



# Petersburg Borough

12 South Nordic Drive  
Petersburg, AK 99833

## Meeting Agenda Borough Assembly Regular Meeting

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Monday, August 07, 2023

12:00 PM

Assembly Chambers

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You are invited to a Zoom webinar.  
When: Aug 7, 2023 02:00 PM Alaska  
Topic: August 7, 2023 Borough Assembly Meeting

Please click the link below to join the webinar:

[https://petersburgak-  
gov.zoom.us/j/87812337215?pwd=TExlYW1xVEZ2OERub21tbWl0Mm5iQT09](https://petersburgak.gov.zoom.us/j/87812337215?pwd=TExlYW1xVEZ2OERub21tbWl0Mm5iQT09)

Passcode: 681387

Or Telephone:

(253) 215-8782

(720) 707-2699

Webinar ID: 878 1233 7215

Passcode: 681387

### 1. Call To Order/Roll Call

#### A. Appointment of Mayor Pro Tem

Mayor Jensen and Vice Mayor Lynn are unable to attend today's meeting. The Assembly will appoint a member to chair the meeting in their absence.

### 2. Voluntary Pledge of Allegiance

### 3. Approval of Minutes

#### A. July 17, 2023 Assembly Meeting Minutes

### 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 Update

PMC CEO Hofstetter will provide an update on the Medical Center.

### B. US Forest Service Update

Petersburg District Ranger Born will provide an update on Forest Service activities.

### C. 2023 Municipal Election Report

Clerk Thompson will provide a report on the upcoming municipal election to be held on October 3, 2023.

## 12. Mayor's Report

There is no Mayor's Report for this meeting.

## 13. Manager's Report

There is no Manager's Report for this meeting.

## 14. Unfinished Business

## 15. New Business

### A. Ordinance #2023-12: An Ordinance Amending Chapter 4.08 of the Former City of Petersburg Code to Account for Borough Formation

If approved by the Assembly in three readings, Ordinance #2023-12 will update Chapter 4.08 of the old City Code to Borough Code.

### B. Petersburg Indian Association Application to Purchase Borough Land Located at 10 N. 12th Street

PIA has filed an application to purchase Borough property located on the corner of Haugen Drive and 12th Street (10 N. 12th Street). The Planning Commission recommends the Assembly approve the application to move forward in the process subject to conditions outlined in the attached report.

In the attached letter from PIA's Tribal Administrator, Chad Wright, PIA requests the Assembly authorize Manager Giesbrecht to engage in direct negotiations with the tribe for the property sale.

Per Borough Code Section 16.12.080E, the Assembly shall:

- 1) determine whether the application shall move forward in the application process or be denied.
- 2) If it is to move forward, the Assembly shall schedule a public sale or exempt the application from public sale.
- 3) If the Assembly chooses to exempt the application and land disposal from public sale, and determines to proceed by direct negotiations, the Assembly may authorize the Borough Manager to commence such negotiations for disposal of Borough property, the final terms of which are subject to approval by the Assembly.

For the purpose of this agenda item, the Assembly shall satisfy the requirements of step 1) above. Steps 2) and 3), if applicable, will be satisfied by resolution in agenda item 15C.

**C. Resolution #2023-10 (Option A): A Resolution Authorizing the Public Sale of Borough Owned Property Located at 10 N. 12th Street (Parcel #01-006-431) by [Sealed Competitive Bid or Outcry Auction] or (Option B): A Resolution Approving the Disposal of Borough Owned Property Located at 10 N. 12th Street (Parcel #01-006-431) by Direct Sale to the Petersburg Indian Association**

If in agenda item 15B the Assembly decided to move PIA's application to purchase Borough property forward in the process, they shall now decide in what manner the sale of the property shall take place.

**D. Report of Non-compliance to a Notice of Dangerous Building - 410 Mitkof Highway**

Borough Building Official Wesebaum and Utility Director Hagerman request the Assembly schedule a non-compliance hearing to consider issuance of an order requiring the building located at 410 Mitkof Highway be vacated until the owner, or other party of interest, makes legal connection from the building to the borough sanitary sewer system. A report of non-compliance is attached.

**E. Appeal of the Alaska Department of Natural Resources' Final Finding and Decision on the Borough's Municipal Land Selection for ADL 108982, 108983, and 108984**

ADNR has issued a Final Finding and Decision (FFD) for ADL 108982, 180983, and 108984, which rejects conveyance of two specific parcels selected by the Petersburg Borough, specifically Hood Point and Prolewy Point (see Director Cabrera's memo and ADNR's FFD, attached). If the Assembly would like to appeal ADNR's decision, the appeal would need to be filed by August 14, 2023.

## 16. Communications

**A. Correspondence Received Since July 13, 2023**

## 17. Assembly Discussion Items

**A. Minimum Age to Operate Borough Vehicles**

Assembly Member Kensinger wishes to discuss implementation of a minimum age for Borough employees to be eligible to operate Borough vehicles without a Commercial Driver's License or a Chauffeur License.

**B. Assembly Member Comments**

**C. Recognitions**

**18. Adjourn**





# Petersburg Borough

12 South Nordic Drive  
Petersburg, AK 99833

## Meeting Minutes Borough Assembly Regular Meeting

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Monday, July 17, 2023

6:00 PM

Assembly Chambers

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### 1. Call To Order/Roll Call

Vice Mayor Lynn called the meeting to order at 6:42 p.m.

#### PRESENT

Vice Mayor Bob Lynn  
Assembly Member Thomas Fine-Walsh  
Assembly Member David Kensinger  
Assembly Member Donna Marsh  
Assembly Member Jeff Meucci

#### EXCUSED

Mayor Mark Jensen  
Assembly Member Scott Newman

### 2. Voluntary Pledge of Allegiance

The Pledge was recited.

### 3. Approval of Minutes

#### A. July 3, 2023 Assembly Meeting Minutes

The Assembly unanimously approved the July 3, 2023 Assembly meeting minutes.

Voting Yea: Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci

### 4. Amendment and Approval of Meeting Agenda

The agenda was approved as submitted.

Voting Yea: Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci

### 5. Public Hearings

There were no public hearings.

**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.*

Gary Aulbach, representing himself, expressed his support for Resolution #2023-09.

**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.*

No views were shared.

**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. Housing Needs Assessment Update**

Assembly Member and Housing Task Force Chair Kensinger updated the Assembly on the housing needs assessment project.

**B. Petersburg Volunteer Fire Department**

Assembly Member Meucci recognized the PVFD staff and volunteers for their dedication to our community. Fire Chief Stolpe, Emergency Services Director Hankins and Assistant Fire Chief Berg thanked the membership for their efforts and encouraged the public to join the Department or inquire about other avenues to support volunteer efforts.

**12. Mayor's Report**

**A. July 17, 2023 Mayor's Report**

Vice Mayor Lynn read his report into the record.

**13. Manager's Report**

There was no written Manager's report.

**14. Unfinished Business**

**A. Ordinance #2023-11: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough to Rezone Portions of the Airport**

**Addition Subdivision and Thirteenth Street Relocation Subdivision to Public Use (PU) - Third and Final Reading**

The Assembly approved Ordinance #2023-11 by a vote of 4-1 in its third and final reading.

Motion made by Assembly Member Meucci, Seconded by Assembly Member Kensinger.

Voting Yea: Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Meucci

Voting Nay: Assembly Member Marsh

**15. New Business**

**A. Resolution #2023-09: A Resolution to Use up to \$100,000 from the Property Development Fund to Provide Utility Connection Stubs to Residentially Zoned Borough Property Lines to Prepare the Lots for Future Sale**

Resolution #2023-09 was unanimously approved.

Motion made by Assembly Member Kensinger, Seconded by Assembly Member Marsh.

Voting Yea: Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci

**B. Solid Waste Contract Proposal**

By unanimous roll call vote, the Assembly approved to renew the Borough's solid waste contract with Republic Services for a 2-year time-frame with an optional 3rd year at the Borough's discretion.

Motion made by Assembly Member Meucci, Seconded by Assembly Member Marsh.

Voting Yea: Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci

**C. Department Head Longevity Pay**

By a vote of 5-1, the Assembly approved use of the longevity pay schedule, which is applied to Borough employees covered under the Petersburg Municipal Employees Association union, for Departments Heads.

Motion made by Assembly Member Meucci, Seconded by Assembly Member Kensinger.

Voting Yea: Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Meucci

Voting Nay: Assembly Member Marsh

**16. Communications**

**A. Correspondence Received Since June 29, 2023**

**17. Assembly Discussion Items**

**A. Petersburg's Sea Plane Float**

Petersburg's State-owned Sea Plane Float is deteriorating and it appears the State is not planning to perform maintenance on the facility. Manager Giesbrecht has been speaking with ADOT officials, who would like to transfer ownership of the facility to the Borough.

Manager Giesbrecht shared the discussions he has had to date with the State of Alaska regarding Petersburg's State-owned Sea Plane Float.

**B. High School Scholarship Program for Trades**

Manager Giesbrecht explained his thoughts regarding possible creation of a Borough subsidized scholarship program for local residents willing to attend a trade school and return to Petersburg to work in the trade for which they were trained. He is currently researching the subject and will bring more information to the Assembly at a future meeting.

**C. Assembly Member Comments**

There were no comments.

**D. Recognitions**

Assembly Member Meucci again recognized the Petersburg Volunteer Fire Department and everyone who recently helped in any capacity during the Catholic Church fire. He urged residents to become a volunteer, and to contact Fire Chief Stolpe or Emergency Services Director Hankins for more information.

**18. Adjourn**

The meeting was adjourned at 8:02 p.m.

Motion made by Assembly Member Meucci, Seconded by Assembly Member Kensinger.

Voting Yea: Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci



# Petersburg Medical Center

Borough Assembly Report – August 2023 – Phil Hofstetter, CEO

## FY24-28 Strategic Plan Goals, Priorities, and Benchmarks

### Workforce Wellness:

- A record number of \$16,000 was raised at the 9<sup>th</sup> annual PMC Paddle/Pedal Battle on July 29. All proceeds from this annual fundraising event by the PMC Foundation support continuing education for staff and scholarships for graduating high school seniors. Thank you to the PMC Foundation members, the hospital board, and all of the safety and support staff who made this a safe and successful event. Approximately 30 paddlers and 50 bikers participated, making it one of the largest turnouts PMC has had.
- Planned 2% raises for eligible staff to take effect in August, pending outcome of the State Exceptional Relief request.
- PMC completed its review of the employee wellness program, which continues to be successful over the past year. This voluntary wellness program is available to employees and spouses to promote wellness, and those enrolled can earn up to \$300/year for achieving health markers.



## Community Engagement:

- [PMC second quarter newsletter](#)
- July 3: PMC reports out and provides input at Borough Assembly Meeting
- July 6: KFSK Radio PMC Live
- July 17: PMC attendance and input at Borough public hearing on plat appeal and at Borough Assembly Meeting regarding third and final read of zoning.
- July 29: The 9th annual PMC Foundation Pedal/Paddle Battle occurred July 29. The funds raised assist the Petersburg Medical Center employees in advancing professional health and wellness education and support scholarships for graduating seniors.
- July – August: Home Health community forums/cafes on Adult Day Program. Home Health is excited to host a series of community cafes focused on gathering input from community members about service needs and share progress on the PMC Adult Day Service program currently in development. These community cafes provide an excellent opportunity for people to share their thoughts, learn about the program, ask questions, and personally meet our dedicated staff. Additionally, both a paper survey (available in the Home Health office) and an [online survey](#) are available to ensure that everyone can participate and have their voices heard. Community forums/cafes are planned for:
  - July 20, 11:00 am - 2:00 pm, PIA
  - July 26, 3:00-6:00 pm, Petersburg Library
  - August 3, 3:00-6:00 pm, PIA
  - August 9, 11:00 am - 2:00 pm, Petersburg Library



## Facility:

- Borough Assembly meeting July 17 approved the PMC appeal regarding the decision of the Planning and Zoning Meeting on June 13 as well as the third and final read of the zoning application. I want to thank the PMC staff, hospital board, and community members for their attendance and testimony during this process.
- The comprehensive NEPA Environmental Study for the site was completed by RESPEC and will be available for public review and comments later this month.
- During the past month, the focus continues to be on keeping the building project moving forward. We submitted answers and clarification requested for the Department of Treasury asked for clarification related to the \$20M appropriation funding.
- The new facility steering committee met with Bettisworth North on July 31 to discuss final design and budget.
- Updates: Project updates are available on the PMC website under the “New Facility & Planning” tab: <https://www.pmcak.org/new-facility.html>.

## Financial Wellness:

- Strategic Plan approved for FY24-28 in June Board meeting.
- FY23 year-end financials were reviewed and approved by the hospital board at the July board meeting.

*Guiding Values: Integrity - Dignity - Professionalism - Team Work - Quality*

- Annual audit is starting for FY 23. The auditing firm was here to begin that process last week.
- PMC financial team is finalizing the projects with FEMA to obtain the amount for COVID remaining from 2021-2023.
- Home Health \$51K grant approved for home-based services.

#### Patient-Centered Care:

- On July 6, smoke from a fire at the Catholic resulted in PMC closing to non-essential services for the day. Departments affected by the closure included clinic, outpatient and therapies. PMC used high volume HEPA filtered air scrubbers, obtained from COVID funding during the pandemic, to maintain indoor air quality for long term care patients and for in-patients. Fortunately, most long-term care residents were off-site that afternoon for the afternoon on a planned picnic at Sandy Beach. Normal operations resumed July 7.
- Petersburg Medical Center has two exciting new programs to help people improve strength, improve balance and decrease fall risk: Bingocize and Tai Ji Quan: Moving for Better Balance. Both programs begin in August and are open to all community members, free of charge, regardless of age or fall risk. PMC is actively seeking community members who would like to join the Bingocize and/or Tai Ji Quan teams as workshop facilitators. Free training will be provided to interested individuals. For more information or to sign up for an upcoming fall prevention program workshop, contact Julie Walker at [jwalker@pmc-health.org](mailto:jwalker@pmc-health.org) or 772-5552.





**2023 Election Report  
August 7, 2023 Assembly Meeting**

The annual Municipal Election will be held Tuesday, October 3, 2023.

1. This year's ballot will provide for the election of: 20 elected positions as follows:

Two Assembly Members: Two - 3 year terms  
One School Board Member: One - 3 year term  
Three Hospital Board Members: Two - 3 year terms; One – 1 year term  
Three Planning Commissioners: Three - 3 year terms  
Three Harbor Board Members: Three - 3 year terms  
Three Library Board Members: Three- 3 year terms  
Three Parks & Recreation Board Members: Two - 3 year terms; One – 1 year term  
Two Public Safety Board Members: Two - 3 year terms

2. There is one proposition on the October 3<sup>rd</sup> ballot that if passed by the voters will make a change to the Borough Charter:

Proposition #1 will decide whether Charter Sections 2.10A, 8.02C, 9.02C, and 11.13 shall be amended to allow borough employees to serve on the Borough Assembly, Planning Commission, Hospital Board and School Board, except not on the board or commission which directly administers their employment.

3. I have not begun my search for this year's Election Officials for the October 3<sup>rd</sup> Municipal Election but will do so very soon and will bring a list to you for approval at a future Assembly meeting.

With that said, I ask anyone interested in serving this year to contact me at 907-772-5405 or [dthompson@petersburgak.gov](mailto:dthompson@petersburgak.gov).

Debra K. Thompson  
Borough Clerk



**PETERSBURG BOROUGH  
ORDINANCE #2023-12**

**AN ORDINANCE AMENDING CHAPTER 4.08 OF THE FORMER CITY  
OF PETERSBURG CODE TO ACCOUNT FOR BOROUGH FORMATION**

**WHEREAS**, on January 3, 2013 the Election Division for the State of Alaska certified the election results of the December 18, 2012 incorporation election for the Petersburg Borough; and

**WHEREAS**, the certified election confirmed the incorporation of the Petersburg Borough and dissolved the City of Petersburg; and

**WHEREAS**, Petersburg Borough Charter, Section 19.06 requires all ordinances, resolutions, regulations, orders and rules in effect for the former City of Petersburg to continue in full force and effect within the Petersburg Borough, Service Area 1, until expressly reaffirmed, revised or repealed by the Assembly; and

**WHEREAS**, Chapter 4.08 of the former City of Petersburg Code, addressing the sale of Borough owned personal property and equipment, has not been updated in a number of years and requires changes in order to move it into the current municipal code, raise amounts to account for the increased value of goods since the last amendment, and update the means of allowable disposals to provide for online auctions.

**THEREFORE, THE PETERSBURG BOROUGH ORDAINS**, Chapter 4.08 (*Selling*) of the Petersburg Municipal Code, is hereby amended as follows:

**Section 1. Classification:** This ordinance is of a general and permanent nature and shall be codified in the Petersburg Municipal Code.

**Section 2. Purpose:** The purpose of this ordinance is to update the language of the municipal code, account for the increased value of goods, and include provisions for online marketplaces.

**Section 3. Substantive Provisions:** Chapter 4.08, *Selling*, of the Petersburg Municipal Code is hereby amended as follows. The language proposed for addition is **underlined and bold**, and the language proposed for deletion is in [brackets] and struck through.

Chapter 4.08 - SELLING

4.08.010 - Competitive bidding required when.

