



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes Borough Assembly Regular Meeting

Monday, October 21, 2024

6:00 PM

Assembly Chambers

1. Call To Order/Roll Call

The meeting was called to order at 6:00 pm.

PRESENT

Mayor Mark Jensen
Vice Mayor Donna Marsh
Assembly Member Scott Newman
Assembly Member Rob Schwartz
Assembly Member Jeigh Stanton Gregor
Assembly Member James Valentine

EXCUSED

Assembly Member Bob Lynn

2. Voluntary Pledge of Allegiance

3. Approval of Minutes

A. October 4, 2024 Special Assembly Meeting Minutes

The October 4, 2024 meeting minutes were approved as submitted.

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

B. October 7, 2024 Assembly Meeting Minutes

The October 7, 2024 meeting minutes were approved as submitted.

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

4. Amendment and Approval of Meeting Agenda

The agenda was approved as submitted.

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

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor, Assembly Member Valentine

5. Public Hearings

A. Public Hearing for 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

No testimony was given.

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

No testimony was given.

6. Bid Awards

There were no 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.

No views were shared.

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.

Joshua Adams encouraged the Assembly to advocate for the return of the judgeship to Petersburg.

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. Emergency Vehicle Insurance Discussion

Susan Erickson, owner of Petersburg-Wrangell Insurance and Broker for the Borough's liability insurance through Alaska Public Entity Insurance, explained the differences in insurance coverage for the Borough's emergency vehicles.

12. Mayor's Report

A. October 21, 2024 Mayor's Report

Mayor Jensen read his report into the record.

13. Manager's Report

A. October 21, 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.

14. Unfinished 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 - Second Reading

If adopted in three readings, Ordinance #2024-17 will enhance Chapter 4.28 by adding needed definitions and rules being used but not listed in Code and by specifying sales tax exemptions required by State or Federal law. Ordinance #2024-17 was unanimously approved in its first and second readings.

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

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

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: \$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; \$5,000 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 thus increasing 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.

Amendment #1: A motion was made to add clarifying language to the Denali Grant 10% match to provide that non-payroll expenses will come from the Property Development Fund.

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

Amendment #2: A motion was made to reduce the \$20,000 additional expense in the Water Department's Machinery and Equipment line item to \$15,000 for a budgeted total of \$20,000.

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

Amendment #3: A motion was made to remove the addition of \$10,000 to the Wastewater Professional Services line item which was to be used to hire a diver to locate the wastewater plant outfall.

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

Ordinance #2024-18 was approved as amended by unanimous roll call vote.

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

15. New Business

A. **Ordinance #2024-19: An Ordinance Amending Chapter 4.30 of the Petersburg Municipal Code, *Alaska Remote Seller Sales Tax Code***

If approved in three readings, Ordinance #2024-19 will adopt the Uniform Alaska Remote Seller Sales Tax Code by reference and provide that the Assembly ratify subsequent amendments to the Uniform Code within 120 days of adoption by the Alaska Remote Seller Sales Tax Commission.

The Assembly unanimously approved Ordinance #2024-19 in its first reading.

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

B. Ordinance #2024-20: An Ordinance Amending Chapter 14.30, *Mountain View Manor Elderly Housing and Assisted Living Facility*, to Institute a new Assisted Living Community Facility Fee to be Used for Facility Maintenance and Repair, to Require that Two Bedroom Assisted Living Units be Occupied by Two Residents, and to Increase Certain Fees

Ordinance #2024-20, if approved in three readings, will create a one-time Community Facility Fee of \$2,000 for new residents moving into the facility which will be used for facility maintenance and repair, will require that future rented two bedroom Assisted Living units be occupied by two residents, increase the Assisted Living food cost from \$350 to \$450 per month, will add a security deposit and pet registration fee for Assisted Living units, and will provide for late fees.

By unanimous roll call vote, the Assembly approved Ordinance #2024-20 in its first reading.

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

C. Ordinance #2024-21: An Ordinance Amending Chapter 16.16, *Tidelands*, of the Petersburg Municipal Code to Provide for Updated Provisions Regarding the Disposal of Tidelands and Submerged Lands

Because the economic value of Petersburg's tidelands is great, Ordinance #2024-21 is written to provide that the sale of tidelands shall not be made for consideration less than the appraised full and true value rather than the assessed value, and to clarify the sale process to ensure any sale of tidelands is in the Borough's best interests.

A motion was made to amend Ordinance #2024-21, Section 16.16.075C by replacing the strike through language as follows:

The planning commission and the harbor board shall each provide their written report on the referral to the assembly ~~no less than~~ within one hundred (100) days of the date of referral. ~~If the harbor board does not provide a timely report to the assembly, the assembly may grant the board additional time, but is not required to do so; the process may proceed without a report from the harbor board.~~

If the harbor board is not scheduled to meet within 100 days of referral, or cannot otherwise provide a timely report to the assembly, the board chair shall promptly notify the borough clerk and the assembly may, in its discretion 1) grant the harbor board additional time, or 2) proceed with a public hearing and

decision without a report from the harbor board prior to the expiration of 100 days.

The Assembly unanimously approved Ordinance #2024-21 as amended in its first reading.

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

D. Resolution #2024-13: A Resolution Authorizing the Borough Manager to Apply to the State of Alaska, Department of Environmental Conservation (ADEC) for a Loan from the Alaska Drinking Water Fund and Alaska Clean Water Fund for the Project Entitled Scow Bay Haul-Out and Work Yard

The Assembly unanimously approved Resolution #2024-13 authorizing the Borough Manager to Apply to apply for an ADEC loan for the Scow Bay Haul-Out and Work Yard project, and to execute the loan agreement.

