



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda Borough Assembly Regular Meeting

Monday, August 05, 2024

12:00 PM

Assembly Chambers

You are invited to a Zoom webinar.
When: August 5, 2024 12:00 PM Alaska
Topic: August 5, 2024 Borough Assembly Meeting

Please click the link below to join the webinar:

[https://petersburgak-
gov.zoom.us/j/82248508369?pwd=GWhNIEahzazXzf1RZUeRBj38tQEyYv.1](https://petersburgak.gov.zoom.us/j/82248508369?pwd=GWhNIEahzazXzf1RZUeRBj38tQEyYv.1)

Passcode: 318000

Or Telephone:

(720) 707-2699 or (253) 215-8782

Webinar ID: 822 4850 8369

Passcode: 318000

1. **Call To Order/Roll Call**
2. **Voluntary Pledge of Allegiance**
3. **Approval of Minutes**
 - A. **July 15, 2024 Assembly Meeting Minutes**
4. **Amendment and Approval of Meeting Agenda**
5. **Public Hearings**
 - A. **Public Hearing for Ordinance #2024-14: An Ordinance Amending Provisions of Chapters 3.38, 3.40, and 3.76 of the Petersburg Municipal Code to Establish the Public Works Director as the Head of the Borough Water and Sewer Utilities and Create an Assistant Public Works Director as an Administrative Officer of the Borough**

Any public testimony regarding Ordinance #2024-14 should be given during this public hearing. A copy of Ordinance #2024-14 may be found under agenda item 14C.

B. Public Hearing for Ordinance #2024-15: An Ordinance Amending Section 14.20.280 of the Petersburg Municipal Code to Clarify Recoverable Expenses from Vessels Impounded and Disposed of from Borough Harbors

Any public testimony regarding Ordinance #2024-15 should be given during this public hearing. A copy of Ordinance #2024-15 may be found under agenda item 14D.

C. Public Hearing for Ordinance #2024-16: An Ordinance Adjusting the FY 2025 Budget for Known Changes

Any public testimony regarding Ordinance #2024-16 should be given during this public hearing. A copy of Ordinance #2024-16 may be found under agenda item 14E.

D. Public Hearing on Applications to Purchase Borough Owned Tidelands Located at 107A Dock Street, PID #01-008-242

Island Refrigeration, LLC and Pacific Rose, LLC have both filed applications to purchase a tideland parcel located at 107A Dock Street, Parcel ID #01-008-242 (legal description: McFadden Lease Parcel B, Plat #95-7).

Any public testimony regarding these tideland purchase applications should be given during this public hearing. A copy of the Planning Commission reports, which include the land purchase applications, may be found under agenda item 15D.

Borough Code Section 16.16.070, *Sale of Tidelands*, requires that at the public hearing, an applicant clearly demonstrate the benefits of sale of the subject tideland that could not be realized through leasing and that outright sale of a tideland, as contrasted with lease of the tideland, is in the Borough's best interest.

1. Island Refrigeration, LLC

Brock Snider, owner of Island Refrigeration, LLC, shall present reasons for the LLC applying to purchase the tideland parcel and must demonstrate the benefits of sale of the subject tideland that could not be realized through leasing, and that outright sale, versus lease, is in the Borough's best interest.

2. Pacific Rose, LLC

Bill Menish, owner of Pacific Rose, LLC, shall present reasons for the LLC applying to purchase the tideland parcel and must demonstrate the benefits of sale of the subject tideland that could not be realized through leasing, and that outright sale, versus lease, is in the Borough's best interest.

3. Public Testimony

Members of the public may provide their testimony regarding the Island Refrigeration, LLC and Pacific Rose, LLC applications to purchase tideland parcel #01-008-242.

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

PMC CEO Hofstetter will update the Assembly regarding Medical Center activities.

B. 2024 Municipal Election Report

Clerk Thompson has provided a written report outlining the open board seats and propositions that will be on this year's municipal election ballot.

12. Mayor's Report

A. August 5, 2024 Mayor's Report

13. Manager's Report

A. August 5, 2024 Manager's Report

14. Unfinished Business

A. Ordinance #2024-12: An Ordinance Providing for the Submission to the Qualified Voters of Petersburg Borough the Question of the Issuance of Not-to-Exceed Three Million Five Hundred Thousand Dollars (\$3,500,000) of General Obligation Bonds, to Pay Costs of Public School Capital Improvements in the Borough at the Regular Election held on October 1, 2024 - Third and Final Reading

If approved in three readings, Ordinance #2024-12 will bring Ballot Proposition #1, issuance of up to three million five hundred thousand dollars (\$3,500,000) of General Obligation Bonds for Petersburg School District capital improvements, before the voters at the October 1, 2024 Municipal Election. In its first reading, the Assembly amended the not-to-exceed dollar amount of the general obligation bonds from \$4,500,000 to \$3,500,000 by unanimous roll call vote. The ordinance was then unanimously approved, as amended, in its first and second readings.

B. Ordinance #2024-13: An Ordinance Authorizing Long Term Indebtedness in an Amount Not to Exceed \$19.3 Million for the Design and Construction of Water and Wastewater Infrastructure in the Borough and Directing that this Matter be Submitted to the Voters for Consideration at the Next Regular Election to be Held on October 1, 2024 - Third and Final Reading

Ordinance #2024-13, if approved in three readings, will bring the question of indebtedness to the Alaska Department of Environmental Conservation's municipal loan program, in an amount not to exceed \$19.3 million, for design and construction of water and wastewater new and upgraded infrastructure in the Borough, to Borough voters at the October 1, 2024 Municipal Election. The ADEC loan program offers interest rates of approximately 1.5% over a 20 year period. If approved by the voters, projects design and construction will be authorized to commence until December 31, 2030. The Assembly unanimously approved Ordinance #2024-13 in its first and second readings.

C. Ordinance #2024-14: An Ordinance Amending Provisions of Chapters 3.38, 3.40, and 3.76 of the Petersburg Municipal Code to Establish the Public Works Director as the Head of the Borough Water and Sewer Utilities and Create an Assistant Public Works Director as an Administrative Officer of the Borough - Second Reading

Approval of Ordinance #2024-14 in three readings will move operation responsibility of the water and sewer utilities to the Public Works Director and will create an Assistant Public Works Director position as an administrative officer of the Borough. The Assembly unanimously approved Ordinance #2024-14 in its first reading.

D. Ordinance #2024-15: An Ordinance Amending Section 14.20.280 of the Petersburg Municipal Code to Clarify Recoverable Expenses from Vessels Impounded and Disposed of from Borough Harbors - Second Reading

Ordinance #2024-15, if approved in three readings, will clarify in Municipal Code that the owner of any vessel disposed of shall be liable for all costs incurred by the Borough during the process of disposal. Ordinance #2024-15 was unanimously approved in its first reading.

E. Ordinance #2024-16: An Ordinance Adjusting the FY 2025 Budget for Known Changes - Second Reading

If adopted in three readings, Ordinance #2024-16 will: 1) authorize \$240,000 to be transferred from the Harbor Department reserves to a Derelict Boat Disposal budget item, increasing the total amount budgeted to \$250,000; 2) transfer \$4,000 from the General Fund Contingency to a Ballot Proposition Information budget item to disseminate information on the ballot propositions regarding the maximum sales tax exemption and transient room tax rate; and 3) adding the revenue (\$232,965) and expenses (\$153,418) for two electrical line extension jobs into the budget. The Assembly unanimously approved Ordinance #2024-16 in its first reading.

15. New Business

A. Assistant Public Works Director Hire

Manager Giesbrecht and Public Works Director Cotta request approval to hire Aaron Marohl (the Borough's current Sanitation Supervisor) for the position of Assistant Public Works Director beginning Monday, August 19, 2024 at an annual base salary of \$91,520.

B. Pump Station 4 Pump Station and Force Main Replacement Project - Bid and Construction Phase Support

Utility Director Hagerman requests approval to amend the PND design contract for the Pump Station 4 project to include Task 11: Bid Phase support, and Task 12: Construction Phase support for a total increase of \$103,352.90. This amendment is accounted for in the project and will cover costs for the design team to respond to questions received from bidders, issue addenda to the bid package if needed, and offer a recommendation on the award of the contract. The amendment also provides for construction administration and inspection during the construction phase of the project.