The sale or other disposal of **borough** [city] owned personal property and equipment with an estimated value of **fifteen** [five] thousand dollars or more shall be through public competitive bidding. At least ten days' advance notice of the proposed sale shall be posted in three public places, **one of which may be the borough website**. The bidding shall be by public outcry auction, [or] sealed bid **or online government surplus marketplace, including govdeals.com**. In the event property or equipment is not sold **after public notice and competitive**

bidding [at auction], the borough [city] manager may dispose of the property or equipment in a manner which the manager determines is in the best interest of the borough [city].

4.08.020 - Council to prescribe conditions.

The borough assembly [city council] may prescribe the bidders' qualifications, terms of payment, terms of delivery and such other general, special or technical provisions as may be deemed appropriate.

4.08.030 - No Warranty [limited].

All borough-owned personal property and equipment are sold without warranty or guarantee [presentation] of any type or kind as to title, condition or fitness for a particular or specific purpose.

4.08.040 - Exceptions to competitive bidding.

A. The borough [city] manager is authorized to sell or dispose of personal property and equipment with an estimated value of less than fifteen [five] thousand dollars. Sale or disposal shall be in a manner which the manager determines is in the best interest of the borough [city].

B. Personal property and equipment that may be used by the borough as trade-in for similar new or used properties are exempt from the provisions of this chapter [public auction].

**Section 4. Severability:** If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected.

**Section 5. Effective Date:** This Ordinance shall become effective immediately upon final passage.

**PASSED AND APPROVED** by the Petersburg Borough Assembly, Petersburg, Alaska this \_\_\_\_ day of \_\_\_\_\_, 2023.

ATTEST:

\_\_\_\_\_  
Mark Jensen, Mayor

\_\_\_\_\_  
Debra K. Thompson, Borough Clerk

Adopted:  
Noticed:  
Effective:



## PETERSBURG INDIAN ASSOCIATION

PO Box 1410  
 15 N. 12<sup>th</sup> Street  
 Petersburg, Alaska 99833  
 Phone: 907-772-3636  
 Fax: 907-772-3637

July 6, 2023

Petersburg Borough  
 PO Box 329  
 Petersburg, Alaska 99833

To Whom It May Concern:

The Petersburg Indian Association (PIA) previously submitted an application to the Petersburg Planning and Zoning Commission to rezone Lot B, Greenbelt Subdivision (Parcel 01-006-442) from Open Space to Commercial-1. The Planning Commission unanimously recommended the rezoning in three readings. Subsequently, the Petersburg Borough Assembly unanimously approved the rezoning of this lot.

The next step is for PIA to purchase the property (Attachment -- outlined in orange). It is my understanding that the disposal method of Borough-owned property is determined by the borough assembly. PIA is requesting that the assembly authorize the borough manager to engage in direct negotiations with PIA, a federally recognized tribe.

This undeveloped lot (.31 acres) has little utility on its own; however, it would have more potential if it were combined with the adjacent lot currently owned by PIA (Attachment -- outlined in red). The majority of that property will be developed as a parking lot that can be used by PIA's employees and commercial tenants. However, there have been a number of ideas proposed and considered by the tribal council to utilize the uphill portion of the lot for storage, retail, or housing -- or possibly a combination of those (i.e., storage/retail, storage/housing, or retail/housing). With the likelihood that a new medical center will be constructed in the vicinity, PIA foresees the benefit of creating these types of spaces on those lots. Acquiring the subject property would allow PIA to maximize its investment in this endeavor.

PIA would agree to not create access to the subject lot off of Haugen Drive if the Borough determined that such a restriction was necessary to protect the integrity of the water main along Haugen Drive. Also, an easement would be granted to preserve a space for the Petersburg Public School's digital informational sign.

PIA is hopeful that the assembly can appreciate the benefits to the borough in PIA's economic development plans for these lots. Your consideration in this matter is greatly appreciated.

Sincerely,

Chad Wright  
 Tribal Administrator

Attachment: Borough map of area





Hammer & Wikan

Post Office

Firehall

**SUBJECT PROPERTY**

N 13TH ST

HOWKAN ST

HAUGEN DR

PIA N 12TH ST

N 12TH ST

HAUGEN DR



# Planning Commission Report

**TO:** Borough Assembly

**FROM:** Planning Commission

**Subject:** Sale of Borough-Owned Property at 10 N. 12<sup>th</sup> Street  
Parcel B, Greenbelt Subdivision

**The Petersburg Planning & Zoning Commission makes the following findings of fact:**

1. Applicant is requesting to purchase approximately .31 acres of borough-owned property located at 10 N 12TH STREET (PID#: 01-006-431).
2. Application was referred to the Planning Commission on October 11, 2022.
3. The property has legal and practical access from N. 12<sup>th</sup> Street and Haugen Drive.
4. PMC 16.12.050 requires a property be zoned prior to approval for disposal. Subject property is zoned Commercial-1 as approved by the Borough Assembly on February 6, 2023.
5. No portion of the property is located within a flood zone.
6. Based on review of the application by borough departments, there is no public need or use for the property.
7. There is a 10' wide utility easement along Haugen Drive to protect an existing water main.
8. The Petersburg School District maintains an informational sign on the edge of the lot. Power lines to the sign are underground\*.
9. Hearing notices were mailed to property owners within 600 feet of the area on February 24, 2023.
10. On March 14, 2023, a duly noticed public hearing was held by the Petersburg Planning Commission. At the public hearing, the Planning Commission considered and reviewed applicant materials, public comments and testimony, and staff comments.



**Based on the preceding findings of fact, the Petersburg Planning Commission makes the following recommendations:**

1. The Borough Assembly approve sale of borough owned property at 10 N 12<sup>th</sup> Street subject to conditions outlined below.

## Planning Commission Report

2. Any development on the property shall connect to municipal sewer system. Cost of extending utilities (electricity, water, sewer) to the property will be the responsibility of the property owner. Cost of providing service from the property line to any structure is the responsibility of the property owner.
3. Any plans to construct a driveway approach to Haugen Drive would need prior approval of the Utility Director to ensure the integrity of the waterline in addition to ADOT approval.
4. Property conveyance is subject to an easement to the Petersburg School District for use and access to the existing informational sign and associated underground\* power lines.

\* Note: Power to the informational sign is provided via an overhead line, not buried underground as stated in the original report. Updated 6/2023.



**PETERSBURG INDIAN ASSOCIATION**

**PO Box 1418  
15 N. 12<sup>th</sup> Street  
Petersburg, Alaska 99833  
Phone: 907-772-3636  
Fax: 907-772-3637**

September 2, 2022

Petersburg Borough  
PO Box 329  
Petersburg, Alaska 99833

To Whom It May Concern,

Petersburg Indian Association (PIA) submitted a Land Use Application for the property whose legal description is Parcel B, Greenbelt Subdivision, Plat 2016-4. That property is currently zoned Open Space – Recreational. PIA is only interested in purchasing that property if it were to be rezoned to Commercial-1 to match the adjacent lots. I appreciate your consideration in this matter.

As noted in the application, this parcel is the site of the school’s informational sign. PIA is willing to grant the school an easement for the sign.

Please contact me with questions or if further information is required.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chad Wright". The signature is fluid and cursive, with a long horizontal stroke at the end.

Chad Wright  
Tribal Administrator



**Petersburg Borough, Alaska**

**Land Disposal Application**

(\$500.00 non-refundable filing fee required)

**Form must be completed in its entirety to be considered**

Office Use:

Rec'd. by:

Fee: \$

Date Rec'd:

Date: SEPTEMBER 1, 2022

This is a request for land disposal via (circle one):

Lease Purchase Exchange Other

Parcel ID #(s) of Subject Property:

01-006-431  
\_\_\_\_\_  
\_\_\_\_\_

Proposed term of lease: \_\_\_\_\_  
(total years)

Legal Description of Property:

PARCEL B, GREENBELT SUBDIVISION,  
PLAT 2016-4  
\_\_\_\_\_  
\_\_\_\_\_

Current Zoning of Property:

RESIDENTIAL-RENTAL  
\_\_\_\_\_  
\_\_\_\_\_

Applicant Name:

PETERSBURG TRIBAL ASSOCIATION

Applicant Mailing Address:

PO BOX 1418  
PETERSBURG, AK 99833

Applicant Contact Info:  
(phone and/or email)

CHAD WRIGHT 907-772-3636  
tribaladonna@tribal.org

1. Size of Area requested (identify the minimum area necessary in square feet): 13,216 sq ft
2. Attach a map showing the location of the land requested. Map must show surrounding area with the land requested clearly marked with bolded borders or highlighted color.



3. Narrative on use of property: Explain proposed use of land and when use is expected to begin and end. Include any planned new construction or renovation, including time-frame when construction or renovation will be completed and type of materials to be used. Provide the estimated dollar value of proposed improvements. Explain the value of the proposal to the economy of the borough and any other information you feel should be considered. (attached additional sheet if necessary)

CURRENTLY THERE ARE NO PLANS FOR THIS PROPERTY. PDA OWNS THE ADJACENT LOT AND REALIZES THE POTENTIAL BENEFIT TO OBLIGING THIS LOT WHEN A DECISION IS MADE TO DEVELOP. PDA WOULD BE WILLING TO GRANT THE SCHOOL AN EASEMENT FOR THE INFORMATIONAL SIGN. WE WILL ASK FOR THIS TO BE REQUIRED TO COMMERCIAL-1 TO MATCH THE ADJACENT LOTS

4. Name and address of all adjacent land owners or lessees, including upland owner(s) if applicable: (attach additional sheet if necessary)

PETERSBURG DUNDAS ASSOCIATION \_\_\_\_\_  
HAMMER & WILSON \_\_\_\_\_  
\_\_\_\_\_

5. Are there any existing permits or leases covering any part of the land applied for?

\_\_\_\_\_ Yes  No If yes, please check one: (\_\_\_\_\_ Lease \_\_\_\_\_ Permit)

Describe the type of permit or lease, if applicable, and the name and last known address of the permittee or lessee: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. What local, state or federal permits are required for the proposed use? (list all)

NONE \_\_\_\_\_  
\_\_\_\_\_

7. If applicant is a corporation, provide the following information: N/A

A. Name, address and place of incorporation: \_\_\_\_\_  
\_\_\_\_\_

B. Is the corporation qualified to do business in Alaska?: \_\_\_\_\_ Yes \_\_\_\_\_ No

Name and address of resident agent: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



8. Why should the Planning Commission recommend Assembly approval of this request?

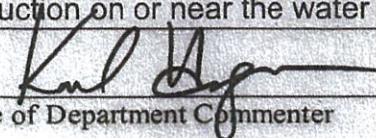
THIS LOT DOES NOT HAVE MUCH UTILITY ON ITS OWN, BUT IT HAS  
MORE POTENTIAL IF COMBINED WITH THE ADJACENT LOT, WHICH  
IS OWNED BY PETERSBURG TOWN ASSOCIATION.

9. How is this request consistent with the Borough's comprehensive plan?

THIS PURCHASE REQUEST IS CONSISTENT WITH THE BOROUGH'S  
COMPREHENSIVE PLAN IN THAT IT ENCOURAGES DEVELOPMENT  
WITHIN OUR EXISTING INFRASTRUCTURE.

10. Prior to submitting this application, please verify with pertinent Borough Departments that the land requested for lease, purchase or exchange is not needed for a public purpose by speaking with the appropriate personnel in the Electric, Water, Wastewater, Community Development, Harbor or Public Works Departments and obtain their comments and signatures below. (attach additional sheet if necessary):

Department Comments: The water, wastewater and electric departments of the Borough  
have no need for retention of this parcel for utility purposes. However, there is an existing  
easement for a 14" water main, that is installed on the property line common to Haugen  
Drive, that should remain in place and prohibit construction on or near the water main.

  
\_\_\_\_\_  
Signature of Department Commenter

Department Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signature of Department Commenter

Department Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signature of Department Commenter

Department Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Signature of Department Commenter



8 Why should the Planning Commission recommend Assembly approval of this request?

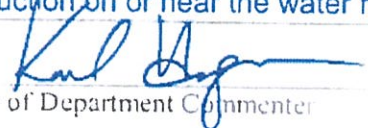
*THEY LET YOU SEE HAVE MUCH INTEREST IN THIS AREA, BUT IT HAS  
NOT BEEN TAKEN UP CURRENTLY WITH THE ADOPTION OF THE PLAN  
RECOMMENDED BY THE PLANNING COMMISSION AND AS A RESULT*

9 How is this request consistent with the Borough's comprehensive plan?

*THESE REQUESTS ARE CONSISTENT WITH THE BOROUGH'S  
COMPREHENSIVE PLAN IN THAT IT ENCOURAGES DEVELOPMENT  
WHICH WOULD EXTEND THE INFRASTRUCTURE*

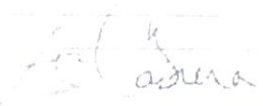
10. Prior to submitting this application, please verify with pertinent Borough Departments that the land requested for lease, purchase or exchange is not needed for a public purpose by speaking with the appropriate personnel in the Electric, Water, Wastewater, Community Development, Harbor or Public Works Departments and obtain their comments and signatures below. (attach additional sheet if necessary):

Department Comments The water, wastewater and electric departments of the Borough have no need for retention of this parcel for utility purposes. However, there is an existing easement for a 14" water main, that is installed on the property line common to Haugen Drive, that should remain in place and prohibit construction on or near the water main.




Signature of Department Commenter

Department Comments Community development has no need for the parcel to be retained in borough ownership.



Signature of Department Commenter

Department Comments Public Works has no need for this parcel for public purposes, other than access to the water main as described above.



Signature of Department Commenter

Department Comments \_\_\_\_\_

Signature of Department Commenter

**NOTICE TO APPLICANT(s):**

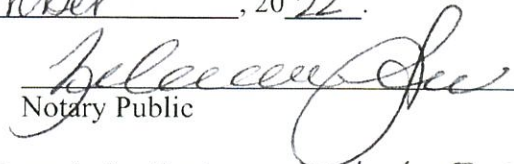
**Applicant will be required to pay a non-refundable filing fee with the Borough of \$500 to cover estimated costs of: a title report, survey, legal fees, postage, recording fees, public noticing and advertising and other costs incidental to the processing of this application.**

**I hereby certify that I have received and reviewed a copy of Petersburg Municipal Code Chapters 16.12 and 16.16 (as they may pertain to my particular application) and understand the Code requirements. I further certify I am authorized to sign this application on behalf of the applicant.**

**Please sign application in the presence of a Notary Public.**

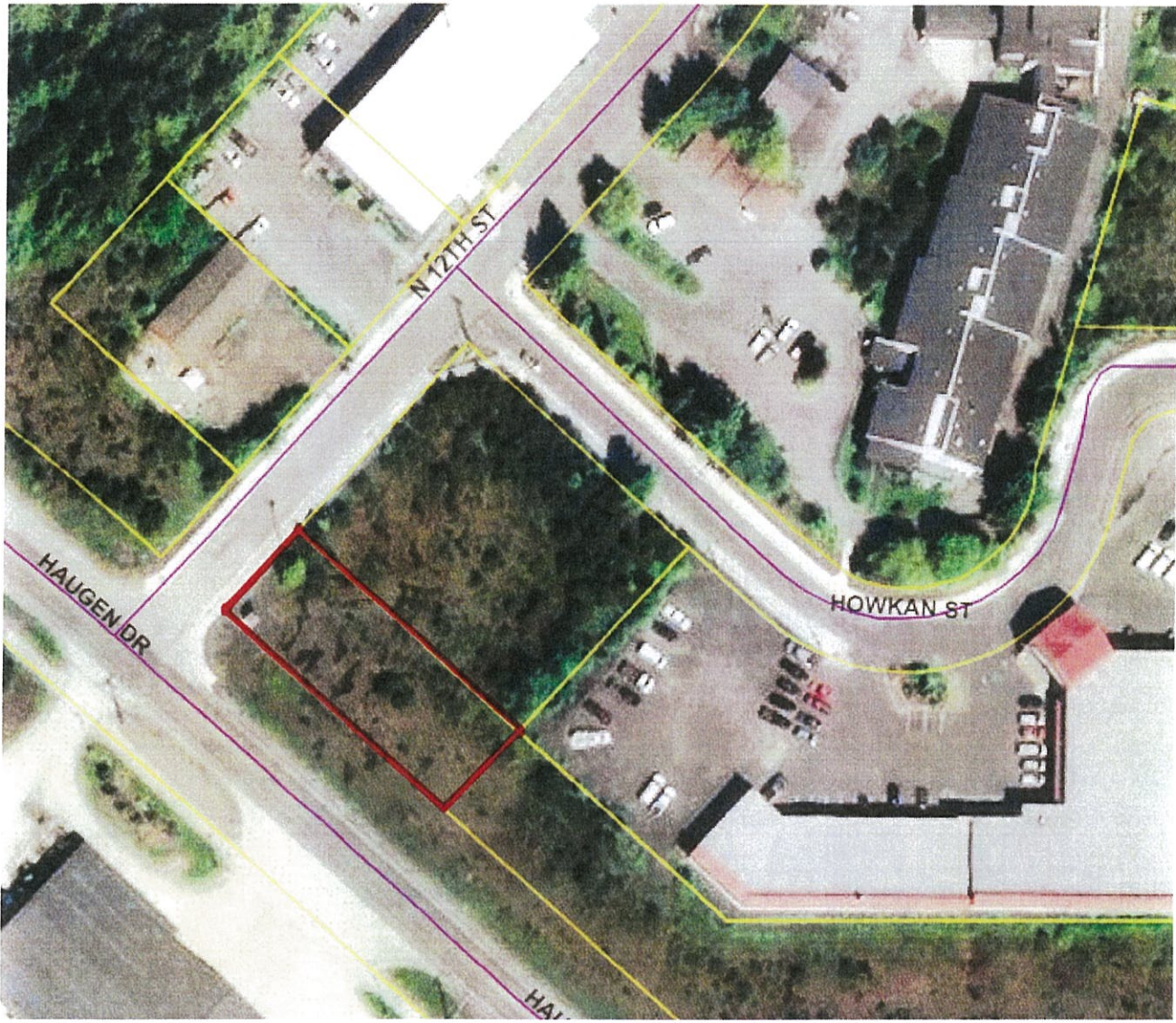
  
Applicant/Applicant's Representative

Subscribed and sworn to by Chad Wright, who personally appeared  
before me this 7<sup>th</sup> day of September, 2022.

