



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes Borough Assembly Regular Meeting

Monday, May 06, 2024

12:00 PM

Assembly Chambers

1. Call To Order/Roll Call

Vice Mayor Marsh called the meeting to order at 12:00 p.m.

PRESENT

Mayor Mark Jensen
Vice Mayor Donna Marsh
Assembly Member Thomas Fine-Walsh
Assembly Member Bob Lynn
Assembly Member Scott Newman
Assembly Member Rob Schwartz
Assembly Member Jeigh Stanton Gregor

2. Voluntary Pledge of Allegiance

The Pledge was recited.

3. 2023 State of Alaska's Ken Akerley Fire Service Leadership Award

Assistant State Fire Marshal, Mark Brauneis, presented the Ken Akerley Fire Service Leadership Award to Dan Bird, a longtime member and current Volunteer Fire Captain of the Petersburg Volunteer Fire Department. Mr. Bird was chosen for the award from over 8,000 firefighters in the State because of his dedication and leadership within the Department.

4. Approval of Minutes

A. April 15, 2024 Assembly Meeting Minutes

The April 15, 2024 Assembly meeting minutes were unanimously approved.

Motion made by Assembly Member Fine-Walsh, Seconded by Assembly Member Lynn.

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

5. Amendment and Approval of Meeting Agenda

The agenda was approved as submitted.

Motion made by Assembly Member Fine-Walsh, Seconded by Assembly Member Schwartz.

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

6. Public Hearings

A. Public Hearing for Ordinance #2024-06: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough to Rezone Lots 3, 4, 5, and 6, Block 66, US Survey 1252 from Single-Family Residential (SF) to Public Use (P-1)

No testimony was given.

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.

Tom Abbott, General Manager of KFSK, thanked the Finance Department and the Assembly for including KFSK in the draft Community Services budget for FY 2025.

Sarah Holmgrain, Petersburg School Board President, encouraged the Assembly to fund the school system to the maximum allowed (\$3,400,000) for FY 2025.

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

A. Borough Safety Committee Report

Borough Safety Committee Chair Holmgrain provided a written report to the Assembly.

11. Consent Agenda

There were no consent agenda items.

12. Report of Other Officers

A. Petersburg Medical Center Update

PMC CEO Hofstetter updated the Assembly on Medical Center activities.

B. U.S. Forest Service Update

Petersburg District Ranger Born updated the Assembly on Forest Service activities.

13. Mayor's Report

A. May 6, 2024 Mayor's Report

Vice Mayor Marsh wished everyone a fun and safe Mayfest celebration next week.

14. Manager's Report

A. May 6, 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

A. Ordinance #2024-06: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough to Rezone Lots 3, 4, 5 and 6, Block 66, US Survey 1252 from Single-Family Residential (SF) to Public Use (P-1)

If approved in three readings, Ordinance #2024-06 will rezone Lots 3, 4, 5 and 6, Block 66, Survey 1252, from Single Family Residential to Public Use at the request of the Petersburg Children's Center, who currently leases the property, for future development of childcare and learning facilities. The Assembly unanimously approved Ordinance #2024-06 in its first reading.

Ordinance #2024-06 was unanimously approved in its second reading.

Motion made by Assembly Member Lynn, Seconded by Assembly Member Stanton Gregor.

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

16. New Business

A. Ordinance #2024-07: An Ordinance Amending Section 4.33.030 of Chapter 4.33, *Transient Room Tax*, of the Petersburg Municipal Code, to Increase the Transient Room Tax Rate from Four Percent (4%) to Seven Percent (7%), and Directing that the Amendment be Submitted to the Qualified Voters of the Borough for Ratification

If approved by the Assembly in three readings, Ordinance #2024-07 will bring a proposition before Borough voters at the October, 2024 municipal election to increase the Transient Room Tax from 4% to 7%. Transient Room Tax is levied on rental of

rooms at hotels, motels, or other lodging, for fewer than 30 days. It is estimated that increasing the Transient Room Tax to 7% will generate approximately \$53,000 in additional funds to support Borough infrastructure and expenses related to tourism in Petersburg.

The Assembly unanimously approved Ordinance #2024-07 in its first reading.

Motion made by Assembly Member Stanton Gregor, Seconded by Assembly Member Fine-Walsh.

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

B. Ordinance #2024-08: An Ordinance Amending Section 4.33.060 of the Petersburg Municipal Code to Clarify the Permitted Uses of Proceeds of the Borough Transient Room Tax

Ordinance #2024-08, if adopted in three readings, will further clarify visitor-related uses for the proceeds of the Transient Room Tax.

By unanimous roll call vote, Ordinance #2024-08 was approved in its first reading.

Motion made by Assembly Member Fine-Walsh, Seconded by Assembly Member Schwartz.

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

C. Ordinance #2024-09: An Ordinance of the Petersburg Borough Adopting the Budget for Fiscal Year July 1, 2024 through June 30, 2025

The Assembly will consider Ordinance #2024-09, which will set the Borough budget for FY 2025, in its first reading.

Ordinance #2024-09 was unanimously approved in its first reading.

Motion made by Assembly Member Stanton Gregor, Seconded by Assembly Member Lynn.

