



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda Borough Assembly Regular Meeting

Tuesday, September 08, 2026

6:00 PM

Assembly Chambers

Zoom Information

When: September 8, 2026 6:00 PM Alaska

Topic: Regular Assembly Meeting

<https://petersburgak-gov.zoom.us/j/81066322286?pwd=hkdVKMXdJop41XaBTx5nM4gXgPCCaj.1>

Webinar ID: 810 6632 2286

Passcode: 609834

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 August 17, 2026**
- 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**
- 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. Assessor Report

Martins Onskullis, the Borough's Assessor, will provide a report on the upcoming assessment year.

D. Introduction of Auditor

BDO Assurance Manager, George Barker, will address the Borough Assembly and walk through their annual audit process while they are in town this week.

E. SEAPA Report

SEAPA Board Member Harbour will provide an update on SEAPA activities.

12. Mayor's Report

A. September 8, 2026 Mayor's Report

13. Manager's Report

A. September 8, 2026 Manager's Report

Manager Giesbrecht has provided a written report.

14. Unfinished Business

15. New Business

A. Ordinance #2026-19: An Ordinance of the Petersburg Borough Assembly Repealing Chapter 9.36, Violation -- Penalty, From the Municipal Code to Reflect Borough Incorporation - First Reading

This ordinance repeals Chapter 9.36, *Violation – Penalty*, of the former City of Petersburg Code. The chapter contains a penalty provision related to interference with the health officer and violations of certain health and safety provisions.

The ordinance removes this outdated provision because the applicable enforcement and penalty provisions are now addressed in Chapter 9.04 of the Petersburg Municipal Code.

Suggested Motion: I move to approve Ordinance #2026-19, deleting Chapter 9.36, Violation – Penalty, from the Petersburg Municipal Code, on its first reading.

B. Ordinance #2026-20: An Ordinance of the Petersburg Borough Assembly Repealing Chapter 9.08, Food Sanitation, From the Municipal Code to Reflect Borough Incorporation - First Reading

If approved in three readings, this ordinance would repeal Chapter 9.08, *Food Sanitation*, of the former City of Petersburg Code. The chapter remained in effect following Borough incorporation under Charter Section 19.06 but is no longer

necessary because food sanitation matters are regulated and enforced under applicable State of Alaska laws.

The ordinance removes the outdated former City provisions from the Petersburg Municipal Code and updates the Code to reflect current Borough and State regulatory authority.

Suggested Motion: I move to approve Ordinance #2026-20, deleting Chapter 9.08, Food Sanitation, from the Petersburg Municipal Code, on its first reading.

C. Ordinance #2026-21: An Ordinance of the Petersburg Borough Adjusting the FY 2027 Budget for Known Changes - First Reading

If approved in three readings, Ordinance #2026-21 will amend the FY 2027 Budget to reflect known changes in revenues, expenditures, transfers, grants, loans, and project funding. The proposed amendments include adjustments related to the following:

Harbor C Float Project: Addition of a \$125,000 State of Alaska Legislative Grant and corresponding port facility expenditures.

Sanitation – Hazmat: Increase of \$9,000 for Hazmat event disposal expenses that exceeded the budgeted amount.

Wastewater Disinfection and Industrial Pretreatment Studies: Addition of \$300,000 in State Revolving Fund loan revenue and corresponding expenditures for required wastewater studies.

Aquatic Center Capital Project: Addition of \$541,546 in State of Alaska School Major Maintenance Grant funding and corresponding construction expenditures, with the reimbursement retained in the Aquatic Center Capital Project Fund for future facility expenses.

Municipal Building Heat Pump and HVAC: Increase of \$40,657 for heat pump repair and HVAC duct system cleaning.

Electric Grid Resiliency Project: Adjustments to project transfers and professional services funding, including the closeout of the Auto Control Project.

Standby Diesel Generator Project: Increase of \$800,000 in budgeted revenue bond proceeds to reflect the actual bond issuance.

Elderly Housing: Addition of \$20,000 for replacement of two walk-in cooler condenser units.

Fire Department: Increase of \$301,327 for Self-Contained Breathing Apparatus (SCBA) tanks and masks previously approved but invoiced in FY 2027.

Parks and Recreation: Increase of \$5,500 for the purchase of a Genie 2632 scissor lift to assist with maintenance and to be available for use by other Borough departments.

Suggested Motion: I move to approve Ordinance #2026-21, an ordinance adjusting the FY 2027 Budget for known changes, on its first reading.

D. Resolution #2026-23: A Resolution Formally Adopting The 2026 Revision to the Petersburg Borough Standard Specifications, And Establishing Minimum Road Standards for Areas Outside Service Area One, Excluding the City of Kupreanof

This resolution formally adopts the 2026 Petersburg Borough Standard Specifications, which update and replace the 2012 City of Petersburg Standard Specifications. The resolution also establishes minimum road design and construction standards for public road improvements and subdivisions located outside Service Area One, excluding the City of Kupreanof.

Suggested Motion: I move to approve Resolution #2026-23, formally adopting the 2026 Petersburg Borough Standard Specifications and establishing minimum road design and construction standards for areas outside Service Area One, excluding the City of Kupreanof.

E. Resolution #2026-24: A Resolution Authorizing the Application for, and Execution of, a State Revolving Fund Loan for an Industrial Pretreatment Program

This resolution authorizes the Borough to apply for up to \$150,000 in Alaska Clean Water Fund SIPP funding to develop and implement an Industrial Pretreatment Program required for the Borough's wastewater system.

This resolution is presented as a substitute for Resolution #2026-21 and updates the maximum repayment period from 20 years to 5 years. It also specifies that the \$150,000 loan may include up to \$75,000 in subsidy (loan forgiveness), reducing the amount that must be repaid.