  
Notary Public

Notary Public in and for the State of Alaska. My Commission Expires: July 5, 2026







# Petersburg Indian Association Petersburg Borough 10 N. 12th Street 01-006-431



Item 15B.

Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (India), Swisstopo, Mapbox, OpenStreetMap contributors, and the GIS User Community

# Petersburg Indian Association Petersburg Borough 10 N. 12th Street 01-006-431



### Zoning Classification

- RR - Rural Residential
- SFR - Single Family Residential
- SF-2 - Single Family Special Use
- MF - Multi-Family Residential
- SFMH - Single Family Mobile Home
- C1 - Commercial 1
- C2 - Commercial 2
- C3 - Commercial 3
- MHP - Mobile Home Park
- I-Industrial
- PU - Public Use
- OSR - Open Space Recreational
- U - Undeveloped Land Pending Future Classification

# Planning Commission Staff Report

Meeting date: March 14, 2023

**TO:** Planning Commission

**FROM:** Liz Cabrera, Community & Economic Development Director

**Subject:** Sale of Borough-Owned Property at 10 N. 12<sup>th</sup> Street  
Parcel B, Greenbelt Subdivision

## Recommended Motion:

I move a recommendation to the Borough Assembly that the borough owned property at 10 N 12<sup>th</sup> Street be approved for sale subject to conditions outlined in the findings of fact.

## The Petersburg Planning & Zoning Commission makes the following findings of fact:

1. Applicant is requesting to purchase approximately .31 acres of borough-owned property located at 10 N 12TH STREET (PID#: 01-006-431).
2. Application was referred to the Planning Commission on October 11, 2022.
3. The property has legal and practical access from N. 12<sup>th</sup> Street and Haugen Drive.
4. PMC 16.12.050 requires a property be zoned prior to approval for disposal. Subject property is zoned Commercial-1 as approved by the Borough Assembly on February 6, 2023.
5. No portion of the property is located within a flood zone.
6. Based on review of the application by borough departments, there is no public need or use for the property.
7. There is a 10' wide utility easement along Haugen Drive to protect an existing water main.
8. The Petersburg School District maintains an informational sign on the edge of the lot. Power lines to the sign are underground.
9. Hearing notices were mailed to property owners within 600 feet of the area on February 24, 2023.
10. On March 14, 2023, a duly noticed public hearing was held by the Petersburg Planning Commission. At the public hearing, the Planning Commission considered and reviewed applicant materials, public comments and testimony, and staff comments.





# Planning Commission Staff Report

Meeting date: March 14, 2023

**Based on the preceding findings of fact, the Petersburg Planning Commission makes the following recommendations:**

1. The Borough Assembly approve sale of borough owned property at 10 N 12<sup>th</sup> Street subject to conditions outlined below.
2. Any development on the property shall connect to municipal sewer system. Cost of extending utilities (electricity, water, sewer) to the property will be the responsibility of the property owner. Cost of providing service from the property line to any structure is the responsibility of the property owner.
3. Any plans to construct a driveway approach to Haugen Drive would need prior approval of the Utility Director to ensure the integrity of the waterline in addition to ADOT approval..
4. Property conveyance is subject to an easement to the Petersburg School District for use and access to the existing informational sign and associated underground power lines.

Compass Theater  
DBA: Northern Nights Theater  
PO BOX 421  
Petersburg, AK 99833  
907-650-7626

Re: Sign at Hagen & 12st

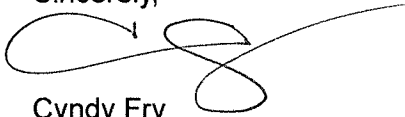
Petersburg Planning Commission,

This letter is in support of the continued easement use of the digital sign on the corner of Hagen and 12st Street. The use of this sign in a collaboration between our non-profit theater and the Petersburg School District. We use this sign to communicate the current movies being shown at the theater to our community.

Due to the financial hardship experienced during our closure during the COVID pandemic and recent major repairs to our equipment we are unable to fathom potential expenditures to move this sign to another location in the community. We would not be able to move this sign, losing this form of community communication to both the school and theater. Based on this, it is essential to maintain the easement and continued use in its current location with the transfer of property ownership.

Thank you for considering all these variables in your decision making process. Please reach out for any additional information at [northernnighttheater@gmail.com](mailto:northernnighttheater@gmail.com) or 907-650-7626.

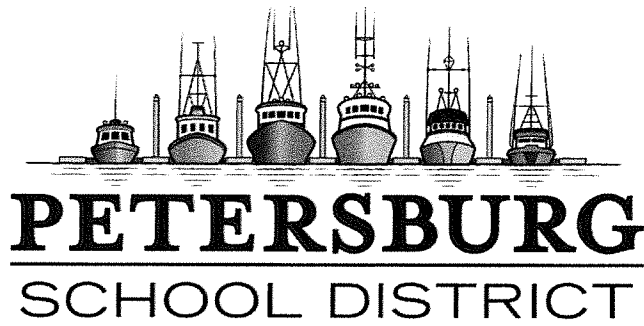
Sincerely,



Cyndy Fry  
Compass/NNT Manager



Bev Siercks  
Compass Theater President



District Office  
201 Charles W St.  
P.O. Box 289  
Petersburg, AK 99833

Cyndy Fry, Special Education Director  
cfry@pcsd.us  
1-877-526-7656

March 9, 2023

Re: Sign on Hagen & 12th

Petersburg Planning Commission,

This is a letter in support of maintaining the easement and use of the informational sign at the corner of Hagen and 12th street. This digital sign is used in collaboration with the school district and the non-profit Compass (DBA Northern Nights Theater) to facilitate communication regarding local events on a weekly basis to the community. Continued access via the easement is essential for the use. We appreciated the continued support to use this sign for its intended purpose after the property transfer.

Sincerely,

Cyndy Fry  
Special Education Director

**PETERSBURG BOROUGH  
RESOLUTION #2023-10 (Option A)**

**A RESOLUTION AUTHORIZING THE PUBLIC SALE OF BOROUGH OWNED  
PROPERTY LOCATED AT 10 N. 12th STREET (PARCEL #01-006-431) BY [SEALED  
COMPETITIVE BID or OUTCRY AUCTION]**

**WHEREAS**, the Borough owns property located at 10 N. 12th Street, more particularly described as follows ("the property"):

Parcel B, Block 302, Greenbelt Subdivision, Plat #2016-4, Petersburg Recording District, First Judicial District, State of Alaska (Borough parcel # 01-006-431)

;and

**WHEREAS**, the property has a 2023 assessed value of \$52,900; and

**WHEREAS**, the property has been determined not needed for a public use, and was rezoned from Open Space - Recreation to Commercial-1 by Borough Ordinance #2023-02 on February 6, 2023; and

**WHEREAS**, application has been made to purchase the parcel and on March 14, 2023, a noticed public hearing was held by the Petersburg Planning Commission; and

**WHEREAS**, the Planning Commission considered and reviewed applicant materials, public comments and testimony, and staff comments, and have made recommendation to the Assembly to sell the property subject to the following conditions:

- Any development on the property shall connect to municipal sewer system. Cost of extending utilities (electricity, water, sewer) to the property will be the responsibility of the property owner. Cost of providing service from the property line to any structure is the responsibility of the property owner.
- Any plans to construct a driveway approach to Haugen Drive would need prior approval of the Utility Director to ensure the integrity of the waterline in addition to ADOT approval.
- Property conveyance is subject to an easement to the Petersburg School District for use and access to the existing informational sign and associated powerlines.

; and

**WHEREAS**, the Assembly wishes to offer the parcel for public sale by [sealed competitive bid or outcry auction].

**THEREFORE, BE IT RESOLVED**, the Petersburg Borough Assembly authorizes the public sale of Borough-owned property located at 10 N. 12<sup>th</sup> Street (parcel #01-006-431) by [sealed competitive bid or outcry auction]. The date, time, and details of such sale shall be determined by a future Borough Resolution.

**PASSED AND APPROVED** by the Petersburg Borough Assembly on August 7, 2023.

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**Mark Jensen, Mayor**

**ATTEST:**

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**Debra K. Thompson, Borough Clerk**



10 N. 12<sup>th</sup> Street





**PETERSBURG BOROUGH, ALASKA  
RESOLUTION #2023-10 (Option B)**

**A RESOLUTION APPROVING THE DISPOSAL OF BOROUGH OWNED PROPERTY  
LOCATED AT 10 N. 12<sup>TH</sup> STREET (PARCEL #01-006-431) BY DIRECT SALE TO  
THE PETERSBURG INDIAN ASSOCIATION**

**WHEREAS**, the Borough owns property located at 10 N. 12<sup>th</sup> Street, more particularly described as follows ("the property"):

Parcel B, Block 302, Greenbelt Subdivision, Plat #2016-4, Petersburg Recording District, First Judicial District, State of Alaska (Borough parcel # 01-006-431)

;and

**WHEREAS**, the property has a 2023 assessed value of \$52,900; and

**WHEREAS**, the property has been determined not needed for a public use, and was rezoned from Open Space – Recreation to Commercial-1 by Borough Ordinance #2023-02 on February 6, 2023; and

**WHEREAS**, application has been made by the Petersburg Indian Association (PIA), a federally recognized tribe, to purchase the property and on March 14 ,2023, a noticed public hearing was held by the Petersburg Borough Planning Commission; and

**WHEREAS**, the Planning Commission considered and reviewed applicant materials, public comments and testimony, and staff comments, and have made recommendation to the Assembly to sell the property subject to the following conditions:

- Any development on the property shall connect to municipal sewer system. Cost of extending utilities (electricity, water, sewer) to the property will be the responsibility of the property owner. Cost of providing service from the property line to any structure is the responsibility of the property owner.
- Any plans to construct a driveway approach to Haugen Drive would need prior approval of the Utility Director to ensure the integrity of the waterline in addition to ADOT approval.
- Property conveyance is subject to an easement to the Petersburg School District for use and access to the existing informational sign and associated powerlines.

; and

**WHEREAS**, PIA requests the Assembly authorize Manager Giesbrecht to engage in direct negotiations with the tribe for the property sale.; and

**WHEREAS**, Borough Code Section 16.12.080(E) provides the Assembly the option of authorizing the Borough Manager to commence such negotiations, the final terms of which are subject to Assembly approval; and

**WHEREAS**, Borough Ordinance #2023-10, adopted by the Assembly on June 5, 2023, amended Borough Code Chapter 16.12.030(A) to add federally recognized tribes to the list of

entities that may purchase Borough property for less than assessed value if determined by the Assembly to be in the best interest of the Borough.

**THEREFORE, BE IT RESOLVED** by the Petersburg Borough Assembly as follows:

**Section 1.** The Assembly hereby authorizes the sale of the following property to the Petersburg Indian Association:

Parcel B, Block 302, Greenbelt Subdivision, Plat #2016-4, Petersburg Recording District, First Judicial District, State of Alaska (Borough parcel # 01-006-431)

**Section 2.** The Assembly finds that the property is not needed for a public purpose.

**Section 3.** The Assembly determines that exemption of this property from public sale is in the best interests of the Borough, and that the property shall be disposed of by direct negotiations with PIA.

**Section 4.** The Borough Manager is hereby authorized and directed to commence direct negotiations with PIA for disposal of the property, the final terms of which are subject to approval by the Assembly.

**PASSED AND APPROVED** by the Petersburg Borough Assembly on August 7, 2023.

\_\_\_\_\_  
Mark Jensen, Mayor

**ATTEST:**

\_\_\_\_\_  
Debra K. Thompson, Borough Clerk



10 N. 12<sup>th</sup> Street





## Report of Non-Compliance

To: Petersburg Borough Assembly

By: Karl Hagerman, Utility Director  
Ray Wesebaum, Building Official

RE: 410 Mitkof Highway – Report of Non-compliance to a Notice of Dangerous Building

Cc: Steve Giesbrecht, Borough Manager  
Debra Thompson, Borough Clerk  
Liz Cabrera, Community Development Director

### I. Introduction

Pursuant to Petersburg Municipal Code (PMC) Chapter 09.20, and a June 7, 2023 inspection conducted under the authority of an Administrative Search Warrant at the property located at 410 Mitkof Highway, Petersburg, Alaska ("the property"), notice was given by the Borough Utility Director and Borough Building Official to the owner of the property of a determination that the housing structure located at the property ("the building") is a dangerous building within the standards set forth in PMC 9.20.010(F) and (I). A copy of the *Notice of Dangerous Building* is attached to this report.

In brief, it came to the attention of the Borough that the building was being used as a residence by one or more persons, including the owner's father, however the building is not hooked up to the Borough's sewer system, and has no water service due to prior abatement proceedings. The recent inspection of the property disclosed that an improper outfall line runs from the building to a nonfunctional septic tank<sup>1</sup> and then from the tank down the hill and onto the beach of Wrangell Narrows, resulting in untreated human waste being deposited into public waters.<sup>2</sup> See, attached photographs taken during the inspection.

### II. Previous Proceedings

This situation was the subject of a previous *Notice and Order of Abatement* dated August 3, 2020, when raw sewage was noted at the property by a borough employee. The property owner appealed

<sup>1</sup> The top and sides of the septic tank are covered with earth and extensive vegetation, making the inspection hatches inaccessible. The septic tank has not been pumped in many years and does not appear to be functional.

<sup>2</sup> This constitutes a violation of PMC 14.08.020, *Unlawful sewage - Disposal methods designated*, paragraphs A and B:

A. No person shall place, deposit or permit to be deposited in an unsanitary manner upon public or private property within the borough, or in any area under the jurisdiction of the borough, any human or animal excretion, garbage or other objectionable waste.

B. No person shall discharge into any natural outlet within the borough, or in any area under the jurisdiction of the borough, any sanitary sewage, industrial waste or other polluted water, except where suitable treatment has been provided in accordance with subsequent provisions of this chapter.

to the Assembly, which issued a Decision on Appeal on November 2, 2020, upholding the *Notice and Order of Abatement*. Thereafter, the property has continued to be occupied from time to time, with no abatement occurring in that the building remains unconnected to the Borough sewer system.

### III. Current Proceedings

As a result of the continued use and occupancy of the building, and the lack of proper sewage disposal, Borough officials determined that it met the definition of a dangerous building under the standards of PMC 9.20.010(F) and (I):

F. Those having light, air and sanitation facilities which are inadequate to protect the health, morals, safety or general welfare of human beings who live or may live therein;

I. Those which, because of their condition, are unsafe, unsanitary, or dangerous to the health, morals, safety or general welfare of the people of the city; (PMC 9.20.010)

The owner was directed by a *Notice of Dangerous Building*, dated June 20, 2023, which was also posted onto the building per PMC 9.20.050, ordering that:

1. The building must be immediately vacated by all persons until the dangerous condition is fully repaired; and

2. The building must be repaired by properly hooking it up to the Borough sewer and water system within thirty (30) days of the date of this Notice.

As of July 20, 2023, no repair of the dangerous building has occurred, insofar as legal connections have not been made from the house to the borough sewer and water systems. Therefore, this constitutes a condition of non-compliance, necessitating this report of non-compliance to the Assembly under PMC 9.20.050(C).

In keeping with the provisions of PMC Sections 9.20.060 - .080, it is requested that the Assembly hold a non-compliance hearing to consider a issuance of an order requiring the building be vacated until the owner, or other party of interest, makes legal connection from the building to the borough sanitary sewer system.

Thank you for your consideration.



Photos from the Serving of Administrative Search Warrant at 410 Mitkof Highway on June 20, 2023



Discharge pipe below house leading to septic tank.



Pipe connected to septic tank and leading to beach.





Pipe connected to septic tank.



Pipe from septic tank going to beach.



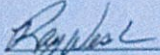



**DANGEROUS BUILDING**

This building has been found to be a Dangerous Building by the Borough Building Official.

This document is to remain on this building until it is vacated and repaired in accordance with the notice that has been given the owner and mortgagee of this building.

It is unlawful to remove this until such notice is complied with.

  
Ray Wesebaum  
Building Official  
Dated: June 20, 2023

  
Karl Hagerman  
Utility Director  
Dated: June 20, 2023



August 1, 2023

TO: Borough Assembly

FR: Liz Cabrera

RE: MUNICIPAL LAND SELECTION - FFD for ADL 108982, 108983, 108984

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**BACKGROUND:**

In January 2023, the borough submitted comments to the DNR regarding its adjudication of certain selected lands at Fanshaw Bay, Kupreanof Island, and Mitkof Island. The borough objected to two specific parcels being retained by the state:

- Hood Point - 10.03 acres
- Prolewy Point – 513.41 acres

The DNR just issued a *Final Finding and Decision (FFD)* indicating the state rejects conveyance of these two parcels. (The decision also included approval to convey 2,736.69 acres.)

