution Approving the Sole-Source Procurement of Advanced Metering Infrastructure Equipment from Eaton in the Amount Of \$372,035.62, Approving the Use of DOE Grant Funds Provided Through the Petersburg Indian Association and Power & Light Capital Funds, And Authorizing the Borough Manager to Execute All Necessary Purchase Documents

If approved, this resolution will authorize the purchase of equipment needed to complete the Borough's AMI deployment project. Utility Director Harbour has provided a memo with more information which is attached to this agenda item.

Suggested motion: I move to approve Resolution No. 2026-22 authorizing the sole-source procurement of Advanced Metering Infrastructure equipment from Eaton in an amount not to exceed \$372,035.62, approving the use of DOE grant funds and Power & Light Capital Funds, and authorizing the Borough Manager to execute all necessary purchase documents.

B. Approval of Contract Amendment for Scow Bay Generator No. 2 Project, Phase 2 Part A

Assembly approval is requested for a contract amendment with Dawson Construction, LLC for Phase 2, Part A of the Scow Bay Generator No. 2 Project. The amendment establishes a Guaranteed Maximum Price of \$1,492,844 for construction of the generator building, foundations, concrete work, and installation of major owner-furnished equipment.

Funding is currently available for this phase, which will protect the Borough's existing investment, maintain project momentum, and secure current construction pricing while financing for the remaining project work moves forward. A memo from Utility Director Harbour is attached.

Suggested Motion: I move to approve the contract amendment with Dawson Construction, LLC for Phase 2, Part A of the Scow Bay Generator No. 2 Project, establishing a Guaranteed Maximum Price of \$1,492,844.

C. Skylark Development Agreement Amendment

Skylark LLC has requested relief from the Development Agreement's 40' right-of-way requirement for certain road segments within the proposed subdivision. Rather than platting a full 40' right-of-way throughout, the developer is proposing a 30-33' right-of-way supplemented by slope easements on the adjoining lots, which would achieve the functional equivalent of a 40' width.

Borough Public Works and Petersburg Municipal Power & Light have reviewed the proposal and have no objection to the reduced right-of-way widths as proposed.

The preliminary plat, a letter from Aaron Brown, who is the surveyor for the project, and the original conveyance agreement are attached to this agenda item.

Suggested Motion: I move to authorize the Borough Manager to execute an amendment to Section 5(b)(i) of the Development Agreement dated October 31, 2025, between the Petersburg Borough and Skylark LLC, in a form approved by the Borough Attorney, clarifying that the 40' right-of-way width requirement is subject to the Planning Commission's existing authority to grant a platting variance under Borough code.

16. Communications

A. Correspondence Received Since July 16, 2026

17. Assembly Discussion Items

A. Assembly Member Comments

B. Recognitions

18. Adjourn