C. Petersburg Municipal Power & Light Vehicle Replacement: Unit #99 (Material Handler) and Unit #102 (Digger Derrick)

Public Works Director Cotta and Electric Utility Director Hagerman recommend approval to purchase a new Altec AM55 Material Handler for \$270,079 (under the approved budget of \$350,000) and a new Altec D3060H-TR Digger for \$355,234 (under the approved budget of \$375,000) from Global Rental Co., Inc. for a total amount not to exceed \$625,313. The vehicles will be paid from PMPL's Motor Pool reserves.

D. Island Refrigeration, LLC and Pacific Rose, LLC Applications to Purchase Borough Owned Tidelands Parcel #01-008-242 Located at 107A Dock Street

Island Refrigeration, LLC and Pacific Rose, LLC have filed separate applications to purchase Borough owned tidelands located at 107A Dock Street (legal description: McFadden Lease Parcel B, Plat #95-7; parcel ID #01-008-242). The Planning Commission recommends the Assembly approve the sale of the tidelands. Copies of Island Refrigeration's and Pacific Rose's land purchase applications and the Planning Commission's corresponding reports and recommendations are attached to this agenda item in the meeting packet.

Borough Code Section 16.12.005, *Leasing Preference*, states, "The orderly development of the borough with due consideration toward ocean resource harvesting, economic development, public recreation and public service centers, combined with dwindling municipal revenues and limited land available for public purposes, supports a strong preference toward leasing land versus outright sale of land."

Borough Code Section 16.16.070, *Sale of Tidelands*, states:

- 1) In isolated and necessary instances, the Assembly may sell tracts of tide and submerged lands which are not needed for public purposes; and
- 2) Sales of tide and submerged land shall not be made for consideration less than the assessed full and true value as established by the borough assessor; and
- 3) The Assembly shall hold a public hearing to consider the disposal of the tidelands; and

4) At the hearing, the benefits of sale of the subject tideland that could not be realized through leasing must be clearly demonstrated; and

5) An applicant for purchase of tidelands must conclusively demonstrate that outright sale of a tideland, as contrasted with lease of the tideland, is in the Borough's best interests.

The Petersburg Comprehensive Plan Waterfront Master Plan, adopted by the Assembly in 2016, suggests Petersburg change zoning policies to be more strategic about the use of waterfront land for water-dependent uses, and the adopted Land Use Maps suggest the tidelands being considered for sale be designated as "Waterfront A - Water Dependent Commercial or Industrial" with the intended use prioritized for water dependent commercial or industrial uses.

Per Borough Code Section 16.12.080E, the Assembly shall:

1) Determine whether either or both applications should move forward in the application process or be denied.

2) If either or both applications are to move forward, the Assembly shall then decide whether to schedule a public sale, either by outcry auction or sealed bid, or to exempt the disposal from public sale and proceed by direct negotiations.

If the application and disposal are exempted from public sale, the Assembly may authorize the Borough Manager to commence negotiations for disposal, 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 1) and 2) directly above. If the Assembly chooses to move forward with a sale, a resolution to approve the application moving forward in the manner determined by the Assembly will be drafted for the August 19, 2024 Assembly meeting.

16. Communications

A. Correspondence Received Since July 11, 2024

17. Assembly Discussion Items

A. Assembly Member Comments

B. Recognitions

18. Adjourn



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes Borough Assembly Regular Meeting

Monday, July 15, 2024

6:00 PM

Assembly Chambers

1. Call To Order/Roll Call

Mayor Jensen called the meeting to order at 6:00 p.m.

PRESENT

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

EXCUSED

Assembly Member Rob Schwartz

2. Selection of Mayor Pro Tem

Mayor Jensen was in attendance so selection of a Mayor Pro Tem to chair the meeting was unnecessary.

3. Voluntary Pledge of Allegiance

The Pledge was recited.

4. Approval of Minutes

A. July 1, 2024 Assembly Meeting Minutes

The July 1, 2024 Assembly meeting minutes were unanimously approved.

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

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

5. Amendment and Approval of Meeting Agenda

The meeting agenda was approved as submitted.

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

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

6. Public Hearings

A. Public Hearing for Ordinance #2024-12: An Ordinance Providing for the Submission to the Qualified Voters of Petersburg Borough the Question of the Issuance of Not-to-Exceed Three Million Five Hundred Thousand Dollars (\$3,500,000) of General Obligation Bonds, to Pay Costs of Public School Capital Improvements in the Borough at the Regular Election Held on October 1, 2024

Robyn Taylor, new Petersburg School District Superintendent, introduced herself to the Assembly and thanked them for their support in bringing the bond proposition to fund school capital improvements before the voters this October.

B. Public Hearing for Ordinance #2024-13: An Ordinance Authorizing Long Term Indebtedness in an Amount not to Exceed \$19.3 Million for the Design and Construction of Water and Wastewater Infrastructure in the Borough and Directing that this Matter be Submitted to the Voters for Consideration at the Next Regular Election to be Held on October 1, 2024

No testimony was given.

7. Bid Awards

There were no bid awards.

8. Persons to be Heard Related to Agenda

Persons wishing to share their views on any item on today's agenda may do so at this time.

Harbormaster Wollen explained the reasoning for Ordinance #2024-15, which, if adopted, will provide that all costs of disposal of a derelict vessel are the responsibility of the vessel owner.

9. Persons to be Heard Unrelated to Agenda

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

No views were shared.

10. Boards, Commission and Committee Reports

A. SEAPA Report

Assembly and SEAPA Board Member Lynn shared information regarding the recent SEAPA Board meeting in June.

11. Consent Agenda

A. Beachcomber Lodge LLC Seasonal Alcoholic Beverage Dispensary License Renewal

The Assembly unanimously supported renewal of the Beachcomber's beverage dispensary license.

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

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

12. Report of Other Officers

There were no reports.

13. Mayor's Report

A. July 15, 2024 Mayor's Report

Mayor Jensen read his report into the record.

14. Manager's Report

A. July 15, 2024 Manager's Report

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

15. Unfinished Business

A. Ordinance #2024-12: An Ordinance Providing for the Submission to the Qualified Voters of Petersburg Borough the Question of the Issuance of Not-to-Exceed Three Million Five Hundred Thousand Dollars (\$3,500,000) of General Obligation Bonds, to Pay Costs of Public School Capital Improvements in the Borough at the Regular Election Held on October 1, 2024 - Second Reading

If approved in three readings, Ordinance #2024-12 will bring Ballot Proposition #1, issuance of up to three million five hundred thousand dollars (\$3,500,000) of General Obligation Bonds for Petersburg School District capital improvements, before the voters at the October 1, 2024 Municipal Election. In its first reading, the Assembly amended the not-to-exceed dollar amount of the general obligation bonds from \$4,500,000 to \$3,500,000 by unanimous roll call vote. The ordinance was then unanimously approved, as amended, in its first reading.

Ordinance #2024-12 was unanimously approved in its second reading.

Motion made by Assembly Member Lynn, Seconded by Assembly Member Newman. Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Stanton

Gregor

B. Ordinance #2024-13: An Ordinance Authorizing Long Term Indebtedness in an Amount Not to Exceed \$19.3 Million for the Design and Construction of Water and Wastewater Infrastructure in the Borough and Directing that this Matter be Submitted to the Voters for Consideration at the Next Regular Election to be Held on October 1, 2024 - Second Reading

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By unanimous roll call vote, Ordinance #2024-13 was approved in its second reading.

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

16. New Business

A. Ordinance #2024-14: An Ordinance Amending Provisions of Chapters 3.38, 3.40, and 3.76 of the Petersburg Municipal Code to Establish the Public Works Director as the Head of the Borough Water and Sewer Utilities and Create an Assistant Public Works Director as an Administrative Officer of the Borough

Approval of Ordinance #2024-14 in three readings will move operation responsibility of the water and sewer utilities to the Public Works Director and will create an Assistant Public Works Director position as an administrative officer of the Borough.