The borough has 20 calendar days to file an appeal if it so chooses (August 14). If no appeal is filed, the decision goes into effect 31 days after the date the notice is signed (September 5).

The justification for the state’s decision is based on the management intent of the Central SE Area Plan (the Plan) adopted in November 2000 to retain these parcels in state ownership.

**HOOD POINT (P-31)** - (see attached, Map 1) – This is the eastern half of a waterfront lot adjacent to Beecher Pass State Marine Park. The designated land use is Public Recreation-dispersed use, and the management intent in the Plan is to retain the parcel in state ownership to maintain a natural buffer and additional recreational zone between the marine park and the nearby private parcels.

**PROLEWY POINT** - (see attached, Map 2) – This is a 513-acre parcel along the Kupreanof shoreline adjacent to the City of Kupreanof. It has a land use designation of “Public Recreation – dispersed use” and the management intent in the Plan is to retain in state ownership to preserve scenic viewshed and habitat values.

**DISCUSSION:**

1. The likelihood of a successful appeal is low. A successful appeal would need to demonstrate that the borough’s interest in obtaining the land outweighs the public interest in retaining state ownership of the land. The state has no written criteria outlining what constitutes best interest and the DNR Commissioner makes the final decision.
2. The appeal may not be resolved quickly. The borough previously appealed a FFD in 2021 and the appeal took over a year to be considered. In the end the borough’s appeal was upheld, but the DNR commissioner’s decision approved the two parcels for postponement, meaning the parcels would be considered for conveyance again at a future date.
3. The DNR may place a stay on all the parcels covered by the FFD pending resolution of the appeal. If an appeal is filed, the borough will request the DNR waive the stay on those lands that have been approved for conveyance, but it will be DNR’s decision whether to grant the waiver.

4. These selections represent the borough's second-tier priorities and are waterfront properties. The Kake to Petersburg Road proposed by AK DOT is slated to cross the Prolewy Pt parcel. The AK DOT has stated their intent to establish a 300' right-of-way through the parcel to continue development of this planned road and transmission line (see attached, Map 3). The AKDOT has acquired a 300' easement across USFS land up to the Prolewy Pt parcel. This is likely the borough's only opportunity to acquire a parcel along this potential road and transmission line corridor.

The table below shows the status of the entitlement lands.

ADL	Selections Adjudicated	Approved for Conveyance	Rejected for Conveyance	Remaining to be adjudicated or postponed	Conveyed
108579	1,804	1,421	130	253	0
108981	701	550	150	0	550
108982-4	3,283	2,736	523	8,793	0
	<b>5,788</b>	<b>4,707</b>	<b>803</b>	<b>9,046</b>	<b>550</b>

NB: The borough's remaining entitlement is 13,658 acres.










**Petersburg Borough**  
Municipal Selections

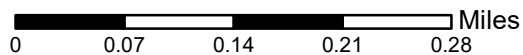
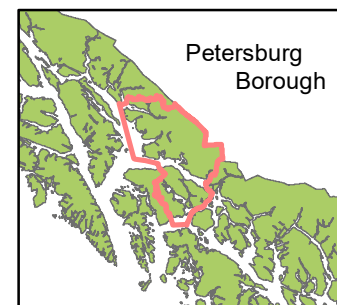
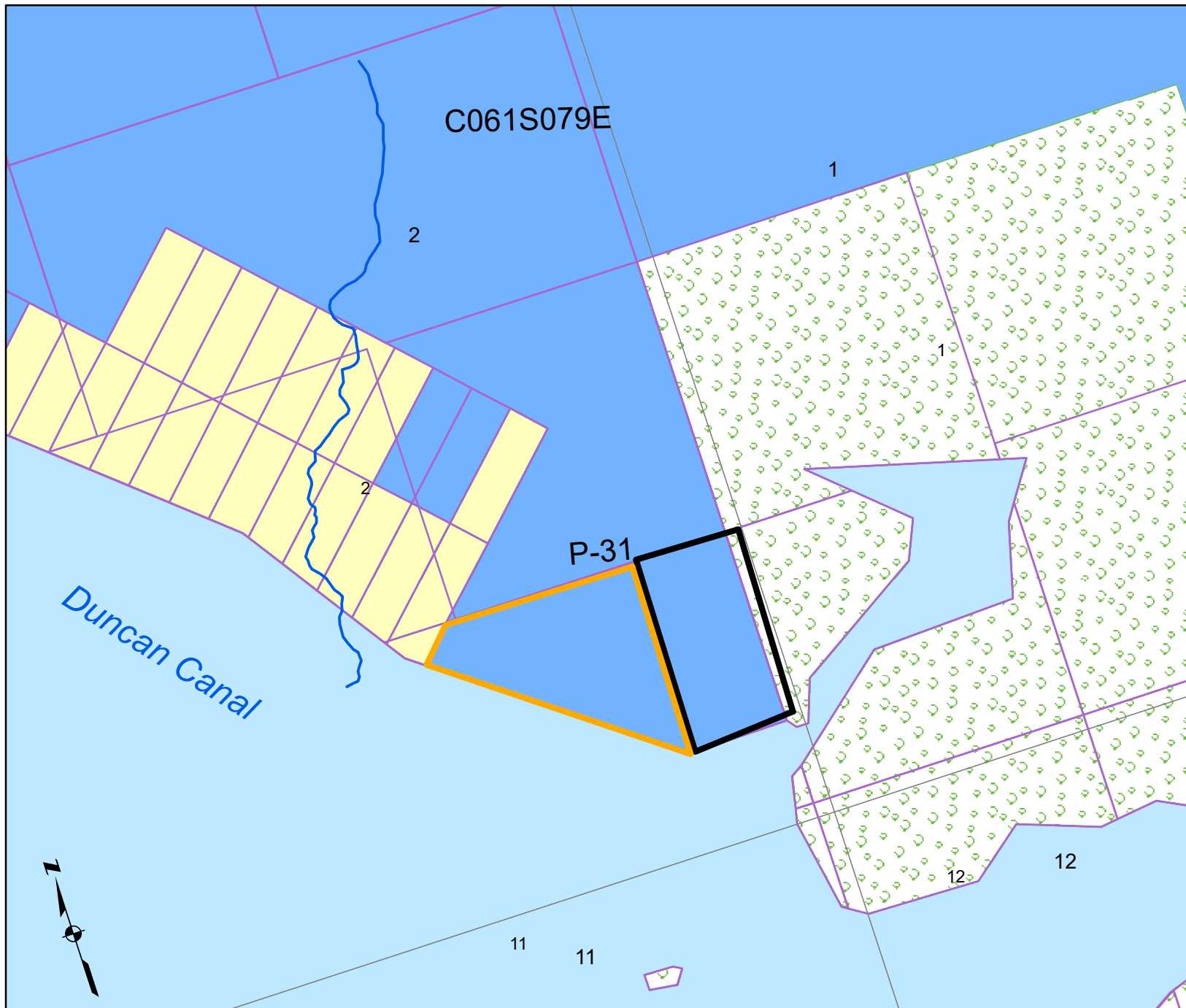
Final Finding and Decision

ADL 108984

Hood Point

**Legend**

-  Anadromous Stream
-  Surveyed Tracts
-  Approved Conveyance to the Borough
-  Approved Rejection
-  State Land, TA or PA
-  State Marine Park  
Beecher Pass LDA
-  Private Land
-  P-31 CSSE Area Plan Unit
-  Section line



This map is for graphic representation only. It is intended to be used as a guide only and may not show the exact location of existing surveyed parcels or show all easements and reservations. Source documents remain the official record.



SOA-DNR-DMLW-LCS

April 2023



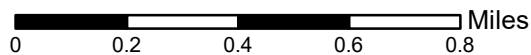
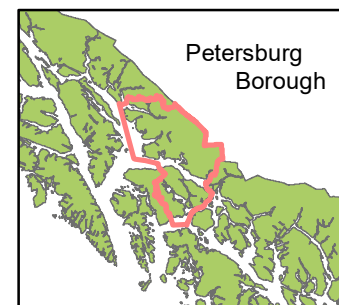
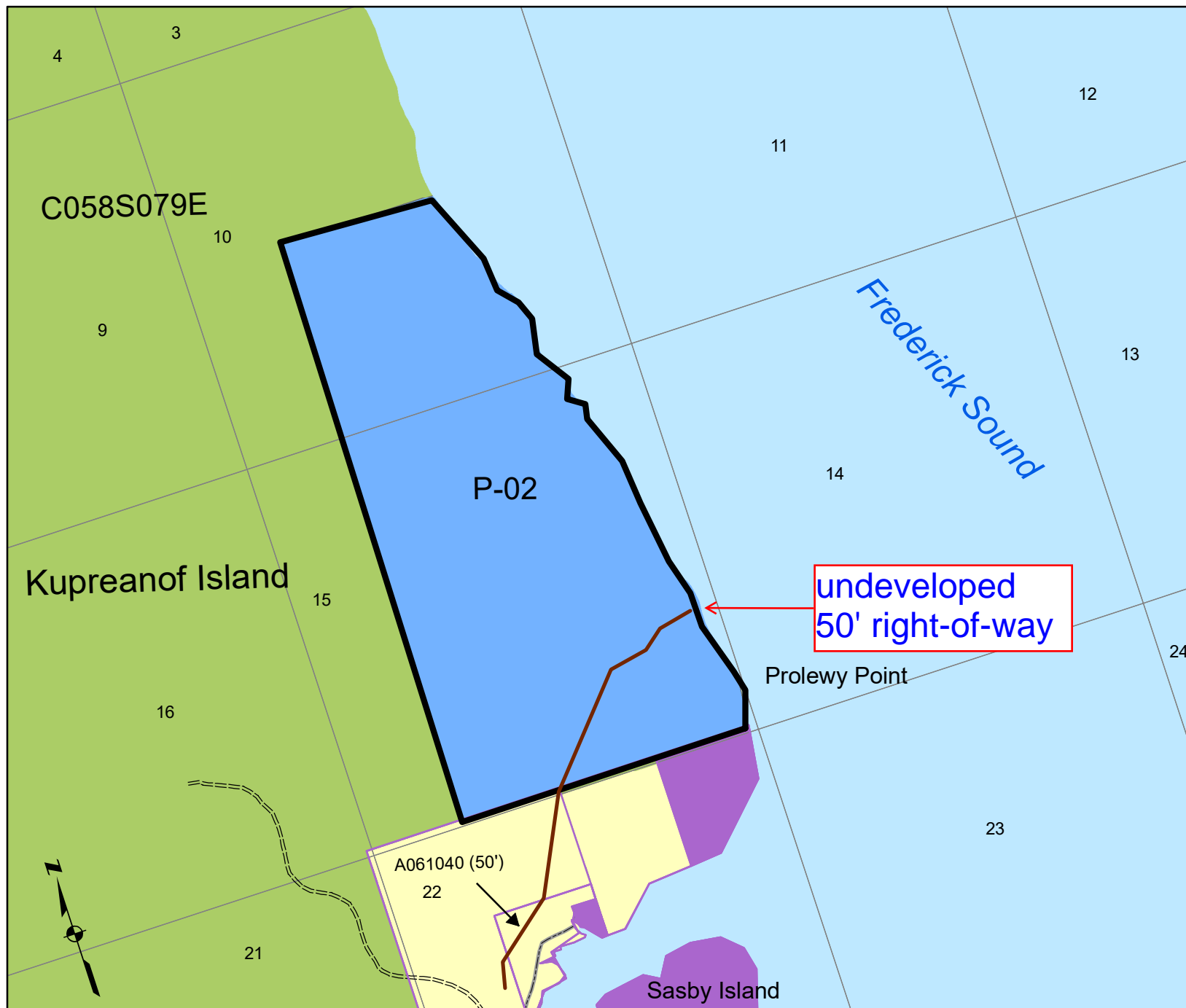
**Petersburg Borough**  
Municipal Selections

Final Finding and Decision

ADL 108983  
Prolewy Point

**Legend**

- ==== Trail
- Road
- Approved Rejection
- State Land, TA or PA
- Mental Health Trust Land
- Private Land
- USFS Land
- P-02 CSSE Area Plan Unit
- Section line



This map is for graphic representation only. It is intended to be used as a guide only and may not show the exact location of existing surveyed parcels or show all easements and reservations. Source documents remain the official record.



SOA-DNR-DMLW-LCS

April 2023







STATE OF ALASKA  
ALASKA DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF MINING, LAND AND WATER

**FINAL FINDING AND DECISION**  
**CONVEYANCE OF STATE LAND UNDER AS 29.65**

**PETERSBURG BOROUGH**  
**MUNICIPAL LAND ENTITLEMENT SELECTIONS**  
**ADL 108982, ADL 108983, ADL 108984**

**I. SUPPLEMENT STATEMENT**

This Final Finding and Decision (FFD) complements and updates the Preliminary Decision (PD) dated January 27, 2023, for the proposed actions, which are incorporated herein, except as modified or clarified by this FFD. The maps attached to this FFD depict the selection that is the focus of this decision. The PD (attached) has had the required public review.

**II. RECOMMENDED ACTION**

The State of Alaska (State), Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Land Conveyance Section (LCS) recommends that Alternative 3, as described in the PD, is the preferred action aligning with the intent and requirements of the Municipal Entitlement Act. This decision covers approximately 3,283 acres, approving approximately 2,737 acres for conveyance and transfer of management authority to the Petersburg Borough (PB). This decision postpones conveyance of approximately 23 acres and rejects approximately 523 acres.

**III. AUTHORITY**

The authority for conveyance of state land for municipal entitlements is pursuant to *AS 29.65 General Grant Land* and the authority for the Final Finding and Decision is pursuant to *AS 38.05.035(e) Power and Duties of the Director*.

**IV. PUBLIC PARTICIPATION AND INPUT**

Pursuant to *AS 38.05.945 Notice*, public notice announcing the PD for the proposed conveyance of municipal entitlement selections along with the solicitation for public comment was published and distributed in the following manner:

- Posted under State of Alaska Online Public Notice from January 27 to March 3, 2023.
- Posted on the DNR Land Sales website from January 27 to March 3, 2023.
- Posted on the DNR Municipal Entitlement website from January 27 to March 3, 2023.
- Mailed with a request to post for 30 days to the Kupreanof and Petersburg postmasters and Petersburg Library per *AS 38.05.945(c)(4)*.
- Mailed to the regional corporation and local tribes per *AS 38.05.945(c)(2)-(3)*.
- Mailed and/or emailed to the Petersburg Borough.

The public notice stated that written comments must be received by 4:30 PM, Friday, March 3, 2023, in order to ensure consideration and eligibility to appeal. For more information, refer to the attached PD.

**V. SUMMARY OF COMMENTS**

DNR DMLW LCS received comments from the DMLW Public Access Assertion and Defense (PAAD) section, the Alaska Department of Transportation and Public Facilities (DOT&PF), and the Petersburg Borough during the public comment period. All comments received during the public comment period are addressed below.



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DNR DMLW LCS received a brief comment of non-objection from the following agency:  
Alaska Department of Transportation & Public Facilities.

*DNR DMLW LCS Response:* LCS appreciates your review.

DNR DMLW PAAD comment: “PAAD asserts that a paragraph on Page 7 under **3. Navigable and Public Water** is not accurate. Within the Tongass the State received title to tidal waters through a Quiet Title Disclaimer from the USDOJ [United States Department of Justice] and USFS [United State Forest Service]. This was part of Glacier Bay Decision; Original 128. A copy of the disclaimer is on the PAAD website, RDI [Recordable Disclaimers of Interest] page, in association with the Stikine River RDI.”

*DNR DMLW LCS Response:* LCS appreciates your review. We stand corrected in our comment that tidal waters in the Tongass were considered navigable under the Submerged Lands Act. For modifications and clarifications to this decision, please see **Section VI. Modifications to Decision** below.

Petersburg Borough comments: “The Borough has completed a review of ADL 108982, 108983, 108984, and makes the following comments. Please feel free to contact us if we can assist in clarifying any of the Borough's comments.”

*DNR DMLW LCS General Response:* LCS appreciates your review. To provide clarity on specific items brought up by PB through their comment, please see LCS’s responses incorporated below.

**“FANSHAW BAY**

The Petersburg Borough supports conveyance of 1,809 acres of selected lands at Fanshaw Bay.”

*DNR DMLW LCS Response:* LCS appreciates your review and concurrence.

**“PROLEWY POINT**

The Petersburg Borough objects to the LCS proposed decision to retain Unit P-02, the approximately 600-acre selection north of Prolewy Point<sup>1</sup>.

<sup>1</sup> The acreage for unit P-02 varies throughout this document and other information. It is listed as 513.41 acres (p 21 of PD), 594 acres (p 11 of PD), the TA states approximately 600 acres, and the original DNR entitlement certification is 591 acres. The Borough would appreciate confirmation of the actual acreage.”

*DNR DMLW LCS Response:* LCS confirms that approximately 513.41 acres of land selected by PB at Prolewy Point are rejected. If this land had been approved for conveyance, a survey would have been required to determine the actual acreage.

