



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes Borough Assembly Regular Meeting

Monday, October 07, 2024

12:00 PM

Assembly Chambers

1. Call To Order/Roll Call

Mayor Jensen called the meeting to order at 12:00 pm.

PRESENT

Mayor Mark Jensen
Vice Mayor Donna Marsh
Assembly Member Bob Lynn
Assembly Member Scott Newman
Assembly Member Rob Schwartz
Assembly Member James Valentine

EXCUSED

Assembly Member Jeigh Stanton Gregor

2. Oath of Office

Newly elected Assembly Member James Valentine will be given the Oath of Office.

3. Voluntary Pledge of Allegiance

The Pledge was recited.

4. Approval of Minutes

A. September 16, 2024 Assembly Meeting Minutes

The September 16, 2024 meeting minutes were approved as submitted.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Lynn.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Valentine

5. Amendment and Approval of Meeting Agenda

The Agenda was approved as submitted.

Motion made by Assembly Member Newman, Seconded by Assembly Member Schwartz.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Lynn, Assembly
Member Newman, Assembly Member Schwartz, Assembly Member Valentine

6. Public Hearings

There were no public hearings.

7. Bid Awards

There were no bid awards.

8. 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.

Sara Fine-Walsh, representing the PEDC Board, asked the Assembly to approve the Skylark Subdivision.

Mike Schwartz, representing himself, asked the Assembly to approve the Skylark Subdivision.

9. Persons to be Heard Unrelated to Agenda

Persons with views on subjects not on today's agenda may share those views at this time.

No views were shared.

10. Boards, Commission and Committee Reports

There were no reports.

11. Consent Agenda

A. PAH, LLC, dba The Trees General Store & RV Park, Package Store Liquor License Renewal

The Assembly unanimously supported the Trees General Store and RV Park package store liquor license renewal.

Motion made by Assembly Member Lynn, Seconded by Vice Mayor Marsh.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Lynn, Assembly
Member Newman, Assembly Member Schwartz, Assembly Member Valentine

12. Report of Other Officers

A. Petersburg Medical Center Update

PMC CEO Hofstetter provided a report on PMC activities.

13. Mayor's Report

A. October 7, 2024 Mayor's Report

Mayor Jensen read the Mayor's Report into the record.

14. Manager's Report

A. October 7, 2024 Manager's Report

Manager Giesbrecht read his report into the record, a copy of which is attached and made a permanent part of these minutes.

15. Unfinished Business

There was no unfinished business.

16. New Business

A. Ordinance #2024-17: An Ordinance Amending Various Sections of Chapter 4.28 of the Petersburg Municipal Code, Entitled *Sales Tax*, to add Definitions and Rules Regarding Particular Businesses, and to Specify Sales Tax Exemptions Required by Law

If adopted in three readings, Ordinance #2024-17 will enhance Chapter 4.28 by adding needed definitions and rules being used by not listed in Code and by specifying sales tax exemptions required by State of Federal law.

The Assembly unanimously approved Ordinance #2024-17 in its first reading.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Newman.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Valentine

B. Ordinance #2024-18: An Ordinance Adjusting the FY 2025 Budget for Known Changes

This supplemental budget is for both revenues and expenses that were not expected during the time the original budget was put together this spring.

Four of these items are for grants we have recently been awarded, as follows: a State of Alaska Legislative grant for \$30,000 to replace the shooting range boardwalk; a \$900,000 Denali grant to rebuild the Banana Point Breakwater; a \$216,210 grant from the Pacific States Marine Fisheries Commission to be used at the Scow Bay turnaround phase 1 project; and a \$54,882 Title III National Forest Receipts grant to be spent on 10 sets of turnout gear for the fire department.

Unanticipated expenses in this supplemental are an additional \$10,000 in the wastewater department to locate and mark the wastewater plant outfall; \$6,000 in the motor pool department to upgrade the tire changing machine; \$5,000 in additional cost for the purchase of the public works pickup in the motor pool department; \$5000 for

advertising for debt authorization prior to the election and for the lead service line identification advertising; an additional \$215,000 for the Harbor's dock shed (estimated at higher than budgeted), and approval is needed to go out to bid; \$16,000 for the temporary building official position in Community Development until the current building official has all of his credentials; the fire department's replacement values for vehicle insurance coverage was determined to be inadequately low, replacement values have been increased and thus increased the fire department's vehicle insurance cost by \$41,954; \$20,000 to replace the Water Department's sludge pond/backwash pump, which has failed and cannot be rebuilt; and \$8,500 for the Sanitation Department's hazmat event earlier this year, which cost more than anticipated.