Ordinance #2024-14 was unanimously approved in its first reading.

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

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

B. Ordinance #2024-15: An Ordinance Amending Section 14.20.280 of the Petersburg Municipal Code to Clarify Recoverable Expenses from Vessels Impounded and Disposed of from Borough Harbors

Ordinance #2024-15, if approved in three readings, will clarify in Municipal Code that the owner of any vessel disposed of shall be liable for all costs incurred by the Borough during the process of disposal.

The Assembly unanimously approved Ordinance #2024-15 in its first reading.

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

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

C. Ordinance #2024-16: An Ordinance Adjusting the FY 2025 Budget for Known Changes

If adopted in three readings, Ordinance #2024-16 will: 1) authorize \$240,000 to be transferred from the Harbor Department reserves to a Derelict Boat Disposal budget item, increasing the total amount budgeted to \$250,000; 2) transfer \$4,000 from the General Fund Contingency to a Ballot Proposition Information budget item to disseminate information on the ballot propositions regarding the maximum sales tax exemption and transient room tax rate; and 3) adding the revenue (\$232,965) and expenses (\$153,418) for two electrical line extension jobs into the budget.

By unanimous roll call vote, the Assembly approved Ordinance #2024-16 in its first reading.

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

D. Reappointment of Petersburg's Representatives to the Southeast Alaska Solid Waste Authority

Without objection, Mayor Jensen reappointed Chris Cotta as Petersburg's Representative and Aaron Marohl as Petersburg's Alternate Representative to SEASWA. The appointments will expire January 31, 2027.

E. Public Safety Advisory Board Appointment

Mayor Jensen appointed John Havrilek to serve on the Public Safety Advisory Board until the October, 2024 Municipal Election without objection.

17. Communications

18. Assembly Discussion Items

A. Assembly Member Comments

There were no comments.

B. Recognitions

Mayor Jensen recognized and thanked the Harbor staff for their efforts to help with a vessel that sank recently.

19. Adjourn

The meeting was adjourned at 6:29 p.m.

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

Borough Manager's Report

Assembly Meeting 15 July 2024

- ❖ There are no applicants for the open EMS coordinator position as of 7/9/24. Aaron continues to fill in for this position as he can.
- ❖ Recently a meeting was held with the USCG and community stakeholders addressing USCG's capabilities to help run Mass Casualty response exercises. The USCG sent port security specialist Tom Pauser and Mike Pierson from Juneau to provide a brief on what these exercises could look like for Petersburg, Funding opportunities for these exercises, and methods to gauge community involvement.
- ❖ Aaron is working with Katmai Solutions, to provide a third-party report on changes that need to be made to the 2010 disaster response plan. This report will serve the purpose of advising the LEPC and Borough administration of changes that either should be made, updated or added in the new update.
- ❖ PVFD volunteers are trying to raise awareness about the importance of having good signage for residences, so responders know where to when 911 is called. The PVFD Association sells reflective address signs for the community. The volunteers will also help install the sign upon request. If interested, please contact the Fire Dept. at 772-3355.
- ❖ Sanitation volume continues to be high with tour ships and fish processors generating a lot of refuse.
- ❖ Water production is ramping up due to increased demand from processors. At a little over 1M gallons per day we are roughly double our off-season production levels, with peak production expected later in the summer. The water plant is designed to produce up to 4 million gallons per day. We normally won't see daily water production exceed about 2.5 MGD in the summer.
- ❖ The Alaska Rural Water Association is in town conducting a sanitary survey of the Water dept, as required by ADEC. A sanitary survey is an inspection of the water treatment plant. It must be performed by a qualified consultant per ADEC. The inspection looks at the condition and safety of our treatment system and standard operations to identify any equipment or processes that could be unsafe for our customers.
- ❖ The Wastewater crew assisted processor EC Phillips with some pump station issues they were having at their bunkhouse. The Borough's vector truck was used to clear the pump station to allow a contractor access to do some diagnostic and repair work.
- ❖ Admin staff working on transition activities related to bringing Water and Wastewater back into Public Works.
- ❖ Derrick is working on the annual adjustments for the service rates at Assisted Living.

- ❖ Finishing up with the final parts of the OSHA inspection at Assisted Living. OSHA asked for some clarification on what had been sent to them. This will include adding some additional training for the staff on OSHA requirements.
- ❖ Sprint Triathlon happening on Saturday, July 20th with a 9a transition time and a 10a start time! Contact Parks and Rec and/or Scott Burt for more details and to get registered!
- ❖ Another round of swim lessons will begin on the 22nd for the continuation of swim levels. Keep an eye out around Parks and Rec and Facebook for more information.
- ❖ Registration is open now for Parks and Rec Youth Volleyball Camp beginning on Aug. 5th for 6th - 8th grade, and Aug 12th for 3rd -5th grade. Stop in for more information and to get your player registered!
- ❖ Property tax invoices were mailed out on July 1st. The due date is October 15th. Please contact the finance department if you have questions at 907-772-5409.
- ❖ Harbor staff appreciates all the players at the Drive Down working together. Busy place and most are very considerate of each other.
- ❖ Tuesday, harbor staff participated in a tabletop mass casualty drill led by EMS Director Hankins and USCG SE Sector emergency preparedness team. Was informative and good practice for a potential incident.
- ❖ Harbor staff has been working with Attorney Heideman to develop language to better the Boroughs code structure for dealing with abandoned/derelect vessel situations.
- ❖ The annual SEAPA shutdown went smoothly, and the diesel fuel adjustment charge has been calculated to be **1.3 cents per KWH** for usage in the June billing period. This adjustment will show up on the utility bills at the end of July. The higher output from the Blind Slough Hydro, a shorter shutdown period and our customer's energy conservation efforts saved a substantial amount of fuel over the previous year. A lower fuel price in general also helped dramatically. For reference, last year's adjustment was 2.7 cents per KWH.
- ❖ The annual Dam Safety Inspection with FERC engineers and our contracted Chief Dam Safety Engineer will be on July 18th. Various maintenance activities have been accomplished in the last month so that we are ready for the inspection.
- ❖ Staff is reviewing the draft 30% design-build plans and specs from EPS for the Scow Bay Generator project.
- ❖ The line crew has been working on various projects and services, including a line extension at Libby Lane, the WERC building power and other new customers.
- ❖ A reminder for water system customers to fill out the Lead Service Line Inventory survey that went out in the June utility bills. If customers have any questions, please contact the water department at 907-772-4760.
- ❖ Karl is still working on Pumpstation 4, WW discharge permitting and closeout of older WW projects with ADEC.



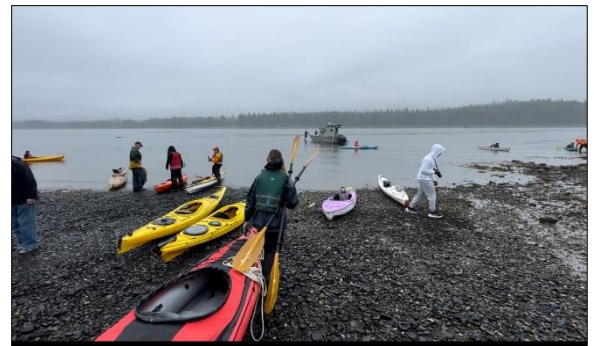
Petersburg Medical Center

Borough Assembly Report – Aug 2024 – Phil Hofstetter, CEO

FY24-28 Strategic Plan Goals, Priorities, and Benchmarks

Community Engagement:

- July 1st: PMC reported out at the Borough Assembly meeting.
- June 25th: KFSK Radio PMC Live.
- July 27: PMC Foundation’s annual fundraiser Pedal/Paddle Battle. At this annual event, participants bike or paddle from Scow Bay to Sandy Beach to raise funds to support staff education and high school scholarships. We raised over \$17,000 and had over 53 people participate in the event.
- Rep. Mary Peltola will arrive in Petersburg for a schedule tour of the PMC- old facility and new site on Aug.10th.
- Steel has arrived at the New Facility site for the WERC building and the structure is raised.