“Agency review comments from ADF&G and DOT&PF provide directly conflicting rationale for the state's interest in retaining Unit-P-02. The ADF&G points to the need "to preserve viewshed and habitat values", relying on the Central Southern Southeast Area Plan (CSSEAP), while DOT&PF argues that it retains the "right to continue its development course" regarding the Kake Access project, and "would want a 300-foot right-of-way reservation" to protect the corridor for future road development. Neither rationale support retention of this parcel by the State.”

*DNR DMLW LCS Response:* Thank you for your review. LCS consulted with the DMLW Resource Assessment and Development Section (RADS) with regard to PB’s comments about

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the CSSEAP. The area plan states that Unit P-02 is to be retained by the State and managed to preserve its viewshed and habitat values. Therefore, the parcel cannot be conveyed without an amendment to the plan. Even though DOT&PF has plans to develop a road through the parcel, that development is in line with the plan's intent to preserve the viewshed and habitat because the viewshed is the reason for putting a scenic roadway there. The express management intent and the thorough planning process that led to its inclusion in the CSSEAP provide sufficient justification for the State's retention of this parcel.

"Reliance upon the CSSEAP regarding protection of the viewshed is misplaced, as it contains several significant factual errors. The CSSEAP states that the parcel is "...directly adjacent to the mouth of Wrangell Narrows and is very visible from Petersburg..."<sup>2</sup> In fact, the parcel is not adjacent to the Wrangell Narrows, but rather Frederick Sound, and it is not visible from the community of Petersburg, as it is completely blocked by Prolewy Point. In short, the CSSEAP is factually incorrect in the two instances related to the viewshed. Even if those statements were true, the community of Petersburg would be in the best position to determine how to best manage its own viewshed.

<sup>2</sup> CSSEAP, p 3-128"

*DNR DMLW LCS Response:* LCS appreciates your review and confirmed with RADS as to the location and management use for the viewshed at Prolewy Point. RADS communicated to LCS that the CSSEAP language in the "Resources/Uses for which Unit is to be Managed" for Unit P-02 is as follows: "Parcel is directly adjacent to the mouth of Wrangell Narrows and is very visible from Petersburg, and to ferry/cruise ship routes. It acts as an important part of the northern viewshed for the community." As correctly stated in the CSSEAP, the parcel is adjacent to the mouth of Wrangell Narrows, which is at the base of Prolewy Point. The state ferry route diverts from Frederick Sound and enters Wrangell Narrows at this point. From the northern portion of the community, the parcel is directly in the viewshed, looking up Frederick Sound.

"The CSSEAP also stated disposal is not appropriate because of the rugged topography and the difficulty of marine access, since the prevailing winds make landing difficult. This statement failed to reference the existing 50' road reservation through Section 15 that connects to the City of Kupreanof,<sup>3</sup> and failed to acknowledge that access to this area is best accomplished over existing rights-of-way, not by water. Again, the CSSEAP's recommendations do not have a basis in actual fact.

<sup>3</sup> Additionally, at the time the CSSEAP was adopted in 2000, Section 10 did not have a reserved right-of-way across USFS land connecting it to Kake."

*DNR DMLW LCS Response:* The 50' easement issued to the City of Kupreanof (ADL 101029) is located in C058S079E, Sections 22, 27, 28, and 29. There is a 50' federal ROW reservation in Section 15 (A-061040); BLM issued Tentative Approval (TA) of this land to the State in 1996, subject to this easement. Although, according to satellite imagery, this easement does not appear to be developed, lack of development at this moment does not preclude future development (if appropriate). Additionally, the management intent does not state that water access alone is the basis for determining the difficulty of access to the area, only that it includes water access. Although overland access is not stated in the management intent, this does not mean that it wasn't taken into account during the planning process for the development of the CSSEAP in determining that land disposals are not appropriate because of the rugged topography and difficulty of access.

"On the other hand, contrary to the CSSEAP, DOT&PF indicates that the State is proposing to develop the Kake Access road through the parcel, and it claims the right to continue that development. Notably,

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the DOT&PF did not object to conveyance of the parcel but merely requests a right-of-way be reflected throughout the conveyance and notes its willingness to allow for transverse access.”

*DNR DMLW LCS Response:* Development of a roadway does not conflict with the management intent that requires retaining the parcel in state ownership. The language in the plan provides sufficient justification for retaining the parcel in state ownership. The discrepancy in the PD regarding DOT&PF’s comment will be acknowledged by a correction. For modifications and clarifications to this decision, please see **Section VI. Modifications to Decision** below.

“As the proposed road development would certainly have an adverse impact on the claimed goals of the CSSEAP to protect the viewshed and habitat, and provide for undeveloped public recreation, it is directly adverse to the reasons provided for State retention by ADF&G. Once the State’s interest in developing the Kake Access road superseded the land use classification of Public Recreation & Tourism- Undeveloped in the CSSEAP and the management intent to protect habitat and viewshed values, that inconsistency must be resolved. The State cannot rely on the stated goals of the CSSEAP to deny conveyance, while at the same time asserting the right to develop the parcel in the future.”

*DNR DMLW LCS Response:* CSSEAP Unit P-02 has a designation of Ru, Public Recreation – dispersed use. Lands with this designation are classified Public Recreation Land, which is defined by 11 AAC 55.160 as land that is suitable for recreation uses, waysides, parks, campsites, scenic overlooks, hunting, fishing or boating access sites, trail corridors, or greenbelts along bodies of water or roadways. The definition for the designation Ru in CSSEAP Chapter 3, page 4 states “...Land in this designation may be conveyed to municipalities depending on the unit’s management intent and the relative value of the recreation resources for which the unit was designated...” The management intent for Unit P-02 is clear; the parcel is to be retained in state ownership and managed to preserve its viewshed and habitat values. The Public Recreation Land classification does not preclude or conflict with the development of a transportation corridor.

“With the planned road development, the Borough has a strong interest in conveyance of this parcel, as it would represent the only road accessible parcel on Kupreanof Island available for selection. The Borough would anticipate significant opportunity for tourism, public recreation, commercial recreation, and subsistence activities occurring through this corridor.”

*DNR DMLW LCS Response:* There is a USFS ROW (J012116), which could potentially provide road access to approximately 2,336 acres of PB selected lands on Kupreanof Island, southwest of Petersburg Creek. Forest development roads are commonly used for public access. Many of the roads in PB were forest development roads at one point.

“In the PD Discussion and Alternatives section (see, p. 18), the LCS provides reasons for the decision to reject certain selections. The LCS reasons for Prolewy Point include that “The Department of Transportation and Public Facilities also requested that this unit [P-02] remains in state ownership”...“This is incorrect. DOT&PF did not request retention of the parcel in its comments, in fact, DOT&PF only requests a road reservation through the “extent of the conveyance” (See, p. 14), implying that the conveyance of the surrounding parcel is acceptable. DOT&PF also mentions it is not opposed to “permitting transverse access as appropriate...as established collaboratively” further indicating its willingness to work in conjunction with the borough once the parcel is conveyed. The reference to DOT&PF comments regarding P-02 should be deleted as it does not support LCS decision to retain the parcel.”

*DNR DMLW LCS Response:* Whether or not DOT&PF requested state retention of the parcel, the CSSEAP justifies the reasons for retaining Unit P-02 in state ownership. The discrepancy in



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the PD regarding DOT&PF's comment will be acknowledged by a correction. For modifications and clarifications to this decision, please see **Section VI. Modifications to Decision** below.

"Prolewy Point was acquired by the State from the Federal government for the purpose of community expansion. The DNR should follow through with this intended use and not rely on outdated and erroneous statements of the CSSEAP to guide this entitlement land action, while ignoring DOT&PF's stated intent. If a revision is required to correct the CSSEAP, the Borough would support postponing action on this parcel so that the CSSEAP can be corrected."

*DNR DMLW LCS Response:* National Forest Community Grant (NFCG), the name used for state selections within national forests are authorized by Section 6(a) of the Statehood Act. NFCG land is granted to the State for furthering the development of and expansion of communities. NFCG land is adjacent to communities or suitable for prospective community centers or recreational areas. While NFCG land is slated for community expansion, this doesn't mean that all such land will be conveyed to municipalities, it means the land is eligible for conveyance if it otherwise meets statutory requirements. The State reserves the right to retain land in state ownership if the State's interest in retaining the land outweighs PB's interest in obtaining it. The CSSEAP went through an extensive planning process and determined that the highest and best use for the land in Unit P-02 is for retention in state ownership and to be managed to preserve its viewshed and habitat values. LCS has no intention of "ignoring DOT&PF's stated intent" since development of a transportation corridor would be an allowed use in Unit P-02 or any other land classified as Public Recreation Land.

"ADDITIONAL COMMENT: The Petersburg Borough has the following additional comment regarding statements in the preliminary decision about this unit:

It's unclear from DOT&PF's comments whether the state has established rights-of-way (ROW) on the state lands located within Sections 10 and 15. Table 1 of the PD notes a 44 LD 513 ROW within Section 15, and this is also noted in the Tentative Approval document, however this ROW location does not correspond with the ROW shown on the maps provided by DOT&PF. Also, there appears to be no third-party interest identified in Section 10. Please confirm whether there is a road reservation and/or third-party interest within the selected portion of Section 10 and the location of the ROW in Section 15."

*DNR DMLW LCS Response:* Table 1 in the PD does not identify any third-party interests in Section 10. Per the TA (AA-71684) to the State, there is 50' ROW (A06 1040) subject to a reservation. The actual location is under DOT&PF's jurisdiction and may not be developed yet. LCS recommends PB contact DOT&PF's ROW office for more information.

"In addition to floatplane or boat, Prolewy Point may be accessed through the partially developed Petersburg Creek Highway/Trail. Please amend Section VI.D. Access of the PD (See, page 6) to include this information."

*DNR DMLW LCS Response:* Acknowledged. Thank you for the additional information. The list of access paths in the PD is not all-encompassing.

**"HOOD POINT**

The 21-acre Tract E is located adjacent the Beecher Pass State Marine Park (SMP). The LCS recommendation is to split the parcel in half and retain the 10 acres adjacent to the park. The Borough does not agree that "the integrity" of the state marine park is in jeopardy by conveyance. Access to the SMP is by boat and generally requires a minimum 16' tide to enter the estuary. Borough ownership of the land adjacent to the entrance of the estuary would not in any way impede public access to or recreational enjoyment of the SMP.

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Moreover, it is unclear how this retention parcel will protect public access to the SMP. It is very unlikely that any member of the public would choose to enter the park through the area proposed for state retention when there is marine access and access along the shoreline. The state provides no evidence as to why the size of the buffer must be 10 acres nor how this would improve or protect the SMP given the surrounding topography.”

*DNR DMLW LCS Response:* The subject parcel is located in CSSEAP Unit P-31, which encompasses ASLS 81-9. This management unit has land use designations of Settlement (S) and Public Recreation – Dispersed Use (Ru), which convert to land classifications of Settlement Land and Public Recreation Land, respectively. Though these may both be conveyable classifications, the management intent for Unit P-31 requires that the State retain lots 11, 12, and 13, and Tracts A, B, and C as well as portions of D and E. The lots to be retained shall be designated Ha, and the tracts, Ru, as depicted in the plan map. This clearly indicates the lands designated Ha and Ru in this management unit shall be retained in state ownership. Therefore, this land cannot be conveyed out of state ownership without a plan amendment.

The area plan is a policy adopted by DNR determined to be in the public interest. Management guidelines in the CSSEAP regarding public recreational opportunities provide that the State’s role is to retain and manage land supporting recreational opportunities of regional or statewide significance (pg. 2-36). This parcel abuts the Beecher Pass State Marine Park, a Legislatively Designated Area established in *AS 41.21.304(17)*, which by definition is land of regional or statewide significance. Management guidelines also provide that the State will retain appropriate areas for outdoor recreation, hunting, fishing, trails, campsites, boat launches, historic sites, and areas for scientific study. Areas for intensive and dispersed use will be preserved (pg. 2-43). See Chapter 2 of the CSSEAP for additional areawide land management policies and guidelines, which formulate the basis for the management intent statements found in Chapter 3.

“Tract E is part of ASLS 81-9 (Plat# 82-13) and is already surveyed to state standards. Subdividing the parcel will require a costly new land survey that would likely exceed the value of the acreage to be conveyed. The result being the municipality likely would never receive patent to the western portion of the parcel, which is presumably the goal of the entitlement program.”

*DNR DMLW LCS Response:* The survey requirements for municipal entitlement land are laid out in *AS 29.65.070(a)*, which provides that approved selections must be surveyed for a municipality to obtain final patent to the land, and the cost of survey is to be borne by the municipality. The CSSEAP clearly states that the eastern portion of Tract E shall remain in state ownership, thus indicating that any disposal of the tract would require a survey.

“Section VIII. Discussion and Alternatives explains the reasoning for LCS's decision to retain the parcel and notes that the "west portion is classified as Settlement land, which is a conveyable classification.". In fact, both Settlement and Public Recreation & Tourism-Undeveloped on the eastern portion of the parcel are conveyable classifications so the decision to retain is not based on the land classifications. This section should be amended to note that both land classifications for this parcel are conveyable.”

*DNR DMLW LCS Response:* Even though certain lands may be appropriately classified for conveyance to a municipality, this does not mean that all lands appropriately classified will be conveyed to a municipality. However, it does mean the land is eligible for such conveyance if it otherwise meets the municipal land entitlement program requirements. In this case, DNR policy in the CSSEAP requires that the portion of Tract E classified as Public Recreation Land be retained in state ownership.

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**“SE MITKOF**

The Borough supports conveyance of 67 acres of selected land on SE Mitkof.”

*DNR DMLW LCS Response:* LCS appreciates your review and concurrence.

**“SUMNER STRAIT/WOODPECKER COVE**

The Borough supports conveyance of 848.14 acres of selected land along Sumner Strait.”

*DNR DMLW LCS Response:* LCS appreciates your review and concurrence.

“Comments from DNR DMLW RADS from the July 2021 Agency Review state that a portion of Unit P-27 "may be under consideration by the DOT&PF as alternate site for the south Mitkof ferry terminal." The South Mitkof Ferry Terminal was constructed by DOT&PF south of Blind Slough and it is unlikely DOT would be constructing a second terminal on south Mitkof Island.

The Division of Forestry once again argues for the closing off the entirety of Woodpecker Cove, far beyond the needs of LTF operations. The LCS indicates that it will conduct additional research on the issue, on which the Petersburg Borough assumes it will have the opportunity to provide input and response.”

*DNR DMLW LCS Response:* LCS recommends asking the SE DOT&PF office what their intentions are for the possibility of constructing another ferry terminal on the south end of Mitkof Island. When the postponed area goes to adjudication, PB will have the opportunity to provide comments, recommendations, and responses to the decision.

**“General Comments:**

1. The City of Petersburg was dissolved in favor of the Petersburg Borough in 2013. Please delete the reference to "city of Petersburg". The largest population area is Service Area 1 of the borough and corresponds to the former city limits. See, p. 2.
2. The City of Petersburg was dissolved in favor of the Petersburg Borough in 2013. Please delete the reference to "City of Petersburg" and replace with "Petersburg Borough". See, p. 6.
3. In addition to floatplane or boat, Prolewy Point may be accessed through the Petersburg Creek Highway/ Trail. See, page 6.
4. The borough concurs that there are no RS 2477 rights-of-way within the proposed selection and notes that the LCS does not propose any alternative upland access routes to be reserved under 11 AAC 51.045(d)(1). See p. 6.
5. The LCS has identified only marine waters as navigable waters and subject to a 50' public access easement. The borough concurs with this determination. See, p 7-8.
6. The borough notes that no waters navigable in fact have been identified by the state in this decision.
7. The borough concurs with the LCS that the beds of public waters are to be conveyed to the borough with the adjoining approved lands. See p. 8.
8. We assume the public access easements along the unnamed creeks listed in Table 3 correspond to the ones displayed on the maps accompanying the PD and are subject to withdrawal if



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the waterbodies are determined not to meet the minimum public water standards if surveyed. See, p. 8.”

***DNR DMLW LCS Responses:***

(1) In referring to the “city of Petersburg” our intended reference was regarding Petersburg as a census-designated place as identified by the Department of Community and Regional Affairs.

(2) In terms of municipal entitlement processes, the City of Petersburg, as a home rule city, still existed at the time it was dissolved and subsumed by the newly created borough and was our intended reference in Section VI. Subsection A of the PD.

(3) Acknowledged.

(4-7) LCS appreciates your review and concurrence.

(8) The waterbodies are considered public until a survey is completed. And if a survey finds they do not meet the Public Water standard, then a ‘to & along’ will not be required. If they are anadromous creeks, regardless of size, they will have a public access easement. A survey may find other waterbodies not represented on the decision maps. It is noted on the decision maps that these are only a graphic depiction of the area. Not all land details are expressed.

**VI. MODIFICATIONS TO DECISION**

Pursuant to comments received during the public notice period, there a few small corrections or clarifications made between the PD and the FFD. None of these changes affect the amount of acreage approved for conveyance, nor the amount being rejected in this decision.

- DNR acknowledges the correction that DOT&PF did not explicitly state the agency wanted land in Unit P-02 retained by the State; and
- The State received title to the tidal waters through a Quiet Title Disclaimer from the USDOJ and USFS and were not considered navigable under the Submerged Lands Act.

**VII. DISCUSSION AND FINAL FINDING AND DECISION**

Through this Final Finding and Decision, DNR determines that it is in the best interest of the State to convey approximately 2,736.69 acres of state land with management authority transferred to the PB upon the effective date of this decision. There are no overriding state interests in retaining these selections, and the conveyance to PB is consistent with the requirements for conveyance under AS 29.65, and the management intent requirements of the Central/Southern Southeast Area Plan.