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

D. Department Head Reorganization

Assistant Utility Director recruitment has proven to be unsuccessful. Manager Giesbrecht is suggesting to reorganize departments back to the organization in place prior to creation of the Utility Director position, which was as follows: 1) Petersburg Power & Light Director, 2) Public Works Director in charge of Public Works,

Maintenance, Motor Pool, Water, Wastewater and Sanitation; and 3) Assistant Public Works Director to work under the supervision of the Public Works Director. Manager Giesbrecht's memo, attached in this packet, requests approval to move the Water & Wastewater Departments to be under the direction of the Public Works Director, post an Assistant Public Works Director position in-house this summer, and recruit for an Assistant Power & Light Director beginning in 2025. This position would become the Power & Light Director upon Director Hagerman's retirement in 2026.

The Department Head reorganization proposed by Manager Giesbrecht was unanimously approved.

Motion made by Assembly Member Stanton Gregor, Seconded by Assembly Member Lynn.

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

E. New Hospital Project Mud Dump Fees

By unanimous roll call vote, the Assembly approved to waive the mud dump fees for the entire new hospital project.

Motion made by Assembly Member Lynn, Seconded by Assembly Member Stanton Gregor.

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

17. Communications

A. Correspondence Received Since April 11, 2024

18. Assembly Discussion Items

A. Assembly Member Comments

There were no comments.

B. Recognitions

19. Adjourn

The meeting was adjourned at 12:55 p.m.

Motion made by Assembly Member Stanton Gregor, Seconded by Mayor Jensen.

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

**Borough Manager's Report
Assembly Meeting 6 May 2024**

- ❖ Sand pickup is progressing. Street grading as weather permits.
- ❖ Mayfest prep is underway, with crosswalks painted last week.
- ❖ The crew cleared a very overgrown right-of-way at the top of PFI hill, improving safety and visibility in the area. Outgoing traffic from the cannery now has a better view of vehicles approaching from uphill.
- ❖ Surplus fire engine #5 was auctioned successfully. Minimum bid was \$10,000 – we received 2 bids and the winning bidder paid \$15,348.89.
- ❖ Planning is underway for the annual Household Hazardous Waste collection event, which will be held June 1st and 2nd.
- ❖ Building Maintenance has been assisting Power & Light with some roof repairs and plumbing work for a washer/dryer installation at the PMPL building.
- ❖ Several of us met with various transportation agencies in a meeting facilitated by Alaska Municipal League. We talked about priority projects in the Borough and the group prioritized four projects; Fredrick Road/Cabin Creek, Scow Bay, Airport Bypass Road, and Papke's Landing. We will all continue to work together on these projects to see if funding can be identified. Participants included Borough staff, Forest Service, Federal Highways, Alaska DOT and Petersburg Indian Association.
- ❖ Water Staff is working with ADEC to complete the Lead Service Line Inventory. This is a federally mandated inventory in the wake of the Flint, Michigan lead pipe issue of a few years ago. The risk in Petersburg is very low with virtually all service lines being copper and the Borough's corrosion control program keeping any metal leaching to within federal standards.
- ❖ The blasting at the Wellness and Education Resource Center (WERC) site had us worried about an older water line adjacent to the site, but the contractor is doing a great job in controlling each shot. No damage or disturbance to the water mains in the area is evident.
- ❖ Thanks to the WW staff for setting up the seasonal public restroom trailers in the Municipal Building parking lot.
- ❖ We are waiting to receive the draft wastewater discharge permit, following any comments by the State and local tribe.
- ❖ PMPL is planning an open house at the Blind Slough Hydro project for the afternoon of May 16th from 1 -3 pm. Hydro power started in Petersburg 100 years ago in 1924 so it is fitting that we celebrate the ongoing benefit to the community and the completion of the newest upgrades to the powerhouse at the same time. We will hold a short ribbon cutting ceremony at 2:30pm, followed by Mayor Jensen initiating a restart of the generator. The entire Assembly, Department Heads and the public are invited to attend. There will be light refreshments and you'll be able to compare the

differences between the 1929 generator and the 2023 generator. Please help us celebrate.

- ❖ PMPL has provided additional Blind Slough Hydro project information to the DOE staff members who are managing negotiations for the Section 243 grant. Of note is that the DOE project managers have determined that the requirements of the Buy America Build America act will not need to be met by our project as the work is complete and the law was enacted after equipment and construction contracts had been entered into. This is fantastic news for PMPL staff and means that the full eligible value of the grant should be forthcoming after the negotiations are completed (approximately \$2.8 million).
- ❖ Geotechnical investigations at the Scow Bay Generator site were completed recently and verified that the site is well prepared for another large generator foundation. Design work is ongoing to produce a Design Build Invitation to Bid that will be advertised this summer.
- ❖ PMPL is happy to report that our entire staff did a great job in response to the SEAPA systemwide outage that occurred on Thursday, April 25th. A series of events that occurred in Ketchikan knocked all SEAPA member communities off the grid, but Petersburg's restoration with our diesel plant went smoothly. This was the first total system outage for many of our staff members and they did great.
- ❖ We are short employees in Dispatch and are looking for good candidates. Check out the Borough's website or talk to Chief Kerr regarding the openings.
- ❖ Chief Kerr attended the USCG port security meeting; getting ready for the cruise ship season.
- ❖ Derrick is working on updating our documentation for the kitchen processes.
- ❖ We have been having some issues with the call system at Assisted Living. Working through upgrading some of the computer system which supports the pagers.
- ❖ Derrick is working on the wording for our contract at Assisted Living as it relates to double occupancy in the rooms.
- ❖ I have reached out again to ADNR regarding abandoned vehicles at Papke's. We are hoping they will allow the Borough to work with ADOT to keep the problem under control, so users of the facility have parking space.