Financial Wellness:

- Accounts Receivables (AR) is still hovering around 80 days. Despite various efforts to improve with the 3rd party PMC over the past year we are beginning the process of in-house revenue cycle. This is highly indicative of the challenges with healthcare, payors and reimbursement across the industry. In-house revenue cycle will allow more internal controls as well as provide more local employment opportunities, reduces costs and is better for working with the community.
- PMC ended the FY24 in a positive position as reported in the last board meeting on July 25th.
- Community hospitals often report “write-offs” or uncompensated care as a metric of benefit for the local community. PMC reported in FY23/24 (2 years) writing off an estimated \$928,000 in charity care and \$507,000 in bad debt for the same years. There were \$29,000 in early pay discounts and \$27,000 in late fee write offs for the same time frame.
- Grants secured for FY24 (including multi-year grants) for programs are almost \$1M currently and we have approximately another \$1M pending program grants. Secured grants include \$116,375 awarded for Summer ORCA Camps, Teen Mental Health First Aid, and School-Based Health Services Grant.
- The capital grants include our existing multi-year \$20M Department of Treasury grant, \$8M for the HRSA grant. A total of (3) grants are pending for capital FY25 totaling ~\$6 million.



Workforce Wellness:

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

- As health insurance costs and premiums continue to rise nationwide, PMC has also experienced an increase. This year, PMC insurance premiums increased by 10.9%, reflecting a broader trend seen across the country. National statistics indicate similar hikes, underscoring the growing financial burden on both employers and employees in the healthcare sector. PMC did see a return of some funding as part of a partially self-funded plan that will get re-invested into our Wellness program to employees to reduce the insurance premiums.
- The PMC newsletter for Q2 was sent out and available online with a great highlights of the quarter, thanks to Julie Walker.
- HR and PR will be working on a campaign to increase our visibility for jobs in Southeast as well as in Anchorage and Fairbanks. Turnover rate for PMC in FY 24 was 18%, down from the previous year but the vacancy rates are high in specific areas that we will need a fresh approach and focus to improve for FY25.



Facility:

- PMC, along with the facility director and Arcadis, conducted a routine walkthrough of our current facility to reassess major component failures identified in the 2015 Facility Assessment. These are now being evaluated from beyond end of life to potential imminent failure, that may arise in FY25. Among the issues that are of recurring concern are the cast iron sewer pipes. We will be evaluating a strategy to determine a plan to address. This is extremely challenging due to the regulatory code upgrade requirements. The lifespan of our current facility is undoubtedly continuing to risk a catastrophic failure with risk of impacting the healthcare in Petersburg. Energized efforts toward capital funding will be necessary to keep new facility project moving forward.
- PMC began site tours of the new facility area on July 26th and will recur every Friday at 5:30pm. This will be open to the public with a sign-up link.
- Site preparation is complete for the full 4.9 acres of wetlands permitting. We are still awaiting word if PMC was awarded the Denali Commission grant funding request of ~ \$2M that was submitted earlier this year.
- The WERC building continues to be on time and within budget. A steering committee is scheduled on Aug 5th to full inform the team on each aspect of the project.
- PMC made Federal Senator Murkowski's initial cut of the appropriation list for \$3M. This still requires approval but marks an important



recognition of the project’s significance. As the state capital budget, Governor’s budget, and state bond approaches, I encourage the community to continue advocating for this project to maintain its status as the Borough’s top federal and state priority for the next fiscal year. This is crucial for securing grants and funding. Additionally, while a USDA direct loan remains an option, it should be considered only as a last resort.

- Updates: Project updates are available on the PMC website under the “New Facility & Planning” tab: <https://www.pmcak.org/new-building.html>.

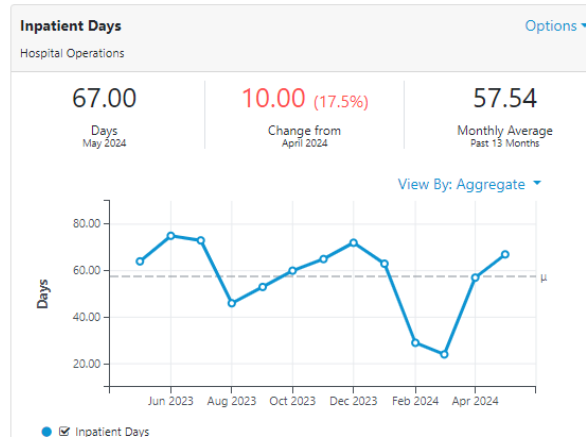
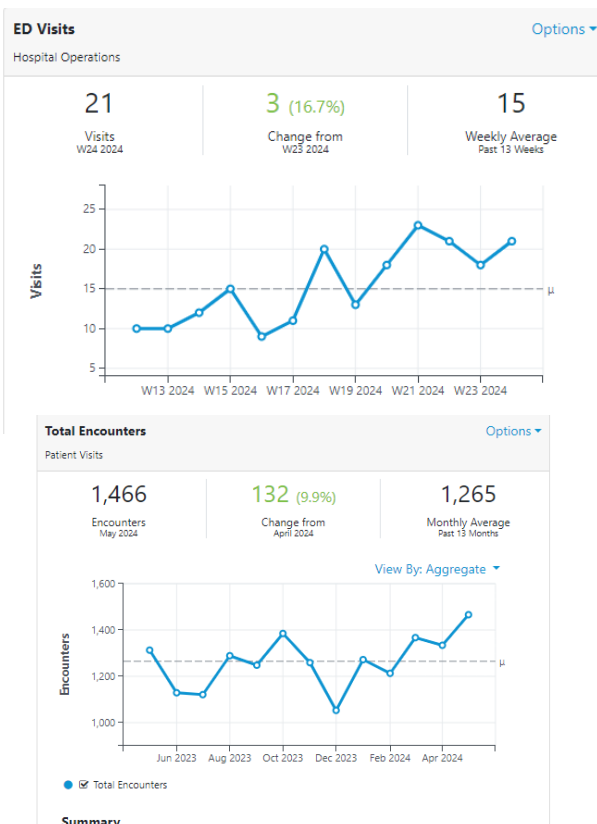
Patient-Centered Care:

- The July 22nd – July 26th Orca Camp kayaking expedition took place with 12 Petersburg youth ages 12 – 16 that was extremely successful. This was part of a community foundation grant that brought in Onward and Upward group to provide this experience. It was an amazing success and we hope to offer this next summer as well.
- Telehealth has grown considerably in the past year and PMC has Kaitlin DuRoss



Rathman, PT now working with virtual visits for wound care, Dr. Hyer available for virtual primary care visits, Brandy Boggs as patient navigator working with the community on complex health insurance benefits, enrollment, VA and coordination, Pat Sessa, MSW LCSW with behavioral health and Dr. Sonkiss for telepsychiatry.

- PMC has seen a large increase in ER an inpatient the past two months.
- Primary care continues to increase access to the community for same day appointments, established patients, well child, prevention visits and routine care.



**2024 Election Report
August 5, 2024 Assembly Meeting**

The annual Municipal Election will be held Tuesday, October 1, 2024.

1. This year's ballot will provide for the election of: 14 elected positions as follows:

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

2. There are four propositions on the October 1st ballot (assuming that Ordinances #2024-12 and #2024-13 are approved in their third reading at today's meeting).

Proposition #1 will decide whether the Borough should issue general obligation bonds in a total principal amount not to exceed \$3,500,000 to finance major maintenance needed at our public school facilities, including roof replacement/repair, security and safety features and upgrades and related capital improvements.

Proposition #2 will decide if the Borough should increase the maximum amount of a transaction that is subject to the Borough's 6% sales tax from \$1,200 to \$5,000, thus increasing the maximum sales tax due from \$72 to \$300.

Proposition #3 will decide if the Borough should increase the transient room tax rate, which is collected from persons staying in a local hotel, motel or other lodging for fewer than 30 days, from 4% to 7%. Transient room tax proceeds are used to fund visitor-related marketing, infrastructure and services.