**Lands Approved for Conveyance**

*Table 1* lists those lands approved for conveyance in this decision by map name/(ADL), Meridian (M), Township (T), Range (R), Section, legal description, and approximate acreage. The estimated acreages for conveyance do not account for any exclusions, and exact acreages are determined by a State approved survey. The final acreage amount will be credited towards partial fulfillment of Petersburg Borough’s municipal land entitlement.

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Table 1

Map Name (ADL)	MTR	Section and Legal Description	Acres
Fanshaw Bay (1089884)	C053S075E	<b>Sec. 16:</b> Tract K (205 ac.) <b>Sec. 17:</b> Tract K and Tract P on Foot Island (122.26 ac.) <b>Sec. 20:</b> Tract K (200 ac.) <b>Sec. 21:</b> Tract K (220 ac.) <b>Sec. 28:</b> Tract K (180 ac.) <b>Sec. 29:</b> Tract K (32 ac.) <b>Sec. 32:</b> Tract Q on Whitney Island (120.68 ac.) <b>Sec. 33:</b> Tract K (230 ac.)	1309.94
	C054S075E	<b>Sec. 04:</b> Tract A and Tract B (245 ac.) <b>Sec. 05:</b> Tract B on Whitney Island (185.89 ac.) <b>Sec. 09:</b> Tract A (68.4 ac.)	499.29
Hood Point (108984)	C061S079E	<b>Sec. 2:</b> West portion of Tract E that is classified as Settlement Land	12.32
SE Mitkof (108982)	C061S082E	<b>Sec. 12:</b> Tract A east of Mitkof Hwy ROW (12 ac.) <b>Sec. 13:</b> Tract A east of Mitkof Hwy ROW (1 ac.) <b>Sec. 22:</b> Tract A southeast of Mitkof Hwy ROW (39 ac.) <b>Sec. 23:</b> Tract A southeast of Mitkof Hwy ROW (7 ac.) <b>Sec. 27:</b> Tract A southeast of Mitkof Hwy ROW (8 ac.)	67
Sumer Strait (108982)	C062S081E	<b>Sec. 08:</b> all lands south of FDR 6245 (114 ac.) <b>Sec. 09:</b> Lot 1 (33.05 ac.), Lot 2 (38.44 ac.), Lot 3 (34.42 ac.), Lot 4 (11 ac.), NE1/4SW1/4 (40 ac.), W1/2SE1/4 (80 ac.), NW1/4SW1/4 that is southeast of FDR 6245 (25 ac.), S1/2NE1/4 that is south of FDR 6245 (25 ac.), SE1/4NW1/4 that is south of FDR 6245 (68 ac.)...354.91 ac <b>Sec. 10:</b> Lot 1 (38.79 ac.), Lot 2 (5.01 ac.), Lot 3 (7.32 ac.), Lot 4 (0.7 ac.), SE1/4NW1/4 (40 ac.), N1/2NW1/4 that is southeast of FDR 6545 (75 ac.) ...166.82 ac. <b>Sec. 16:</b> Lot 1 (0.61 ac.), Lot 2 (15.13 ac.), Lot 3 (1.63 ac.), Lot 4 (3.81 ac.) ....21.18 ac. <b>Sec. 17:</b> Lot 1 (29.7 ac.), Lot 2 (25.56 ac.), Lot 3 (1.63 ac.), Lot 4 (11.58 ac.), Lot 5 (2.76 ac.), NW1/4NE1/4 (40 ac.), N1/2NW1/4 (80 ac.) ...191.23 ac.	848.14
<b>APPROXIMATE TOTAL APPROVED ACRES:</b>			<b>2736.69</b>

**Lands Approved for Postponement**

Table 2 lists the land that was selected by PB that is postponed in this decision. This parcel, near Woodpecker Cove, will be addressed in another decision that will also cover the land postponed by the DNR Commissioner's Decision on Appeal No. 21-022 dated December 20, 2022.

Table 1

Map Name (ADL)	MTR	Section and Legal Description	Acres
Sumner Strait (108982)	C062S081E	<b>Sec. 18:</b> Lot 5 (16.36 ac.), Lot 6 (5.37 ac.), Lot 7 (1.37 ac.) ....23.1 ac.	23.1
<b>APPROXIMATE TOTAL POSTPONED ACRES:</b>			<b>23.1</b>

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**Lands to be Rejected**

*Table 3* lists those lands that were selected by Petersburg Borough that will be rejected in this decision. These include lands to be retained by the State per the CSSEAP and for reasons stated above in the response to PB's comments. Preservation of the viewshed and management of habitat values for Prolewy Point, and to retain the natural character of the Hood Point parcel. These interests of the State outweigh that of the Borough. The CSSEAP underwent a rigorous public process with the community's participation, which resulted in this recommendation for these parcels.

*Table 2*

<b>Map Name (ADL)</b>	<b>MTR</b>	<b>Section and Legal Description</b>	<b>Acres</b>
Prolewy Point (108983)	C058S079E	<b>Sec. 10:</b> Lot 1 (32.49 ac.), Lot 2 (46.63 ac.), E1/2 SW1/4 (80 ac.) ...159.12 ac. <b>Sec. 15:</b> Lot 1 (16.18 ac.), Lot 2 (25.39 ac.), Lot 3 (33.11 ac.), Lot 4 (39.86 ac.), Lot 5 (39.83 ac.), Lot 6 (39.92 ac.), W1/2 NE1/4 (80 ac.), E1/2 NW1/4 (80 ac) ...354.29 ac.	513.41
Hood Point (108984)	C061S079E	<b>Sec. 02:</b> East portion of Tract E that is classified as Public Recreation land	10.03
<b>APPROXIMATE TOTAL REJECTED ACRES:</b>			<b>523.44</b>

Recommendation and approval of the Final Finding and Decision follow.



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**Final Finding and Decision**

The Land Conveyance Section recommends proceeding with the action as described in the Preliminary Decision. This action is undertaken under relevant authorities.

The following are the findings for this FFD:

1. It is appropriate to convey approximately 2,736.69 acres of state-owned land to Petersburg Borough. This decision determines that the State’s interest to retain this land does not outweigh the Borough’s interest to obtain it.
2. It is appropriate to postpone adjudication of 23.1 acres of state-owned land which will be addressed in another decision that will also cover the land postponed by the DNR Commissioner’s Decision on Appeal No. 21-022 dated December 20, 2022.
3. It is appropriate to reject 523.44 acres of borough land selections where the CSSEAP states the land will be retained by the State.

The findings presented above have been reviewed and considered. Public Notice has been accomplished in accordance with AS 38.05.945, and comments received were considered. The case files have been found to be complete, and the requirements of all applicable statutes have been satisfied. It has been determined that it is in the best interest of the State to proceed with the conveyance identified in this FFD to Petersburg Borough under the authority of AS 29.65.



Recommended by:  
Mary Hermon  
Natural Resource Specialist 2  
Land Conveyance Section  
Division of Mining, Land and Water  
Department of Natural Resources  
State of Alaska

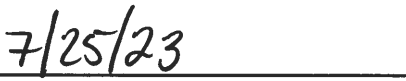


Date

Under the authority of the applicable statutes, it is in the best interest of the State to proceed with the recommended action as described in this Final Finding and Decision.



Approved by:  
Hannah Uher-Koch  
Acting Section Chief  
Land Conveyance Section  
Division of Mining, Land and Water  
Department of Natural Resources  
State of Alaska



Date

**ATTACHMENTS**

- Maps: *Attachment A*: Vicinity  
*Attachment B*: Fanshaw Bay  
*Attachment C*: Prolewy Point  
*Attachment D*: Hood Point  
*Attachment E*: SE Mitkof  
*Attachment F*: Sumner Strait

**Final Finding and Decision**

Petersburg Borough – ADL 108982, 108983, 108984

Page 12 of 12

**APPEAL PROVISION**

An eligible person affected by this decision, and who provided timely written comment or public hearing testimony to the department, may appeal the decision to the DNR Commissioner per AS 44.37.011 and 11 AAC 02. Any appeal must be received within twenty (20) calendar days after issuance of this decision under 11 AAC 02.040. An eligible person must first appeal a decision to the Commissioner before seeking relief in superior court. The Alaska Court System establishes its own rules for timely appealing final administrative orders and decisions of the department. Appeals may be mailed or hand-delivered to the DNR Commissioner's Office, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska, 99501; or faxed to (907)-269-8918; or sent by electronic mail to [dnr.appeals@alaska.gov](mailto:dnr.appeals@alaska.gov). Appeals must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at \$200 under the provisions of 11 AAC 05.160 (a)-(b). A copy of 11 AAC 02 is available on the department's website at <https://dnr.alaska.gov/mlw/pdf/DNR-11-AAC-02.pdf>.

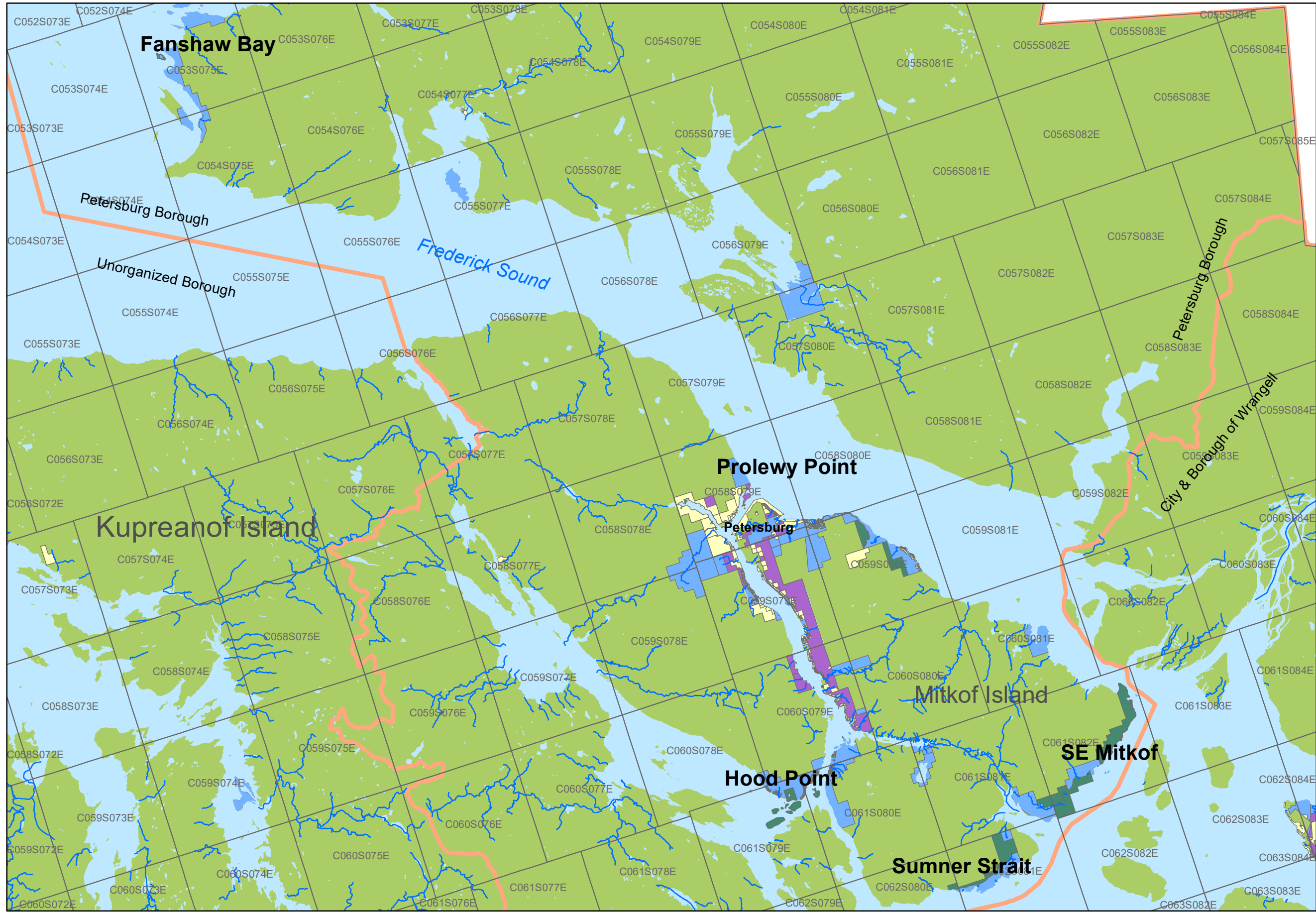
# PETERSBURG BOROUGH

Municipal Selections

Vicinity

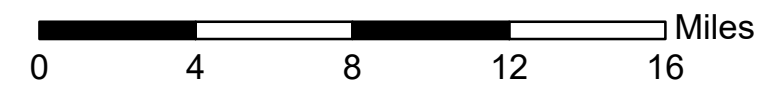
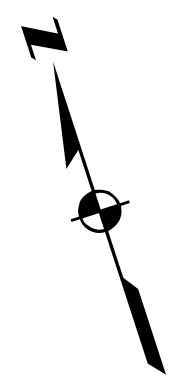
Final Finding and Decision

ADLs 108982, 108983, 108984



**Legend**

- Anadromous Streams
- Borough Boundary
- LDA (State Forest, PUA, etc)
- State Land, TA or Patented
- Mental Health Trust Land
- US Forest Service Land
- Private Owned Land



March 2023

DNR-DMLW-LCS-ME



### Petersburg Borough Municipal Selections

Final Finding and Decision

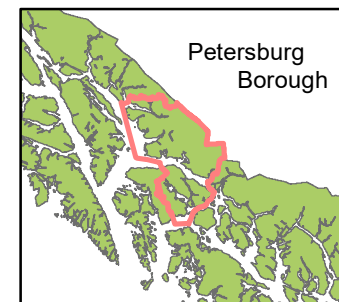
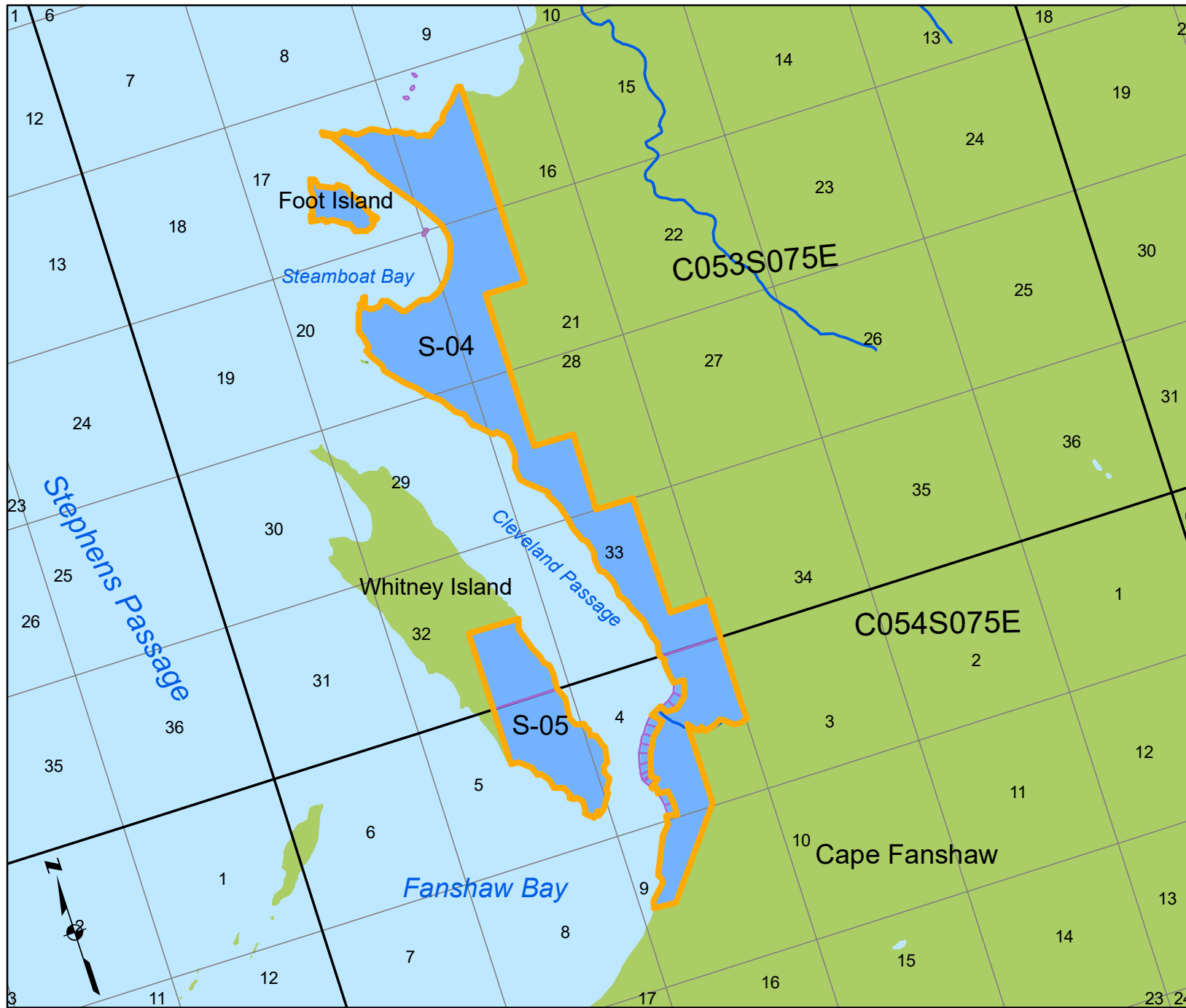
ADL 108984  
Fanshaw Bay

**Legend**

- Anadromous Stream
- Approved Conveyance to the Borough
- State Land, TA or PA
- USFS Land

S-04, S-05 CSSE Area Plan Units

- Section line
- Township line



This map is for graphic representation only. It is intended to be used as a guide only and may not show the exact location of existing surveyed parcels or show all easements and reservations. Source documents remain the official record.