Lastly, two ARPA grants are expiring at the end of December, so we are broadening the allowable expense description to make sure we can spend the entirety of both grants in the little time we have remaining.

Ordinance #2024-18 was approved in its first reading by a vote of 5-1.

A motion to amend Ordinance #2024-18 by removing the \$41,000 Fire Department insurance increase.

Motion made by Assembly Member Newman, Seconded by Vice Mayor Marsh.
Voting Nay: Mayor Jensen, Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Valentine

Ordinance #2024-18 passed in its first reading by a vote of 5-1.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Lynn.
Voting Yea: Mayor Jensen, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Valentine
Voting Nay: Vice Mayor Marsh

C. Resolution #2024-12: A Resolution Accepting \$900,000 in Grant Funding from the Denali Commission for Replacement Breakwater at Banana Point

The Assembly unanimously approved Resolution #2024-12 to accept the grant funding and authorize a 10% match (\$90,000) by the Borough to replace the existing floating breakwater system at the Banana Point Boat Launch.

Motion made by Assembly Member Newman, Seconded by Assembly Member Lynn.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Valentine

D. Resolution #2024-13: A Resolution Approving Award for Removal, Demolition and Disposal of a Derelict Vessel, the F/V Pacific Queen, from the Petersburg Harbor for an Amount not to Exceed \$83,200

The Assembly approved the hire of Buck's Marine Service to dispose of the F/V Pacific Queen at a cost of \$83,200 at the September 3, 2024 Assembly meeting. Borough Code Section 4.04.040A states that purchases of \$75,000 or more, but less than \$150,000 may be excepted from competitive bid by a Resolution of the Assembly. Approval of Resolution #2024-13 will satisfy Borough Code requirements.

A motion was made to approve Resolution #2024-13.

Motion made by Assembly Member Newman, Seconded by Vice Mayor Marsh.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Valentine

A motion was made to Substitute Resolution #2024-13 with #2024-13A, to remove the vessel from the Harbor and from the Borough for demolition and disposal. The Assembly unanimously approved Resolution #2024-13A as substituted.

Motion made by Assembly Member Newman, Seconded by Assembly Member Lynn.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Valentine

E. Proposed OSHA Emergency Response Standard Rule Letter of Concern

The Occupational Safety and Health Administration (OSHA) has proposed a rule to replace the existing Fire Brigade Standard to reduce the risk of occupational hazards experienced by fire and emergency responders. If finalized in its current form, the rule would have a devastating impact on our small volunteer-based fire and emergency services department because it doesn't recognize the differences and ability to comply between larger, well-resourced, professionally paid urban fire and emergency services departments and smaller, volunteer-based departments like ours in Petersburg. If approved, this letter outlining Petersburg's concerns with the proposed rule will be sent to Alaska's Senator Murkowski, Senator Sullivan and Representative Peltola.

Motion made by Assembly Member Lynn, Seconded by Assembly Member Newman.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Valentine

F. Banana Point Breakwater Replacement Permitting & Engineering Services Proposal

Harai & Associates, Inc. has submitted a proposal for permitting & engineering services for bid ready documents for the Banana Point Breakwater Replacement project for a total cost of \$25,000. This expense could be used towards the Borough's 10% match to the \$900,000 grant funds received from the Denali Commission for the project.

The Assembly unanimously approve the Engineering Services proposal from Harai and Associates.

Motion made by Assembly Member Newman, Seconded by Assembly Member Lynn.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Lynn, Assembly
Member Newman, Assembly Member Schwartz, Assembly Member Valentine

G. Skylark Park, LLC Land Purchase Application for a Public Benefit Purpose

Skylark Park, LLC has filed to purchase Borough property to be used for a public benefit purpose per Municipal Code Section 16.12.030.

The Assembly unanimously approved the Skylark Park LLC application to purchase Borough property to be referred to the Planning Commission.