Proposition #4 will decide if the Borough may incur long-term indebtedness in the form of loans from the Alaska Department of Environmental Conservation in a total principal amount not to exceed \$19,300,000 to fund capital projects for the water and wastewater utilities.

3. I have not completed my search for this year's Election Officials for the October 1st 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 as an Election Official this year to contact me at 907-772-5405 or dthompson@petersburgak.gov.

Debra K. Thompson
Borough Clerk

**Mayor's Report
For
August 5, 2024 Assembly Meeting**

1. Filing for Candidacy for the October 1, 2024 Municipal Election: The filing period to run for an Assembly, Board or Commission seat for the Petersburg Borough began on July 23rd and ends at 4:30 p.m. on August 20, 2024. Paperwork to file for candidacy is available on the Borough website or at the front desk of the Municipal Building. Please consider serving our community by running for one of the 14 seats up for election. All seats have 3 year terms.

Assembly	2 seats
School Board	2 seats
Hospital Board	2 seats
Planning Commission	2 seats
Harbor Advisory Board	2 seats
Library Board	2 seats
Parks & Recreation Advisory Board	1 seat
Public Safety Advisory Board	1 seat

For more information, contact Clerk Thompson at 907-772-5405 or dthompson@petersburgak.gov.



**Borough Manager's Report
Assembly Meeting 5 August 2024**

- ❖ We should be receiving our new time clock system this week for Assisted Living.
- ❖ Our Medicaid renewal is almost complete at Assisted Living.
- ❖ We have 1 swing shift and three overnight shifts to fill at Assisted Living.
- ❖ Derrick has been working with the state on emergency food supplies. We will not have to buy emergency food for the next 24 years and we don't have to buy water anymore as well. We will still have to get snacks every year, but this will save us thousands of dollars every year.
- ❖ Will be having a discussion with several residents at Assisted Living about moving. They need more of a specialty facility to properly take care of them.
- ❖ A reminder the diesel fuel adjustment charge has been calculated to be 1.3 cents per KWH for usage during the SEAPA maintenance shutdown in June. This adjustment was on the utility bills at the end of July.
- ❖ The annual Dam Safety Inspection with FERC engineers and our contracted Chief Dam Safety Engineer went well. No major issues were identified during the inspection.
- ❖ PMPL is working with Hammer and Wikan to update the electrical service to the hardware store.
- ❖ Erik Larson has started as PMPL's new Powerhouse Mechanic/Operator and is coming up to speed quickly. PMPL is fully staffed, and new operator training is ongoing.
- ❖ A reminder for water system customers to fill out the Lead Service Line Inventory survey that went out in the June utility bills. If customers have any questions, please contact the water department at 907-772-4760.
- ❖ Pumpstation 4 Force Main project – 95% Plans and Specifications have been received. We are scheduling a design review meeting with the engineering team prior to advertising for bids on the project. Must also complete property transfer deeds with the Swanson family.
- ❖ WW discharge permitting – EPA has not yet released the draft permit to the Borough.
- ❖ The library has received a \$10,000 grant from the Institute of Museum and Library Services. Since 2005, this grant has been awarded annually thanks to a partnership with the Petersburg Indian Association. The funds are used to purchase material for the library collection.

- ❖ Martin and crew are installing new fencing around the Green Field at the baseball complex. This project is replacing the existing fence in the backstop and dugout areas as well as installing fence around the outfield - which hasn't had fencing in many years. The Petersburg Little League received a grant that is paying for project materials, and Public Works is supplying the labor and equipment.
- ❖ We took delivery of the Borough's replacement hearse – a 2021 Chevrolet Suburban. In consultation with the local mortuary service provider, the Motor Pool crew is retrofitting the vehicle with a hearse hardware kit so it will be properly configured to serve in its new role .
- ❖ Due to ongoing misperceptions on recyclables, we have begun planning a public education campaign to help keep our customers and the general public informed about our local recycling program.
- ❖ Norton Corrosion inspected the cathodic protection system on our water storage tank. This is an annual inspection of the tank's corrosion protection system, and no major issues were noted.
- ❖ With fishing season well underway, the plant is producing approximately 1.7 million gallons of water per day. This is in line with normal mid-summer production levels of 1.5-2MGD and much less than the max production capability of the plant (4MGD).
- ❖ One of the two variable frequency drives (VFDs) at the Scow Bay One pump station failed. A new drive was ordered and repairs have been made. The failed drive will be sent out for possible rebuild and if rebuildable, will be retained as a spare.
- ❖ An EPA compliance officer conducted an inspection of the Wastewater Plant on July 29th. This is a routine inspection that takes place every 2-3 years and focuses on wastewater plant operations and testing. Although we do not have the results in hand, based on feedback from the compliance inspector we believe the inspection went well. Thanks to Wastewater Supervisor Justin Haley for keeping everything shipshape at the Wastewater plant!
- ❖ PD is scheduling community-based crisis response training. Training will be held in Petersburg on Mar 18th– 20th, 2025. The current plan is to invite all community partners so Law Enforcement, Dispatchers, Mental Health, School Counselors, hospital staff, local psychologists and others who would be first point of contacts or involved in assisting or identifying a person in crisis.
- ❖ We have been busy running our swim lessons for the past month with much appreciation from community
- ❖ We have several open positions at Parks & Rec. 2 Custodians and a grounds keeper. Hired a maintenance technician last week who will begin in a couple of weeks.
- ❖ There are still a few openings in our Youth Volleyball Camp! Stop in at Parks and Rec for more information and registration!
- ❖ Youth Basketball registration is open, but volunteers are still needed for coaching and refereeing! Small incentive for those interested! Practices begin first week of September. Check with Parks and Rec for more information.

**PETERSBURG BOROUGH
ORDINANCE #2024-12**

AN ORDINANCE PROVIDING FOR THE SUBMISSION TO THE QUALIFIED VOTERS OF PETERSBURG BOROUGH THE QUESTION OF THE ISSUANCE OF NOT-TO-EXCEED THREE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$3,500,000) OF GENERAL OBLIGATION BONDS, TO PAY COSTS OF PUBLIC SCHOOL CAPITAL IMPROVEMENTS IN THE BOROUGH AT THE REGULAR ELECTION HELD ON OCTOBER 1, 2024.

WHEREAS, the Petersburg Borough School District (the “District”) developed a list of critical major maintenance and safety capital improvements for public school facilities owned by the Petersburg Borough, Alaska (the “Borough”); and

WHEREAS, in collaboration, the Borough and District determined that it is in the best interest of the Borough, and its residents, to finance costs of the School Improvements identified in Section 1 of this ordinance, with proceeds derived from the issuance of general obligation debt; and

WHEREAS, the estimated cost of the School Improvements is not anticipated to exceed Three Million Five Hundred Thousand Dollars (\$3,500,000); and

WHEREAS, the Borough is authorized to issue general obligation debt, pursuant to Article 13, Section 1 of the Borough Charter, subject to authorization by the Borough Assembly and ratification by a majority of qualified voters of the Borough voting on the questions; and

WHEREAS, the Borough Assembly seeks to authorize the issuance of not to exceed Three Million Five Hundred Thousand Dollars (\$3,500,000) principal amount of general obligation debt to pay all or a portion of the cost of the School Improvements; and

WHEREAS, the Borough Assembly finds that it is in the best interests of the Borough, and its residents, to incur long-term general obligation debt in order to undertake the School Improvements, and, pursuant to the provisions of Article 13 of the Borough Charter, it wishes to submit this matter to the qualified voters of the Borough for their consideration.

THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE PETERSBURG BOROUGH, ALASKA, as follows:

SECTION 1. Purpose:

A. It is hereby determined to be for a public purpose and in the public interest of Petersburg Borough, Alaska (the “Borough”) to incur general obligation bond indebtedness in the principal amount not to exceed Three Million Five Hundred Thousand Dollars (\$3,500,000) (the “Bonds”) for the purpose of financing costs of major maintenance to areawide public school facilities to include costs of planning, designing, site preparation, constructions, installing and equipping public school capital improvement projects, including roof replacement/repair at the Mitkof Middle School and Petersburg High School, security and safety features and upgrades at the Borough’s public schools, and related public school capital improvements (the “School Improvements”).