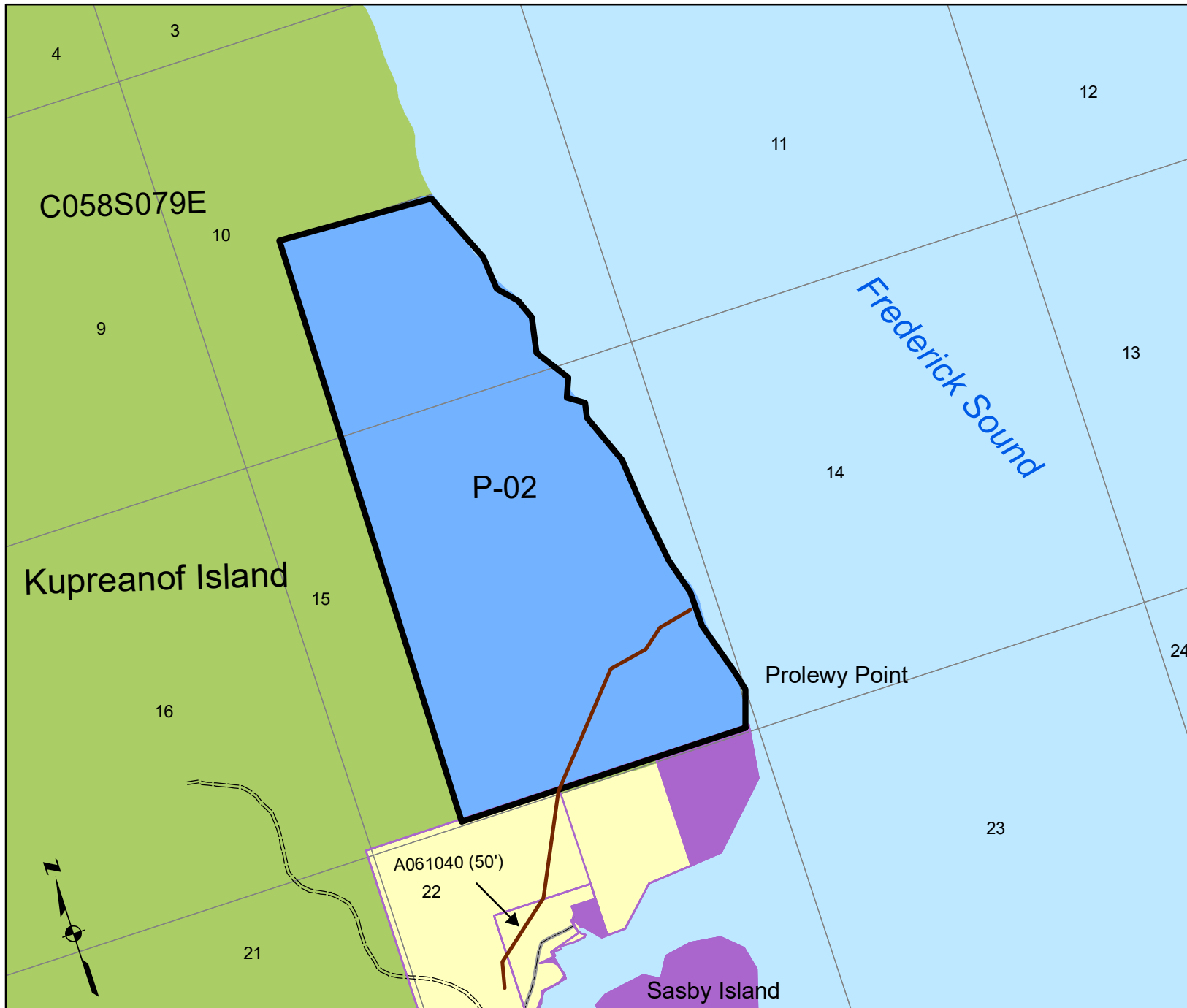
SOA-DNR-DMLW-LCS

April 2023

### Petersburg Borough Municipal Selections

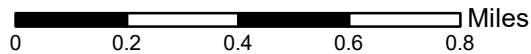
Final Finding and Decision

ADL 108983  
Prolewy Point



**Legend**

- ==== Trail
- Road
- Approved Rejection
- State Land, TA or PA
- Mental Health Trust Land
- Private Land
- USFS Land
- P-02 CSSE Area Plan Unit
- Section line



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SOA-DNR-DMLW-LCS

April 2023







### Petersburg Borough Municipal Selections

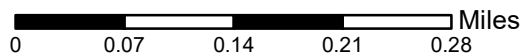
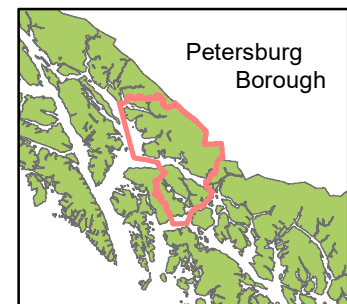
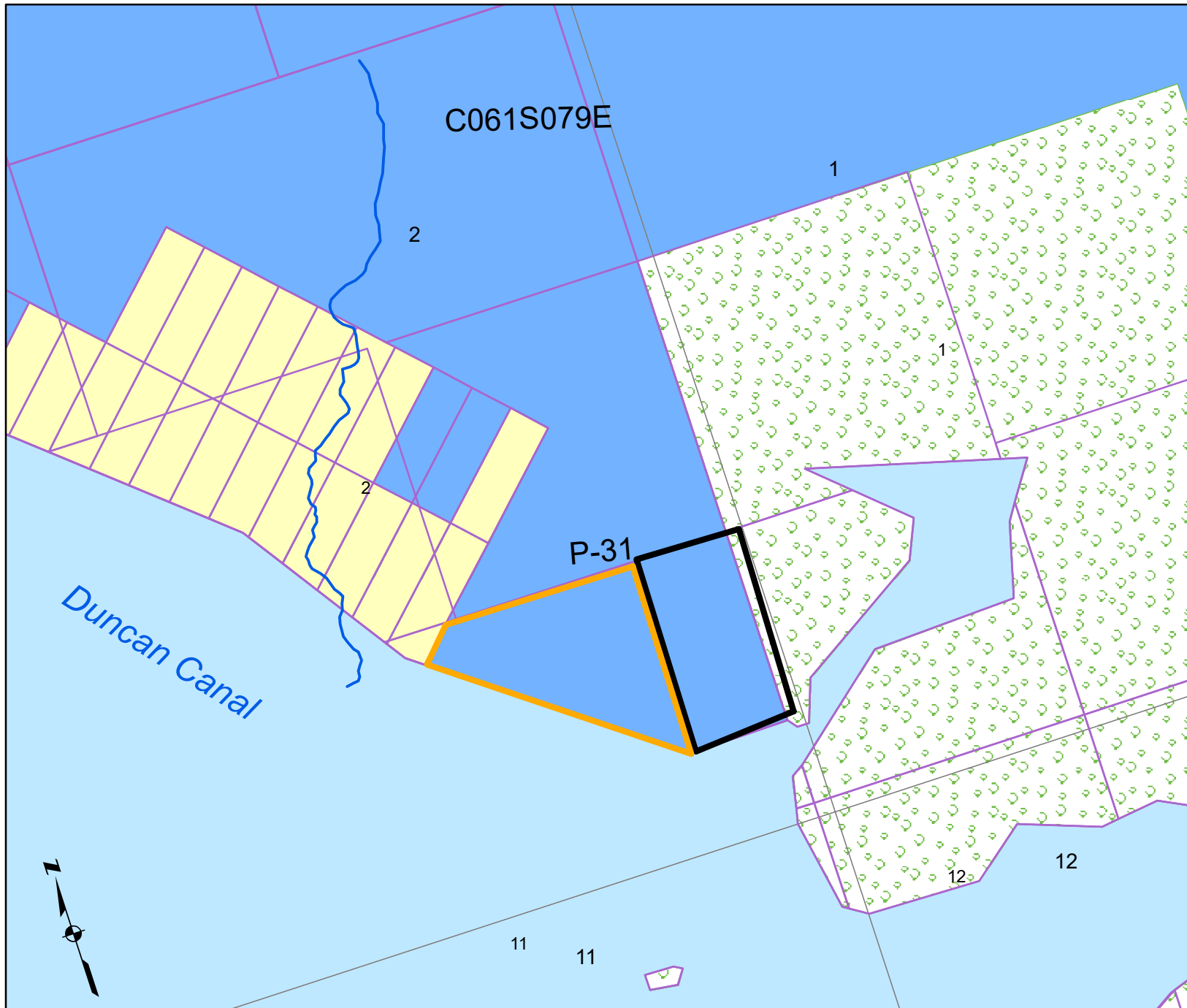
Final Finding and Decision

ADL 108984

Hood Point

#### Legend

-  Anadromous Stream
-  Surveyed Tracts
-  Approved Conveyance to the Borough
-  Approved Rejection
-  State Land, TA or PA
-  State Marine Park  
Beecher Pass LDA
-  Private Land
-  P-31 CSSE Area Plan Unit
-  Section line



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SOA-DNR-DMLW-LCS

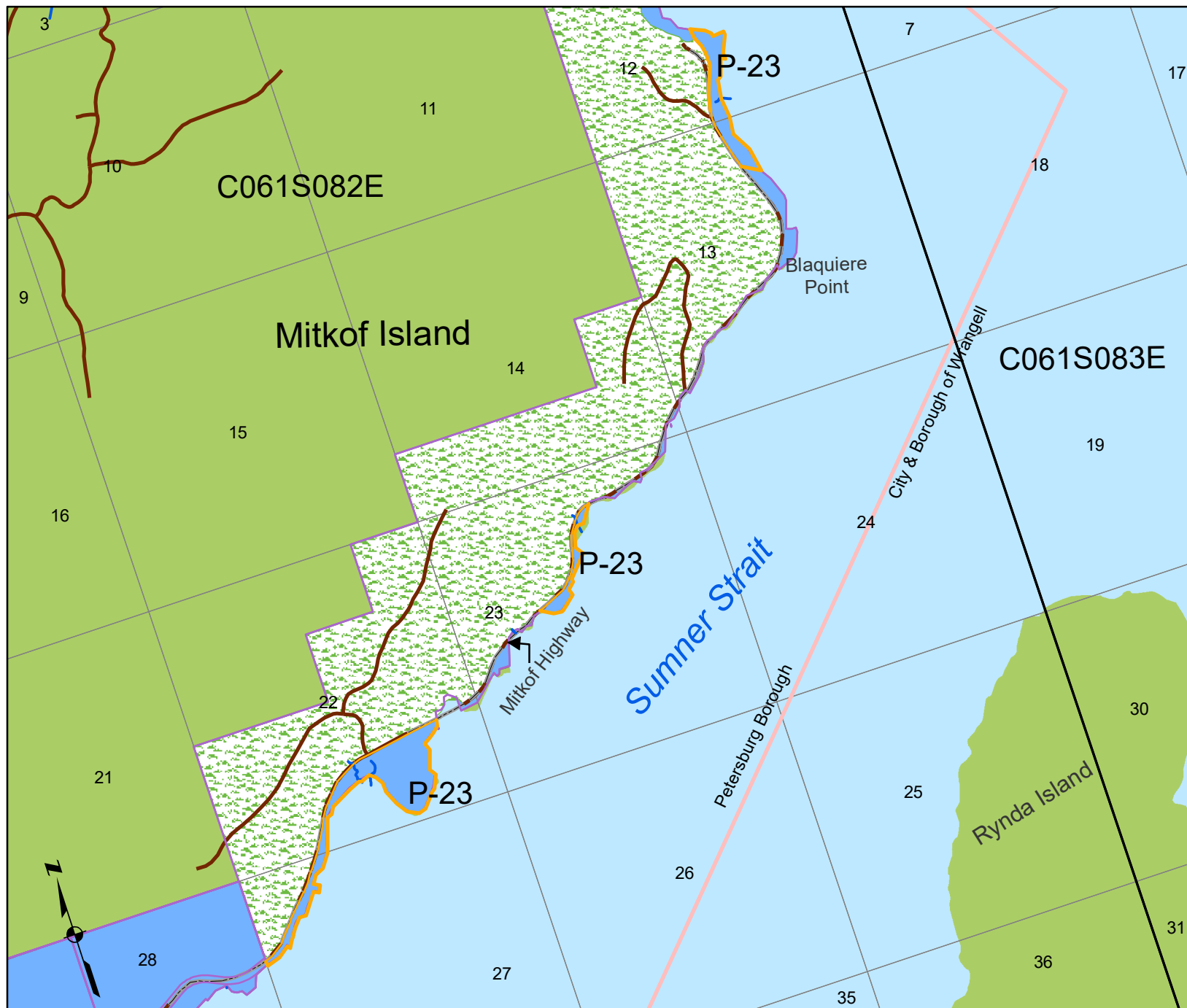
April 2023



### Petersburg Borough Municipal Selections

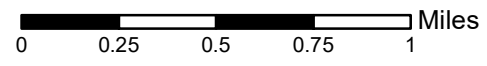
Final Finding and Decision

ADL 108982  
SE Mitkof



**Legend**

- Anadromous Stream
- Forest Development Road
- Approved Conveyance to the Borough
- State Land, TA or PA
- SE State Forest LDA
- USFS Land
- Borough Boundary
- P-23 CSSE Area Plan Unit
- Section line
- Township line



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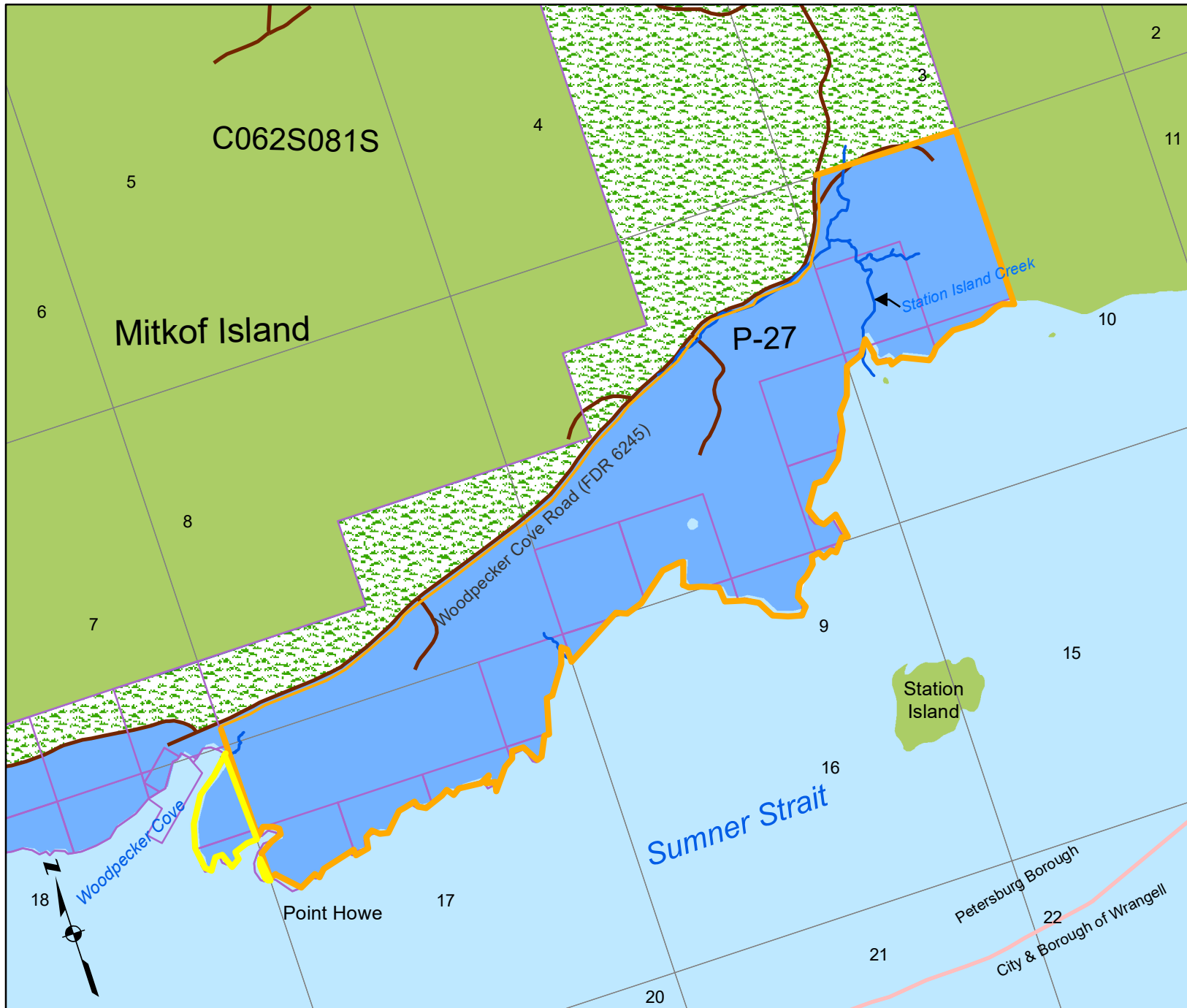
SOA-DNR-DMLW-LCS

April 2023

### Petersburg Borough Municipal Selections

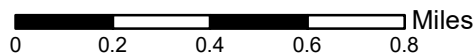
Final Finding and Decision

ADL 108982  
Sumner Strait



**Legend**

- Anadromous Stream
- Forest Development Road
- Surveyed Lots
- Approved Conveyance to the Borough
- Postponed Adjudication
- State Land, TA or PA
- SE State Forest LDA
- USFS Land
- Borough Boundary
- P-27 CSSE Area Plan Unit
- Section line



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SOA-DNR-DMLW-LCS

April 2023

**Debra Thompson**

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**From:** Robert Martin <bobwmartin@yahoo.com>  
**Sent:** Friday, July 14, 2023 11:55 AM  
**To:** Assembly  
**Subject:** Industrial Waterfront Planning

Dear Mayor and Assembly,

I just learned of the planning commission's decision to support the sale of borough property leased to Wikan Enterprises. I watched the recorded meeting and was surprised how easily this decision was reached. I'm not sure the planning commission is aware of the extensive planning that has gone into that waterfront area. While each deviation from the planning and zoning may seem reasonable and supportive to those valued businesses and residents on waterfront industrial properties, these allowances add up to the slow death of any vision or leadership in the economic development of Petersburg. Rather than relaxing the intentionality of our planning and zoning in the area, I feel it is important to bring it back into focus and insist on a very high bar for exceptions. Please review the history, maps, and reasoning behind existing waterfront planning before throwing it away piece by piece. I will try to get the harbor board together to consider this issue before your August 7 meeting.

