



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes Borough Assembly Regular Meeting

Monday, July 07, 2025

12:00 PM

Assembly Chambers

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1. Call To Order/Roll Call

The meeting was called to order at 12:00 pm by Vice Mayor Marsh.

PRESENT

Vice Mayor Donna Marsh
Assembly Member Bob Lynn
Assembly Member Scott Newman
Assembly Member Jeigh Stanton Gregor

EXCUSED

Mayor Mark Jensen
Assembly Member Rob Schwartz
Assembly Member James Valentine

2. Voluntary Pledge of Allegiance

The Pledge was recited.

3. Approval of Minutes

A. Regular Assembly Meeting Minutes June 16, 2025

The minutes were approved as submitted.

Motion made by Assembly Member Lynn, Seconded by Assembly Member Newman.
Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman,
Assembly Member Stanton Gregor

4. Amendment and Approval of Meeting Agenda

The agenda was unanimously approved as submitted.

Motion made by Assembly Member Lynn, Seconded by Assembly Member Newman.
Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman,
Assembly Member Stanton Gregor

5. Public Hearings

A. Ordinance #2025-11: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough to Rezone Government Lot 12, Section 35, Township 58 South, Range 79 East, Copper River Meridian (Parcel #01-014-010 Located At 1016 Sandy Beach Road) From Rural Residential (R-R) to Single-Family Residential (S-F)

Any public testimony regarding Ordinance #2025-11 should be given during this public hearing. A copy of Ordinance #2025-11 may be found under agenda item 14A.

B. Ordinance #2025-12: An Ordinance of the Petersburg Borough Adjusting the FY 2026 Budget for Known Changes

Any public testimony regarding Ordinance #2025-12 should be given during this public hearing. A copy of Ordinance #2025-12 may be found under agenda item 14B.

6. Bid Awards

A. Award Recommendation - Scow Bay Storage Building Addition

Utility Director Hagerman requests approval to award the Scow Bay Storage Building Addition Project to Steelhead Enterprises for an amount not to exceed \$100,000.00. A memo from Director Hagerman with the bidder information for the June 11, 2025 bid opening is attached to this meeting packet.

The Assembly unanimously awarded the Scow Bay Storage Building Addition project to Steelhead Enterprises for an amount not to exceed \$100,000.00.

Motion made by Assembly Member Lynn, Seconded by Assembly Member Newman.
Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Stanton Gregor

B. Scow Bay Generator Step Up Transformer Bid Award

Utility Director Hagerman recommends award of the Scow Bay Generator Step-Up Transformer procurement to GD Partners for an amount not to exceed \$274,273.75. A memo from Director Hagerman with the bidder information for the June 20, 2025 bid opening is attached to this meeting packet.

The Assembly unanimously awarded the Scow Bay Generator Step-Up Transformer procurement to GD Partners for an amount not to exceed \$274,273.75.

Motion made by Assembly Member Newman, Seconded by Assembly Member Lynn.
Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Stanton Gregor

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.

Dave Beebe, representing himself, spoke in support of Resolution 2025-14, advocating against the sale of public lands.

Becky Knight, representing herself, spoke in support of Resolution 2025-14, advocating against the sale of public lands.

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.

John Havrelik, representing himself, encouraged PIA and the Assembly to repaint the lines on the bike path and on the roads downtown. Mr. Havrelik also asked for people to clean up after their dogs.

Director Hankins invited everyone to attend the Red Cross training class for setting up emergency response shelters. The classes will be on August 15th and 16th at the Fire Department.

9. Boards, Commission and Committee Reports

There were no reports.

10. Consent Agenda

There were no consent agenda items.

11. Report of Other Officers

A. Petersburg Medical Center

PMC CEO Hofstetter updated the Assembly on Medical Center activities.

B. US Forest Service

District Ranger Case provided an update on Forest Service activities.

C. Petersburg School District

Superintendent Taylor provided an update on School District activities.

D. SEAPA - SE Alaska Power Agency Report

Assembly Member and SEAPA Board Chair Lynn provided an update on SEAPA activities.

12. Mayor's Report

A. July 7, 2025 Mayor's Report

Vice Mayor Marsh read the Mayor's Report into the record.

13. Manager's Report

A. July 7, 2025 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.

14. Unfinished Business

A. Ordinance #2025-11: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough to Rezone Government Lot 12, Section 35, Township 58 South, Range 79 East, Copper River Meridian (Parcel #01-014-010 Located At 1016 Sandy Beach Road) From Rural Residential (R-R) to Single-Family Residential (S-F) -Second Reading

At the direction of the Assembly, the Planning Commission held a public hearing on May 13, 2025 regarding the proposed rezone and recommends the Assembly rezone the parcel prior to a public auction. If approved in three readings, Ordinance #2025-11 will rezone Parcel ID #01-014-010 located at 1016 Sandy Beach Road from Rural Residential to Single-Family Residential. Ordinance #2025-11 was unanimously approved in its second reading.