B. An election is to be held on October 1, 2024, in and for the Borough. It is hereby authorized that the Borough submit the question to qualified voters of the Borough, at this election, to authorize long-term general obligation indebtedness, through issuance of bonds, to finance: (i) capital costs of School Improvements, including incidental costs incurred in connection with carrying out such improvements; and (ii) to pay the costs incident to financing the School Improvements and issuing the bonds.

SECTION 2. Substantive Provisions:

A. The Borough Assembly hereby (i) determines that it is in the best interests of the Borough to undertake the School Improvements, consisting of the capital improvements described in Section 1 of this ordinance, and (ii) authorizes long-term general obligation indebtedness for the purpose of financing the School Improvements, in the form of issuance of Bonds that shall be a general obligation of the Borough, payable from taxes and other money of the Borough legally available for such purpose, in an amount not to exceed the total principal sum of Three Million Five Hundred Thousand Dollars (\$3,500,000), subject to voter ratification.

School Improvements include the cost of all necessary architectural, engineering, legal and other consulting services; site acquisition or improvement (e.g., clearing and demolition); on and off-site utilities and related improvements; printing, advertising, establishing and funding accounts; necessary and related planning, consulting, inspection and testing costs; administrative expenses; and other similar activities or purposes incurred in connection with the School Improvements shall be deemed a part of the costs of such capital improvements. The Borough may modify details of the School Improvements as it may find necessary or advisable.

The Borough shall determine the application of available money between the various portions of the School Improvements so as to accomplish, as near as may be, all of the School Improvements. If available money from the proceeds of the bonds is more than sufficient to pay the costs of the School Improvements, or if state or local circumstances require any alteration in the School Improvements, the Borough may acquire, construct, equip and make other capital improvements to the District's public school facilities or may retire and/or defease a portion of the Bonds, all as the Borough may determine and as permitted by law. If the proceeds of the sale of the Bonds and other available money are insufficient to make all of the capital improvements herein provided for, or if it has become impractical to accomplish the School Improvements or portions of the School Improvements, the Borough may use the proceeds of the Bonds and other available money for paying the costs of those portions of the School Improvements deemed by the Borough to be most necessary and in the best interest of the Borough.

B. The Bonds will be issued and sold in the amounts and at the time or times as they Assembly finds necessary and advisable and as permitted by law. The Bonds may be issued in one or more series and shall mature in the amounts and at the times as authorized by the Assembly and as provided by law. The date, form, interest rates, terms, redemption provisions, maturities, covenants and manner of sale of the Bonds shall be as hereafter provided by the Assembly.

C. The question of whether to authorize this indebtedness shall be submitted to the qualified voters of the Borough at the regular municipal election to be held on October 1, 2024. The proposition must receive an areawide majority vote of those in the Borough voting on the question. The ballot proposition to be submitted to the voters shall read substantially as follows:

PROPOSITION NO. 1
GENERAL OBLIGATION BONDS
Public School Capital Improvements
(Assembly Ordinance #2024-12)

Shall the Petersburg Borough incur long-term indebtedness, and issue up to the principal amount not to exceed Three Million Five Hundred Thousand dollars (\$3,500,000) of general obligation bonds?

Proceeds of the general obligation bonds will be used to finance costs of major maintenance to areawide public school facilities including roof replacement/repair at both the Mitkof Middle School and Petersburg High School, security and safety features and upgrades to the Borough’s public schools and related capital improvements, and also includes paying incidental costs incurred in connection with carrying out and financing such improvements and costs incidental to the issuance of the bonds.

The indebtedness would be in the form of general obligation bonds, payable from ad valorem taxes levied on all taxable property located within the Borough. The Borough will pledge its full faith and credit for repayment of the indebtedness.

Voter approval of this bond proposition authorizes for each \$100,000 of assessed taxable real and personal property value in the Borough (based on the estimated FY 2025 areawide assessed valuation) an annual increase in taxes of approximately \$62.00 to retire the proposed bonds.

PROPOSITION NO. 1 YES ____ NO ____

This proposition shall be printed on a ballot which may set forth other general obligation bond propositions.

D. The Borough Manager (or such official’s designee) is authorized to take all actions required in accordance with Article 5 of the Borough Charter to provide notice of the election and to provide informational documents to the voters regarding this proposition. Specifically, the Borough Manager and other proper Borough officials are directed to cause notice of the election to be published once a week for three weeks, beginning at least 20 days prior to the election date, in accordance with Article 13, Section 2, of the Borough Charter, which notice shall include the following information:

1. The maximum principal amount of the bonds, which shall not exceed \$3.5 million.
2. The amount of the estimated annual debt service on the proposed bonds, based on an estimate of the anticipated interest rate, which shall be determined closer to the date of publication of the election information.
3. The amount of current total general obligation indebtedness of the Borough (including authorized but unsold bonds).
4. The amount of current year debt service payable with respect to outstanding bonds of the Borough.

5. The current total assessed valuation within the Borough.

SECTION 3. General Authorization; Ratification: The proper Borough officials are authorized to perform such duties as are necessary or required by law to the end that the question of whether or not the Bonds shall be issued as provided in this ordinance, shall be submitted to the voters of the Borough at the October 1, 2024 regular election. Any action taken consistent with the authority and prior to the effective date of this ordinance is hereby ratified, approved and confirmed.

SECTION 4. Intent to Reimburse: The Borough Assembly declares that to the extent that the Borough makes capital expenditures for School Improvements prior to the date the Bonds or other short term obligations are issued to finance the School Improvements from funds that are not (and are not reasonably expected to be) reserved, allocated on a long-term basis or otherwise set aside by the Borough under its existing and reasonably foreseeable budgetary and financial circumstances to finance the School Improvements, those capital expenditures are intended to be reimbursed out of proceeds of the Bonds or other short term obligations issued in an amount not to exceed the principal amount of the Bonds provided by this ordinance.

SECTION 5. Severability: If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person and circumstance shall not be affected.

SECTION 6. Classification: This ordinance shall not be codified in the Petersburg Borough Municipal Code.

SECTION 7. Effective Date: This ordinance is effective upon passage. The indebtedness contemplated by this ordinance shall be considered approved by the voters upon certification of the October 1, 2024 election results reflecting approval of the proposition, subject to Article 13, Section 10 of the Borough Charter. If such proposition is approved by the requisite number of voters, the Borough shall be authorized to issue the Bonds in the manner described in this ordinance, to spend the proceeds thereof to pay the costs of the School Improvements and the costs of issuance and sale of such Bonds within ten years as provided by Article 13, Section 8 of the Borough Charter.

Passed and approved by the Petersburg Borough Assembly, Petersburg, Alaska, this 5th day of August, 2024.

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, Borough Clerk

Adopted:
Published:
Effective:

Resolution 2024-01 revised
Petersburg School District in Support of Borough Bonding
Major Maintenance Projects

Whereas the school board supports several major maintenance projects being bonded by the borough; and

Whereas the middle/high school was constructed in 1951 and was subsequently renovated, added to and repaired many times, resulting in a patchwork roof assembly; and

Whereas the roof has been actively leaking for several years despite careful maintenance; and

Whereas during the winter of 2022 the borough received a record breaking amount of snow and then rain which caused membrane roof damage from ice falling off the metal roofs, which caused leaks in the listed classrooms (137, 138, Band and Library) and damages totaling \$323,400. This added to the ongoing leaks we have been dealing with from the failing hardware on the metal roofs; and

Whereas the district commissioned a Roof Condition Survey and cost estimate from LCG Lantech Architects in 2023 to fully evaluate the roof assembly and provide recommendations; and

Whereas the roof has been on the capital improvement plan for 4 years; and

Whereas based on the Condition Survey, the roof replacement project was submitted to the State of Alaska for a CIP grant and is #12 on the major maintenance list; and

Whereas the Department of Education's major maintenance grant list shows the eligible amount for the roof replacement project as being \$4,272,898 and the district's participating share for the-CIP grant is 35%, or \$1,495,514; and

Whereas 21st century schools need 21st century school security; and

Whereas in light of an increasing number of school threats, the school district is in need of security and safety upgrades; and

Whereas exterior door locks need to be upgraded to electrified key fob locking systems for security purposes, ADA compliance, and the HS office needs to be remodeled for student safety, security and visitor control; and

Whereas the combined HS office remodel and exterior door/ADA security upgrades is estimated to cost approximately \$1.4 million; and

Whereas the current school deferred maintenance bonds will mature in September of 2024;

Therefore be it resolved that the Petersburg School Board supports the Borough bonding major maintenance projects for the borough owned school buildings.