Sincerely,  
Bob Martin, Harbor Board Chair



**Debra Thompson**

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**From:** Jill Engell <jillengell@gci.net>  
**Sent:** Sunday, July 16, 2023 7:48 PM  
**To:** Debra Thompson  
**Subject:** Re: 7/17/2023 meeting/PMC Appeal hearing

I am Sending this email in support of the PMC appeal hearing. As a longtime resident of Petersburg, I feel that it is in the best interest of our community to support the building of a new hospital. I urge the borough assembly to vote yes to replat the land that the hospital is interested and also to vote yes, for the proposed right of way.

Thank you,

Jill Engell  
Sent from my iPhone

**Debra Thompson**

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**From:** Emma Engell <ejengell@gmail.com>  
**Sent:** Sunday, July 16, 2023 7:59 PM  
**To:** Debra Thompson  
**Subject:** Vote yes for PMC

**I am sending this email in support of the PMC appeal hearing. As a current PMC nurse, and longtime resident of Petersburg I feel without a doubt that it is in the best interest of the community as well as our healthcare workers to support the building of a new hospital. I strongly encourage the assembly to vote yes to replat the land that the hospital is interested in and to vote yes for the proposed right of way.**

Thank you,  
Emma Gates

Sent from my iPhone

Date: 7-17-2023

To:  
Petersburg Assembly Members

Subject:  
Notice of Appeal

Attn: Board of Adjustment

I am writing this letter to let the Borough Assembly Members know that I am in support of the Appeal, which was filed by the Petersburg Medical Center. I have followed the process of the Hospital Board and Medical Center as they have moved forward on plans to build a new Hospital and I feel they have been very transparent and have provided the community with all of the information and drawings necessary to keep the people informed on their progress. The Medical Center Board has had many open meetings where the public has been invited to attend and to ask questions about the site plan, funding etc. and have had drawings available at these functions for people to look at and to see where the new Hospital site would be.

I support the appeal and I hope the property needed for this project is dedicated to the new Hospital site.

Thank you.  
Gary Aulbach



**Debra Thompson**

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**From:** Sue Flint <sueflint72@gmail.com>  
**Sent:** Monday, July 17, 2023 7:58 AM  
**To:** Assembly  
**Subject:** New hospital support

Assembly Members,

I urge you to support our new hospital by reversing the June 13, 2023 decision of the Planning Commission.

Please approve Ordinance #2023-11 in its third reading, again to support our new hospital.

Thank you for your service.

Rocky and Susan Flint

**Debra Thompson**

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**From:** Casey Gates <casey.gates928@gmail.com>  
**Sent:** Monday, July 17, 2023 8:54 AM  
**To:** Debra Thompson  
**Subject:** PMC Appeal Hearing

Hello,

I am sending this email in support of the PMC appeal hearing. I feel that it is in the best interest of our community to support the building of the new hospital. My wife works as a nurse at the hospital, and it is clear to me that the existing hospital is not sufficient for the employees who work there, or the beloved community members who count on the care the hospital provides. In my opinion, a new hospital is imperative for our community.

Casey Gates

Sent from my iPhone

**Debra Thompson**

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**From:** Suzanne Paulsen <sqpaulsen@gmail.com>  
**Sent:** Monday, July 17, 2023 9:24 AM  
**To:** Assembly  
**Subject:** Proposed location for new hospital

To the Assembly Members, thank you for the opportunity to express my support for the proposed location of our new hospital. I urge you to vote in favor of the measures that will dedicate the land to the project. Sue Paulsen



**Debra Thompson**

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**From:** Lauren Thain <laurent.thain@gmail.com>  
**Sent:** Monday, July 17, 2023 4:22 PM  
**To:** Debra Thompson  
**Subject:** In favor of rezoning and replating

Petersburg Borough Assembly,

I am writing to you in support of the approval to rezone and replat the appointed lots and zones to meet the needs of Petersburg Medical Center's (PMC) new facility.

I am also strongly in support of PMC building a new facility. I have experienced first hand the crucial need for a new building. The staff of PMC, the community of Petersburg, and our future deserve a facility to continue to provide excellent care and continue to grow to better assist our community's needs.

Thank you for your time,

Lauren Thain

**Debra Thompson**

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**From:** Debra Thompson  
**Sent:** Friday, July 21, 2023 12:49 PM  
**To:** Assembly  
**Subject:** FW: Letter - Tenakee Springs - SB 1889  
**Attachments:** Kennedy - Petersburg 07-19-23.doc

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**From:** City of Tenakee Springs Alaska <citytke@gmail.com>  
**Sent:** Wednesday, July 19, 2023 11:15 AM  
**To:** Debra Thompson <dthompson@petersburgak.gov>  
**Cc:** Craig Mapes <mapescr@gmail.com>; Dan Kennedy <danktke@gmail.com>  
**Subject:** Letter - Tenakee Springs - SB 1889

Dear Ms. Thompson,

Would you please get the attached letter to your mayor and City Council for review? The City of Tenakee Springs would like to explain our position on the Landless Native Bill introduced by Senator Murkowski. We would like to know your position on Senate Bill 1889 if you have one.

Sincerely,

Dan Kennedy  
Mayor, City of Tenakee Springs

# CITY OF TENAKEE SPRINGS

Item 16A.

**Dan Kennedy**  
**MAYOR**  
[citytke@gmail.com](mailto:citytke@gmail.com)

**P.O. Box 52**  
**Tenakee Springs, Alaska 99841**  
**Phone 907-736-2207**  
**Fax 907-736-2249**

July 19, 2023

Debra Thompson  
Borough Clerk  
City of Petersburg, Alaska

**Re: City of Tenakee Springs on SB 1889**

Dear Ms. Thompson,

Below is a brief summary of the City of Tenakee Springs' interactions with Senator Murkowski and the Cedar Group, regarding Senate Bill 1889.

Last year, and again in 2023, we worked with Murkowski staff and the Cedar Group in good faith to:

1. create replacement land selections for about 2,500 acres, or approximately 11% of the total 23,040 acres proposed for conveyance to the Tenakee Urban Corporation in SB 1889; and
2. provide watershed protections for key salmon habitat on lands on the southwest side of Tenakee Inlet.

As of the date of this summary, Senator Murkowski has not yet made these modest requested changes. Additionally, Senator Murkowski has included an unrelated BLM land conveyance of ½ acre that benefits only a few Tenakee residents, and which the City of Tenakee Springs did not agree to.

This proposed ½ acre conveyance to the City of Tenakee Springs gives the appearance of Tenakee support for SB 1889. That is untrue. We oppose SB 1889 as currently written, and will continue to oppose it unless our 2,500 acres of land adjustments are implemented, and watershed protections are added for the absolutely critical cold water salmon streams southwest of Tenakee Inlet.

- Mayor and council members and the public met with Senator Murkowski in September of 2022 in Tenakee Springs to discuss Tenakee's position on a bill proposed by the Senator to create five new SE Alaska Urban Native Corporations, one of which would occur in and around Tenakee Springs. The city also discussed several other concerns including our unfinished hydro electric project, BLM land lease issues, our helipad, and garbage issues.
- During this meeting, the city made it clear that we were not opposed to righting past wrongs to native populations, nor would we oppose this bill if protection for our southwest shore salmon watersheds could occur as a compromise/offset for the huge impact that privatizing 23,040 acres in and around Tenakee Inlet would have.
- It has been a longstanding position of the city to defend our southwest inlet shores and headwaters watersheds from development, since they are unique and vitally important salmon rearing habitat. We provided stream temperature data collected over 17 years indicating the special importance of these watersheds, as compared to watersheds elsewhere in SE Alaska. Notably, they provide fresh, cold water from north facing slopes that is critical to salmon health and survival in our warming climate. They are



some of the best remaining salmon streams in SE Alaska.

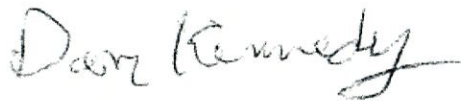
- As stated at the outset, we urged Senator Murkowski to amend her bill to make approximately 2,500 acres of “tweaks” to the total 23,040 acres the Tenakee Urban Corporation would receive in the bill. The most important adjustments were to move selections out of Crab Bay, Seal Bay, and at the head of the inlet. This would relocate fewer than 11% of the original land selection acres, and grant the Tenakee Urban Corporation the exact same number of acres (23,040 acres) as they originally requested. The second change would provide for LUD II protected land status for the critical salmon streams on the southwest shore of Tenakee Inlet.
- Over the next several months, City Council members met and worked with Murkowski staff and the Cedar Group to come up with alternative land selections so that roughly 2,500 of original SB 1889 selections in Crab Bay, Seal Bay, and the head of Tenakee Inlet (Pegmatite) would be removed and replaced by lands chosen by the Urban Corporation in Freshwater Bay. Additionally, our council members worked to have the area selected at Game Connect to be slightly modified to move the selection away from a potential road connection between Hoonah and Tenakee.
- While it is true that no promises were made by Murkowski staff or the Cedar Group, our council members and mayor felt that the alternative land selections would be agreed to because they are very minor. Throughout the winter and spring, council members were in contact with Murkowski staff to inquire about the statues of the bill, and numerous times requested that we be informed if the bill was going to be introduced and if Tenakee’s watershed protection proposal was included. We were told we would be informed.
- In February of 2023, Murkowski staff visited Tenakee to further discuss the bill and indicated that they were working on a proposal for a BLM land conveyance of approximately ½ acre to the City of Tenakee Springs, which was one of several issues besides the Landless Native bill the mayor and council had discussed with Senator Murkowski during her fall visit.
- In April of 2023, Mayor Kennedy received an email from Murkowski staff indicating that the Senator felt comfortable pursuing a legislative fix to convey the land to the city without cost to the city. Mayor Kennedy replied by email that it seemed like a good solution to the BLM land lease issues and told Murkowski staff he would bring the proposal to the City Council about accepting ownership of the BLM lands.
- The city received more details of the land conveyance proposal, which now included costs to be paid by the city and restrictions to the management/lease arrangements to be conducted by the city. Our City Council reviewed the proposal at the April meeting and decided to table the discussion until more information could be gathered. At the following City Council meeting, we still had the original vague proposal and no additional information, so the City Council once again tabled the item to get clarification. Our council at this time had more questions than answers regarding the BLM land conveyance proposal.
- **On June 7<sup>th</sup>, 2023, the city learned that Senate Bill 1889 had been introduced by Senator Murkowski. As currently drafted, SB 1889:**
  1. **does not honor our request for 2,500 acres of land adjustments/tweaks; and**
  2. **does not contain any protection for the critical watersheds southwest of Tenakee Inlet and at the head of the inlet; and**
  3. **did not modify the Game Creek Connection parcel AND included the ½ acre BLM land conveyance which we never agreed to and do not support.**

# CITY OF TENAKEE SPRINGS

Item 16A.

In June of 2023, by phone call and then with a follow-up letter to Murkowski and staff, I, Mayor Kennedy, informed the Senator that the **city would oppose the bill as currently written, and reiterated Tenakee's position to protect the world class salmon rearing watersheds, and furthermore insisted on removal of the Tenakee BLM land conveyance portion of the bill.**

Thank you for your time and consideration,

A handwritten signature in cursive script that reads "Dan Kennedy".

Dan Kennedy, Mayor  
City of Tenakee Springs



## Debra Thompson

---

**From:** Rebecca Knight <bknight15@icloud.com>  
**Sent:** Tuesday, August 1, 2023 7:24 PM  
**To:** Assembly  
**Cc:** Clerk City Of Kupreanof.org; rep.himschoot@akleg.gov  
**Subject:** Kake Access Project/OVK RAISE Grant/Fiscal Prudence

Hello Borough of Petersburg Mayor and Assembly Members,

I request that the Assembly discuss the relationship between the Kake Access Project (KAP) and the recently awarded Organized Village of Kake (OVK) RAISE Grant. [https://www.transportation.gov/sites/dot.gov/files/2023-06/RAISE\\_2023\\_Fact\\_Sheets\\_2.pdf](https://www.transportation.gov/sites/dot.gov/files/2023-06/RAISE_2023_Fact_Sheets_2.pdf)

Such discussion is entirely appropriate. Activities proposed in the grant directly impact the Petersburg Borough, including the community of Kupreanof.

As I wrote to you in July, the grant proposes to:

"complete planning and design activities for roadway improvements between Kake and Petersburg. Improvements include resurfacing approximately 2.7 miles of existing aggregate surfaced road, reconditioning and resurfacing approximately 43.5 miles of existing unimproved roads, and constructing approximately 7 miles of new road."

At least a portion of the funds will be used to plan and design for activities that the public was led to believe were accomplished on the recently completed \$40 MM (2012 appropriated SOA funds) Kake Access Project. It also proposes to extend the road to nowhere at Twelve Mile Creek to Five Mile Creek—yet another remote destination.

Included in the brief Summary for the grant award was verbiage about:

how "...the improved roads will allow emergency vehicles to better access communities and existing medical facilities,"  
 how "over 40 culverts" would be replaced,  
 how it will "provide direct and affordable transportation options for intermodal and multimodal freight movement"  
 and  
 how "quality of life will be addressed by allowing for improved access to medical services..."

These claims are simply untrue. Their accuracy should have been fact checked prior to the grant award.

The original KAP project identified 57 culverts in need of replacement/repair, yet the RAISE grant summary claims that over 40 culverts will be replaced. This begs the question about how many were actually repaired under the original KAP.

"Extra work" on the KAP was [reportedly](#) accomplished due to cost underruns, including "adding additional surface course to make the road smoother and brush[ing] the sides of the road...Our goal with the extra work was to make this road as traversable as possible and as safe as possible" according to the ADOT&PF. This begs the question as to why any improvements are needed, if the new KAP road was purportedly constructed to such a high standard as described by ADOT & PF?

In fact, the ADOT & PF Corps of Engineers application for the original KAP alleged to provide "year-round [emphasis added] surface transportation access on Kupreanof Island between the community of Kake and a new boat launch on the eastern shore of Kupreanof Island." Clearly that did not happen. One resident told me that Kake residents couldn't even get the DOT to plow the road to the City dump, so questioned that claim from the outset.



Various contracts were let for the KAP, one of which awarded \$15.6 MM to KIEWIT for "Mobilization and Reconditioning" on July 1, 2020. According to media the total project's construction cost was \$34 MM ([Kake Road Complete](#)) with the remainder of the original allocated for "planning, design and oversight on the project." If \$40 MM of State funds were allocated for the project, then the math does not match up.

There are no shortage of questions which need to be answered. Just a sampling:

First, why would the federal government award the grant when only a few years ago, they (Federal Highways Administration) wisely pulled their support for the project?

OVK strongly opposed the KAP project, slated to end at Twelve Mile Creek only three years ago. Why the sudden support for the extended road project, now proposed to end at Five Mile Creek?

What is the real purpose and need for this road?

Are there mineral claims in the works, including one that could benefit from a publicly funded road project?

What about the "Plasma Burner" that was proposed for Kake a few years ago? If plans are in the works for this project, will access to the road be required?

Specifically, where did all the money go for the original KAP given that a new grant has been awarded to advance work that was ostensibly already completed?

Seems an independent audit is in order. With all the controversy about funding for education, a new medical facility, and affordable sites for housing, the Petersburg Borough would be remiss not to ask some hard questions about how public money is being spent.

Thank you for your consideration,

Becky Knight  
Petersburg resident

I believe an independent audit should be conducted to determine exactly what throwing good money after bad.