At the direction of the Assembly, the Planning Commission held a public hearing on May 13, 2025 regarding the proposed rezone and recommends the Assembly rezone the parcel prior to a public auction. If approved in three readings, Ordinance #2025-11 will rezone Parcel ID #01-014-010 located at 1016 Sandy Beach Road from Rural Residential to Single-Family Residential.

The Assembly unanimously approved Ordinance #2025-11 in its second reading.

Motion made by Assembly Member Newman, Seconded by Assembly Member Lynn. Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Stanton Gregor

B. Ordinance #2025-12: An Ordinance of the Petersburg Borough Adjusting the FY 2026 Budget for Known Changes - Second Reading

Amendment #1: Add \$17,222 in expenses to the Property Development Fund for Library facility related expenses. These expenses were identified after the library's budget was submitted. \$7,222 is to rebuild domestic water backflow preventer and retest. This repair is necessary to remain in compliance with safety regulations. \$10,000 is needed to finish replacing failed library clerestory windows.

Amendment #2: Transfer \$90,000 from Fund 758, School Deferred Maintenance, to Fund 350, the Borough's Debt Service Fund to cover school bond payments that the State of Alaska normally reimburses the Borough for. This is due to the Governor's vetos and reductions that have now been signed and published. Per HB53, the school bond reimbursement appropriation has been reduced. The program is funded for FY26 at approximately 69%; Petersburg had been looking at full funding from the state at approximately \$287k, and with the reduction it will be approximately \$198k instead. The Borough was officially notified of this reduction on June 23 by the State of Alaska Department of Education.

By unanimous roll call vote, the Assembly approved Ordinance #2025-12 as amended in its second reading.

Motion made by Assembly Member Lynn, Seconded by Assembly Member Newman.
Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Stanton Gregor

C. PVFD Rental Agreement

Director Hankins requests that a rental agreement between the Petersburg Volunteer Fire Department and the Borough be approved for purposes of establishing proof of residence for the Volunteer's local post office box.

By unanimous roll call vote, the Assembly approved the PVFD Rental Agreement.

Motion made by Assembly Member Newman, Seconded by Assembly Member Lynn.
Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Stanton Gregor

15. New Business

A. Resolution # 2025-13: A Resolution Authorizing Specified Borough Officials and Employees to Conduct Financial Activities on Behalf of the Petersburg Borough

This resolution formally lists designated officials and employment positions within the Petersburg Borough to ensure that the authorization list is current and reflects the present organizational structure of the Borough.

By unanimous roll call vote, the Assembly approved Resolution # 2025-13, authorizing specific borough officials and employees to conduct financial activities on behalf of the Petersburg Borough.

Motion made by Assembly Member Newman, Seconded by Assembly Member Lynn.
Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Stanton Gregor

B. Resolution #2025-14: A Resolution Opposing the Sale of Public Lands and Advocating for Responsible Stewardship

If passed, this resolution, advocating against the sale of public lands, will be sent to the Senate Energy and Natural Resources Committee, Senators Murkowski and Sullivan and Representative Begich.

By unanimous roll call vote, the Assembly approved Resolution # 2025-14, opposing the sale of public lands.

Motion made by Assembly Member Stanton Gregor, Seconded by Assembly Member Lynn.
Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Stanton Gregor

C. Letter of Support for Kake Fuel Dock

Kake Tribal has requested a letter of support from the Petersburg Borough Assembly to include in their grant application for the construction of a new marine fuel dock in Kake, Alaska.

By unanimous roll call vote, the letter of support for the Kake Fuel Dock was approved.

Motion made by Assembly Member Lynn, Seconded by Assembly Member Newman.
Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Stanton Gregor

D. PND Engineer Proposal of \$1500 to update Concept 7 of proposed American Cruise Lines Dock

Harbormaster Wollen requested PND Engineers prepare a proposal for updating the Concept 7 American Cruise Lines Dock with a scalable aerial drawing to show dimensions between the existing AMHS and proposed ACL dock.

The PND proposal for updating Concept 7 with a scalable aerial drawing failed by a vote of 0-4.

Motion made by Assembly Member Lynn, Seconded by Assembly Member Stanton Gregor.
Voting Nay: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Stanton Gregor

16. Communications

A. Correspondence Received Since June 12, 2025

17. Assembly Discussion Items

A. Assembly Member Comments

There were no comments.

B. Recognitions

Member Stanton Gregor recognized Nancy Strand's contribution to the community of Petersburg for her service on the Utility Advisory Board beginning in 2001, her service on the Charter Commission and her service on the City of Petersburg Council from 2010 through 2015; and on the Petersburg Borough Assembly from October 2015 through October 2018.

Vice Mayor Marsh thanked Public Works for setting up the large tent for Amy Hallingstad Day.

18. Adjourn

The meeting was adjourned at 12:57 p.m.

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

Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Stanton Gregor