Adopted by the Board of Education of the Petersburg School District, Petersburg, Alaska, at the Regular open public meeting thereof, held this 14th day of May, 2024



School Board President, Sarah Holmgrain



Superintendent, Erica Kludt-Painter



Witness, Mara Lutomski

**PETERSBURG BOROUGH, ALASKA
ORDINANCE 2024-13**

**AN ORDINANCE AUTHORIZING LONG TERM INDEBTEDNESS IN AN AMOUNT
NOT TO EXCEED \$19.3 MILLION FOR THE DESIGN AND CONSTRUCTION OF
WATER AND WASTEWATER INFRASTRUCTURE IN THE BOROUGH AND
DIRECTING THAT THIS MATTER BE SUBMITTED TO THE VOTERS FOR
CONSIDERATION AT THE NEXT REGULAR ELECTION TO BE HELD ON
OCTOBER 1, 2024**

WHEREAS, the Borough Water and Wastewater Enterprise Funds provide potable water treatment and distribution and wastewater collection and treatment to the residents and visitors of Petersburg; and

WHEREAS, the current water and wastewater systems require ongoing refurbishment to retain the safety of Petersburg's drinking water and the protection of sanitary sewer collection and treatment; and

WHEREAS, new water and wastewater line extensions are required for new, upcoming borough projects; and

WHEREAS, the State of Alaska Department of Environmental Conservation (ADEC) currently offers a municipal loan program for water and wastewater infrastructure projects for up to 100% of eligible projects at terms of approximately 1.5% interest over 20 years; and

WHEREAS, the Borough Water Enterprise has developed a 6-year capital improvement plan to address various water infrastructure projects such as ADEC- mandated improvements at the treatment plant, water main replacements, and new line extensions, at a projected cost of approximately \$2.5 million; and

WHEREAS, the Borough Wastewater Enterprise has developed a 6-year capital improvement plan to address various projects such as pump station refurbishments, sewer main replacements, wastewater treatment mandates, and new line extensions and lift station, at a projected cost of \$16.8 million; and

WHEREAS, for these projects, it is anticipated that any indebtedness shall be incurred such as to commence design and construction no later than six years from the date of voter approval, and thus any voter authorization to incur long-term debt associated with these departmental capital improvement projects shall be valid only until December 31, 2030; and

WHEREAS, the Assembly finds that it is in the best interests of the Petersburg Borough to incur such long-term debt in order to maintain and expand public water and wastewater infrastructure in a safe and sanitary manner protective of the public health, and wishes to submit this matter to the qualified voters of the Borough, for their consideration.

THEREFORE, THE PETERSBURG BOROUGH ORDAINS, as follows:

SECTION 1. Classification: This ordinance shall not be codified in the Petersburg Municipal

Code.

SECTION 2. Purpose: The purpose of this ordinance is to authorize long-term indebtedness for Borough water and wastewater projects and to submit the question to the Borough voters at the next regular election.

SECTION 3. Substantive Provisions:

A. The Borough Assembly hereby determines that it is beneficial to the Borough to authorize long-term indebtedness (evidenced by loans, with terms not to exceed 20 years), which shall be a revenue obligation of the water and wastewater enterprises only, in an amount not to exceed the total principal sum of \$19.3 million, for the purposes of permitting, design and construction of capital improvements for the water and wastewater enterprise funds.

B. The question of whether to authorize this indebtedness shall be submitted to the qualified voters of the Petersburg Borough at the next regular municipal election, to be held on October 1, 2024. The ballot proposition to be submitted to the voters shall read substantially as follows:

Proposition No. ____

Shall the Petersburg Borough be authorized to incur long-term indebtedness, in a total principal amount not to exceed Nineteen Million Three Hundred Thousand Dollars (\$19,300,000), for the purposes of permitting, designing and constructing capital projects of the water and wastewater enterprises? This indebtedness would be a revenue obligation of the water and wastewater enterprises only. The indebtedness would be in the form of loans from the Alaska Department of Environmental Conservation (ADEC), with a term not to exceed 20 years, and with an anticipated annual interest rate of 1.5% or as otherwise established under the ADEC Municipal Loan Program. Any authorization approved hereunder by the voters shall expire on December 31, 2030 as to any indebtedness not incurred on or before that date.

- YES
- NO

C. The Borough Manager, Public Works Director, Community & Economic Development Director and Utility Director are authorized to provide informational documents to the voters regarding this proposition.

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 application to any person and circumstance shall not be affected.

SECTION 5. Effective Date: This ordinance, if approved by the voters, shall become effective immediately upon certification of the October 1, 2024 election results.

Passed and approved by the Petersburg Borough Assembly, Petersburg, Alaska this 5th day of August, 2024.

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, Borough Clerk

Adopted:
Published:
Effective: Upon Voter Approval
And certification of
October 1, 2024
Election Results

MEMORANDUM

TO: STEVE GIESBRECHT, BOROUGH MANAGER

FROM: KARL HAGERMAN, UTILITY DIRECTOR *KH*

SUBJECT: WATER AND WASTEWATER DEBT AUTHORIZATION ORDINANCE

DATE: 7/30/2024

CC: DEBBIE THOMPSON, BOROUGH CLERK

An ordinance that authorizes new debt in the water and wastewater departments has been drafted for the July 1st Assembly agenda. Please accept this backup information for your benefit and the benefit of the Assembly and public.

In 2019, the water and wastewater departments went through a process to seek authorization from the Assembly and our local voters, to incur debt by way of low-interest loans from the Alaska Department of Environmental Conservation. That authorization will expire on December 31, 2024 and there is a need for the departments to continue to plan and complete capital projects for the benefit of our residents and customers.

As stated, the debt to be incurred is proposed to be funded from the ADEC revolving loan fund. Terms on these loans are very favorable at 20-year repayment at 1.5%. Additionally, the ADEC grant program often includes “principal forgiveness” provisions that are made at the discretion of ADEC and depending on funds available for this purpose. As there is no exact formula for forgiveness, we must apply for a loan before we can find out if any of the loan’s principal will be forgiven.

The projects in both departments to be funded follow trends of imposed regulation and a nationwide trend toward needed replacements and refurbishments of water and wastewater infrastructure. Below is a rundown of each project on the CIP list that could be funded and completed if the debt authorization is approved by the Assembly and voters. Many of these projects were on the list in 2019 and unfortunately were not completed within the 5-year debt authorization due in main part to the pandemic and other related issues.

The total debt authorization requested comes to \$19.3 million, with \$2.5 million going toward water department projects and \$16.8 million for wastewater projects. See below for project details.

Water Department:

- A project to build out the Scow Bay Haulout and washdown pad received some federal funding in FY24 but the entire funding picture of the project is incomplete. A loan to extend a water main to the site will help to achieve the funding stack required and this debt is proposed to ultimately be repaid from the Economic Development Fund on an annual basis. This project cost is estimated to be \$100,000.
- The water main under the Rasmus Enge Bridge was installed on the beach many years ago. The Borough needs to move this main to be supported under the bridge and out of influences of salt water. Additionally, the main will be extended to the South Harbor crane dock entrance to provide another loop in the water distribution system – a feature that provides supply redundancy for customers in this area and improves water quality. The estimated cost of this project is \$575,000.