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

E. Letter of Support for the USFS Thomas Bay Stewardship Proposal

Petersburg District Ranger Case requested a letter of support to use stewardship contracting for the Thomas Bay Young-Growth Timber Sale project.

The Assembly unanimously approved the letter in support of the USFS Thomas Bay Stewardship proposal.

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

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor, Assembly Member Valentine

16. Communications

A. Correspondence Received Since October 3, 2024

17. Assembly Discussion Items

A. Assembly Member Comments

There were no comments.

B. Recognitions

Assembly Member Stanton Gregor recognized Harbormaster Wollen and thanked the Harbor staff for their work in facilitating the removal of the derelict vessels from the Harbor.

Assembly Member Marsh congratulated Principal Heather Conn on receiving the National Distinguished Principal Award.

18. Adjourn

The meeting was adjourned at 7:03 pm.

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

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor, Assembly Member Valentine

Borough Manager's Report Assembly Meeting 21 October 2024

- ❖ The Fire Department is hosting an EMT-1 Initial class starting 10/21. This course will take place nights and Saturdays until Nov 14th.
- ❖ Learn Not to Burn was 10/7-10/11, Thank you to Kegan Green, Kayla Perry, Heather Canik and Cindi Lagoudakis for making it a success this year.
- ❖ Coby Holder was hired as the new EMS Coordinator. He will start 11/4 and will be a great addition to the team. Thank you to Patrick Lane for stepping in to help catch up on EMS Coordinator duties in preparation for Coby to start.
- ❖ Friendly reminder to folks to check the batteries in their smoke detector when they change their clocks back for Daylight Savings time.
- ❖ The Fire department will be handing out glow sticks and candy in Severson's subdivision and other areas during Halloween. Residents at Elderly Housing will be handing out candy in the lobby of Elderly Housing on Halloween from 6:00-8:00. Please come in through our patio entrance to the south end of the building.
- ❖ Steelhead Construction received approval from the Fire Marshall on the EH Entrance Repair Project. Please drive slowly and carefully around the building and refrain from blocking the emergency access route.
- ❖ PMPL is auditing customers and will be sending out letters to customers that must move their meters to an accessible location (for maintenance and reading) or have temporary services that need to be upgraded to a permanent, code compliant meter base. For customers who get letters from the Utility Director, they can call 907-772-4203 with any questions.
- ❖ Pumpstation 4 Force Main project – Invitations to Bid have been prepared and Chris Cotta will be taking over the project at this point. Karl is still involved with finalizing the remaining land acquisition processes, but the Public Works office will manage the project through bidding and construction.
- ❖ Remember boat owners' harbor staff will be cleaning up floats of water hoses and clutter to make way for snow removal. Also, remember to call the Harbor Office with boat-watching information as vessel owners start to travel out of town.
- ❖ Harbor Maintenance has been working to track down a waterline leak in the South Harbor, staff appreciate the customers' patience, and we are inspecting the line for cracks and damaged areas.
- ❖ Harbor staff has been working with the Borough attorney to draft language for code changes to permanent moorage contracts to protect the Borough from derelict vessel situations. These changes have been reviewed by the Harbor Advisory Board and will come before the Assembly on a future agenda.
- ❖ Harbor Staff has been working with CEO of American Cruise line to partner with the Borough to develop conceptual drawings that will be used at a future community open house and a work session

with the Assembly and staff.

- ❖ A water fountain has been placed up in the mezzanine of the aquatic center. This will be greatly appreciated by our patrons and employees alike!
- ❖ We have upcoming limited open swims and cancellations due to a significant loss of lifeguards for traveling, school, etc. We are lining up another lifeguard course that will be held in early to mid-November. Please help spread the word on that to as we need to get people signed up for potential Lifeguard employment.
- ❖ We are gearing up for our annual Halloween Hustle and are looking forward to a pumpkin plunge again this year! Pumpkins have been donated by Bennett McGrath, and the pumpkin patch! Please keep an eye out around Parks and Recreation facility and Facebook posts for updates on these events, and our Dive In movie events for the season.
- ❖ Parks And Rec has continued partnership with Petersburg Medical Center for another session of Bingo-cize! Please contact PMC for involvement in this wonderful class that has been proven to help with fall prevention.
- ❖ Julie Anderson, Aaron Hankins, and Stephanie Payne were all certified by the Alaska Office of Boating Safety, in conjunction with the US Coast Guard, at the Alaska Recreation and Parks Association conference in Wrangell this September to conduct Kids Don't Float and cold-water survival programming.
- ❖ Local dirt roads are in poor condition due to all the rain and not many opportunities to use the street grader. The crew will be out grading as soon as weather allows.
- ❖ We've gotten word from SECON that they are planning to have a paving plant in town during construction season in 2026. Public Works is gathering information on paving costs and funding options, including a possible grant. The potential costs are eye-opening, to say the least
- ❖ Some garbage bear activity continues, but overall, the community is doing a much better job of keeping garbage secure. Thanks to everyone who has stepped up their game in this regard!
- ❖ The Public Works crew is working on adding a small mezzanine storage area to the Public Works parking garage. This will allow us to get some more supplies and equipment into dry storage and out of the weather.
- ❖ Assistant Director Marohl and Supervisor Mike Bell are working with EPA to get the Clearwell replacement project rolling. The Clearwell is a 280,000 gallon, open-topped tank behind the water plant that stores process water for backwashing the water filters and other plant operations. It is also the water supply for the Borough's baling facility. The Borough recently received a \$1.6M grant to fund this project, and we have also allocated \$400,000 in Water Dept reserves if needed.
- ❖ We are still waiting for the final version of the WW discharge permit to come back from EPA. There will be significant costs associated with the new permit. While we know what some of those costs are going to be, we don't know yet what the final schedule will be for required changes.