Motion made by Assembly Member Lynn, Seconded by Assembly Member Newman.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Lynn, Assembly
Member Newman, Assembly Member Schwartz, Assembly Member Valentine

17. Communications

A. Correspondence Received Since September 12, 2024

18. Assembly Discussion Items

A. Assembly Member Comments

B. Recognitions

19. Adjourn

The meeting was adjourned at 1:38 pm.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Newman.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Lynn, Assembly
Member Newman, Assembly Member Schwartz, Assembly Member Valentine

Borough Manager's Report
Assembly Meeting 07 October 2024

- ❖ Needing lifeguards!! Adults and students! If anyone is interested or knows someone who is, please send them to Parks and Rec! Upcoming open swims are being limited to 40 patrons due to lack of guards.
- ❖ Fall Sprint Triathlon will be hosted on Saturday, October 12 at 9am. Registration is open for individuals and teams, check with Parks and Rec for any questions.
- ❖ 126 participants are signed up for Youth Basketball! Still need some help with referees, time and scorekeeping, and back up coaches. Contact Julie Anderson if interested.
- ❖ Public Works will be assisting Parks and Recreation with adding more parking spots along the road at Sandy Beach and creating a safer intersection by Shelter #1 entrance and Raven's Roost trailhead. With the amount of park and trail usage, more parking is warranted and a tree impeding safe line of sight will be removed, along with a stop sign installment leaving the Shelter #1 parking lot.
- ❖ The year-round restroom attached to Shelter #3 is open! Thank you to Public Works for their awesome work to make it happen! The other park restrooms will be closed at 4p on Sunday, Oct. 6th.
- ❖ The public works crew is going through snow removal equipment to ensure it is ready when ice and snow get here. This also includes Hydrant winterization.
- ❖ Assistant Public Works Director Marohl attended Southeast Conference and gave a presentation on the Southeast Alaska Solid Waste Authority (SEASWA).
- ❖ SEASWA Board Chair Cotta is leading a working group that is developing an action plan for the \$500,000 Denali grant that was jointly awarded to SEASWA and Southeast Conference. The primary purpose of the Denali grant is to conduct a large-scale study of solid waste issues in Southeast Alaska and recommend the best ways to manage solid waste in the region moving forward. Representatives from SEASWA, Southeast Conference and the City and Borough of Sitka will cooperate on implementation of the grant. Although City and Borough of Juneau is not formally involved, we also intend to work closely with them on this effort as they have been very proactive in sharing information with SEASWA from CBJ's solid waste studies and programs.
- ❖ Building Maintenance is prepping heating systems for Borough buildings and getting maintenance issues for winter caught up.
- ❖ The Elderly Housing Entrance Repair project is underway with Steelhead Enterprises starting to stage equipment and begin preliminary work. With the main entrance closed to traffic, we would like to encourage the flow of traffic for residents, visitors and delivery persons to be around Assisted Living then south towards Elderly Housing. Please remember to drive slowly, be aware and to not leave any vehicles unattended in the emergency access lane.

- ❖ The DOE Section 243 Hydroelectric Efficiency Incentives grant agreement has been received, signed and returned to the Grid Deployment office. The total amount of funding coming to the hydro project is \$2.8 million. Issuance of the incentive payment is dependent upon submittal and receipt of various reports and proof of the efficiency gains at the facility.
- ❖ The line crew has been working with the WERC project subcontractor to install conduits needed for the electrical service to the building.
- ❖ As we enter the storm season, PMPL will be trimming trees to avoid any outages caused by errant limbs. The public is encouraged to call PMPL at 772-4203 to report any trees that are close to the electrical lines within a right of way.
- ❖ Crystal Lake levels are rising after a year of good power production and the dry month of August. Rainy weather in the forecast should bring the lake up to an acceptable level before inflows slow with colder temperatures.
- ❖ Electrical permitting has been busy! Many customers are installing heat pumps and performing other work. As a reminder, details of the local heat pump rebate program are available on the PMPL page of the Borough's website.
- ❖ Reminder to boat owners; harbor staff will be cleaning up floats of water hoses and clutter to make way for snow removal. Also do regular checks on your boats as we get more rain and colder weather.
- ❖ Harbor Staff is coordinating with contractor to organize the demo of the Pacific Queen scheduled for highest tides of the season in the middle of the month.
- ❖ We are down on staffing at Assisted Living so Derrick is filling in and staff is working some extra hours to cover missing shifts. Lots of thanks to RA's for taking care of the residents. We have 1 swing shift and three overnight positions to fill.
- ❖ Property Taxes are due by 4:30pm on October 15th. Payment options available are online, by mail, phone or in person. Call 907-772-4425 with any questions.
- ❖ We are getting very close to finalizing a contract with THRHA for eleven lots in the Airport Subdivision. Once the contract is approved by them, I will bring it forward for the Assembly.
- ❖ Several staff members and I met with representatives of PIA to discuss potential projects where we could work together for the purpose of benefiting all community members.
- ❖ Staff met and Mayor Jensen met to discuss the possibilities of working with American Cruise lines to develop an improved docking situation for them. We are reaching out to them on the possibility of creating some conceptual plans on how this would look.