Suggested Motion: I move to approve Resolution #2026-24, authorizing the application for, and execution of, a State Revolving Fund loan of up to \$150,000 for the Industrial Pretreatment Program, as a substitute for Resolution #2026-21.

F. Resolution #2026-25: A Resolution Authorizing a Special Use Permit for a Portion of the Chief John Lott Street Right-Of-Way

This resolution approves a special use permit for Kito's LLC to continue the nonexclusive use of a portion of the Chief John Lott Street right-of-way for the ground landing of an exit stairway, porch, and wheelchair ramp.

The Planning Commission recommended approval with conditions to update the permit language and liability insurance requirements to current standards. The Planning Commission report is attached.

Suggested Motion: I move to approve Resolution #2026-25, authorizing a special use permit for Kito's LLC for the nonexclusive use of a portion of the Chief John Lott Street right-of-way, subject to the conditions recommended by the Planning Commission.

G. Resolution # 2026-26: A Resolution of the Petersburg Borough Accepting \$8,880,791 in Build Grant Funding from the U.S. Department of Transportation Maritime Administration (Marad) for the Scow Bay Small Vessel Haul-Out Project

This resolution authorizes the Petersburg Borough to accept \$8,880,791 in BUILD grant funding from the U.S. Department of Transportation Maritime Administration (MARAD) for the Scow Bay Small Vessel Haul-Out Project.

The project will improve the existing haul-out facility by constructing a new boat haul-out ramp in deeper water, a washdown pad, utility connections, an extension of the existing work pad and breakwater, and a dedicated boarding float. A memo from Director Cabrera is attached.

Suggested Motion: I move to approve Resolution #2026-26, accepting \$8,880,791 in BUILD grant funding from the U.S. Department of Transportation Maritime Administration for the Scow Bay Small Vessel Haul-Out Project.

H. Resolution #2026-27: A Resolution of the Petersburg Borough Assembly Approving the Sale of a Borough- Owned Parcel to Brian Newman

If approved, Resolution #2026- 27 would authorize the sale of a Borough- owned parcel at 1205 Lake Street to Brian Newman under the negotiated Contract of Sale.

The Planning Commission recommended approval after a public hearing, and the Assembly later authorized direct negotiations. The parcel is 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.

Suggested Motion: I move to approve Resolution #2026-27, authorizing the sale of the Borough-owned parcel at 1205 Lake Street to Brian Newman in accordance with the terms and conditions of the attached Contract of Sale.

I. Resolution #2026-28: A Resolution to Approve the Increase in Funding for Unexpected Costs Associated with Aquatic Center Sewer Line Repairs for an Amount Not to Exceed \$60,000

This resolution authorizes up to \$60,000 in additional funding from the Aquatic Center Repairs Fund for unexpected costs associated with the ongoing sewer line repair project.

Suggested Motion: I move to approve Resolution #2026-28, authorizing an additional expenditure from the Aquatic Center Repairs Fund in an amount not to exceed \$60,000 for unexpected costs associated with the Aquatic Center sewer line repair project.

J. Request For Proposal Wastewater Effluent Disinfection Study

Public Works issued a Request for Proposals (RFP) for the Wastewater Effluent Disinfection Study on July 23, 2026.

Staff recommends awarding the professional services contract to HDR Engineering, Inc. in an amount not to exceed \$101,665.00. A memo from Public Works Director Marohl and the RFP notice are attached.

Suggested Motion: I move to award the Wastewater Effluent Disinfection Study to HDR Engineering, Inc. in an amount not to exceed \$101,665.00.

K. Land Purchase Application - Skylark Park

The Borough has received an application from Skylark Park LLC to purchase two Borough-owned properties identified as Section 33, Government Lots 26 and 27. The Planning Commission held a public hearing on June 9, 2026, as required by PMC § 16.12.080, and recommends approval of the sale, subject to the properties being rezoned to Single-Family Mobile Home.

The assessed values of Government Lots 26 and 27 are \$82,400 and \$72,700, respectively. The Planning Commission's Report and recommendation are 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.

Suggested Motions - Three Options:

Option 1: Move Application Forward / Public Sale:

I move to advance the application from Skylark Park LLC to the next stage of the disposal process and schedule the sale of Government Lots 26 and 27, Section 33, by [Outcry Auction/Sealed Bid] on [date] at [time].

Option 2: Exempt from Public Sale:

I move to advance the application from Skylark Park LLC and exempt the disposal of Government Lots 26 and 27, Section 33, from public sale, authorizing direct negotiations by the Borough Manager for the sale of the parcels, with the final terms subject to Assembly approval.

Option 3: Deny Application:

I move to deny the application from Skylark Park LLC to purchase Government Lots 26 and 27, Section 33.

16. Communications

17. Assembly Discussion Items

A. Fire Department Training Props Relocation
This agenda item requested by Member Meucci

B. Chamber of Commerce Storage Van Relocation
This agenda item requested by Member Meucci

C. Tsunami Risk Study
This agenda item requested by Member Meucci

D. Assembly Member Comments

E. Recognitions

18. Executive Session - PMEWA Wage Negotiations: Pursuant to Alaska Statute 44.62.310, upon motion of the Assembly, the assembly will convene in executive session to discuss the status of wage negotiations regarding the labor agreement between the Borough and PMEWA.

Suggested Motion: I move that the Assembly convene in executive session pursuant to AS 44.62.310 to discuss the status of wage negotiations regarding the labor agreement between the Borough and PMEWA and to provide direction to the Borough's negotiating team.

19. Adjourn