- Water main replacements of aging transite (asbestos cement) pipe are planned for Lake Street, Aaslaug Street, Valkyrie Street and Fram Street. Estimated cost is \$1.32 million.
- The department has a 6” transite (asbestos cement) water main that crosses Hammer Slough at the end of Kisenon Street. This older pipe material is a worry for the department and any leaks would be hard to detect and repair. The goal of this work would be to replace the line with an HDPE pipe and abandon the existing main in place. Estimated cost to replace is \$480,000.
- Cabin Creek Dam requires some rehabilitation to the two large diameter Low Level Outlet pipes. Corrosion and pitting of these corrugated metal culverts can eventually lead to failure and needs to be addressed. Estimated cost is \$350,000.

Wastewater Department

- Pump station 3 is a major pump station that is tucked in between OBI Seafoods and Nordic Drive. It accepts all wastewater flow from Main Street and points south and pumps it to the top of PFI Hill. The station requires the same upgrades as completed on Pump Station 5 a few years ago – a full replacement with a submersible style pump station to improve efficiency and reliability. Estimated cost of this project is \$1,000,000.
- Scow Bay Waterfront Pre-treatment project is part of the build out of the Scow Bay Haulout and Washdown Pad work. The larger project received federal funding in FY24 but an ADEC loan will help to complete the funding stack. This project seeks to extend sewer mains into the Scow Bay Turnaround property and install a pump station and pre-treatment system to collect, treat and pump all water from the washdown pad. This debt is proposed to ultimately be repaid from the Economic Development Fund on an annual basis. Estimated cost for the wastewater portion of the overall project is \$3.2 million.
- With additional sampling and testing of our WWTP effluent and the receiving waters in Frederick Sound, the wastewater treatment plant’s laboratory will be inadequate when our new discharge permit is in place. The department is planning to add an additional small building at the site on 14th Street to act as a standalone laboratory that is capable of handling the increased in-house testing that will be required of the department. The estimated cost is \$300,000.
- Various streets across the community require improvements to their wastewater collection mains to ensure efficient collection, reduce maintenance issues and maintain uninterrupted service to our customers. Valkyrie St, Lake St, Fram St, Excel St, Gjoa St and 3rd Streets will all be part of a larger project to replace aging sewer mains and manholes. Estimated cost is \$1,080,000.
- Skylark Pump Station is about ½ mile south of the ferry terminal and accepts flow from the Scow Bay area and is approaching the end of its service life. Replacement with more efficient, higher capacity pumps will be the goal once we start on this project. Estimated cost of this project is \$575,000.
- In the small neighborhoods off of Lumber Street, there are three smaller pump stations that service a limited amount of homes. While the department has replaced major components of these stations over the years, there are concerns over the galvanized steel wetwells that accept the wastewater and contain the submersible pumps. This project would seek to replace the wetwells with HDPE basins that would resist corrosion indefinitely. Estimated cost of this project is \$350,000.

- By far the largest project in site for Petersburg’s wastewater utility is the Effluent Disinfection project. This project is being mandated by requirements of the 2024 NPDES discharge permit and State of Alaska receiving water quality regulations. The project will disinfect the treatment plant’s discharge to reduce pathogens to compliant levels. Despite the best efforts of Borough management, at present there are no grant funds available to meet this mandate. Therefore, the best option is to plan to borrow the money from the State of Alaska within their revolving loan program. This project is estimated to cost \$10.3 million and will likely be required to be in place in FY2030.
- The WWTP Headworks Refurbishment project will address an update to the front line piping and equipment at the treatment plant. This infrastructure has been in place since 1976 and has been maintained as best as possible for 50 years. New piping and valving will be replaced at an estimated cost of \$250,000.

I recommend passage of the ordinance and will be requesting voter approval of the ballot measure this fall. This is one of the only ways that these departments can fund large capital projects and repaying the State for the work over 20 years spreads out the impact to rate payers. It is important to note that although this ordinance and ballot measure will provide authority to incur debt, the decision to move forward with a project is always contingent upon Assembly approval of a proposed loan as well as the Assembly’s approval of a contract award.

Lastly, the utilities will be commissioning a rate study in this fiscal year to provide information regarding any impacts to rates if the CIP is followed. Presently, revenues produced by the utilities are not sufficient to keep up with inflation and build reserves for capital needs. Rate increases are sure to be recommended by the studies, but it will be an Assembly decision to move forward with the CIP for each department as the projects move forward in the queue. Holding off on projects however will likely lead to increasing O&M budgets to cover increased maintenance and emergency repair costs associated with aging infrastructure.

Please let me know if there are any questions. Thank you.

**PETERSBURG BOROUGH, ALASKA
ORDINANCE 2024-14**

**AN ORDINANCE AMENDING PROVISIONS OF CHAPTERS 3.38, 3.40, AND 3.76
OF THE PETERSBURG MUNICIPAL CODE TO ESTABLISH THE PUBLIC WORKS
DIRECTOR AS THE HEAD OF THE BOROUGH WATER AND SEWER UTILITIES
AND CREATE AN ASSISTANT PUBLIC WORKS DIRECTOR AS AN
ADMINISTRATIVE OFFICER OF THE BOROUGH**

WHEREAS, in 2018, the Borough Assembly approved moving supervision of the water and sewer utilities to be the operation responsibility of the Utility Director; and

WHEREAS, due to the difficulty in finding a qualified replacement Utility Director, on May 6, 2024, the Assembly approved moving supervision of the water and sewer utilities back under the responsibility of the Public Works Director, and hiring an Assistant Public Works Director due to the additional Public Work responsibilities; and

WHEREAS, an Assistant Public Works Director will help manage the work load of the five divisions (water, sewer, roads, sanitation and motor pool) managed by the department.

THEREFORE, THE PETERSBURG BOROUGH ORDAINS, Chapters 3.38, 3.40 and 3.76 of the Petersburg Municipal Code are amended to provide for the water and sewer utility divisions to be the operational responsibility of the Public Works Director, and to provide for an Assistant Public Works Director position for the department.

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 provide for the water and sewer utility divisions to be managed by the Public Works Director, and to provide for an Assistant Public Works Director position for the department.

Section 3. Substantive Provisions: Chapters 3.38, 3.40 and 3.76 of the Petersburg Municipal Code are amended as follows (language proposed for deletion is struck through, and language proposed for addition is in colored text and underlined):

A. Amendment: Chapter 3.38

Chapter 3.38 PUBLIC WORKS DEPARTMENT

3.38.010 Department established.

There is established a public works department which shall be responsible for the operation of the streets and roads division, the sanitation division and the motor pool division. The public works department shall provide assistance to other departments

and organizational units of the borough so that the most effective degree of unified action may be attained in the achievement of borough government objectives.

3.38.020 Public works director.

A. The public works director shall be the head of the public works department. The public works director is an administrative officer of the borough appointed by the borough manager, with the approval of the assembly. An employment contract with an administrative officer may be terminated only for just cause.

B. The public works director shall carry out the duties and responsibilities of the public works department under the supervision and control of the borough manager.

C. The public works director may select personnel to serve as employees of the department but all such appointments and the number thereof shall require prior approval of the borough manager.

D. The public works director may approve departmental expenditures in accordance with section 4.04.020A. of the Borough Code. Expenditures exceeding that amount shall require prior approval of the borough manager.

E. The borough manager may appoint an assistant public works director, with the approval of the assembly, to assist the director in carrying out the duties and responsibilities of the director. The assistant public works director shall work under the supervision and control of the director. The assistant public works director is an administrative officer of the borough. An employment contract with an administrative officer may be terminated only for just cause.

3.38.030 Duties and responsibilities.

The public works department, through the public works director, shall be responsible for the operation of the streets and road division, the sanitation division and the motor pool division.

A. The operation of the streets and roads division includes, but is not limited to:

1. Street maintenance;
2. Sewer and water line maintenance, ~~working in conjunction with the utility director;~~
3. Fire hydrant maintenance;
4. Development and maintenance of division safety programs and procedures; and
5. Preparation and administration of the annual budget for the division and preparation of recommendations for capital improvements.

B. The operation of the sanitation utility division includes:

1. Operation of the solid waste collection and disposal system as provided by federal, state and local laws and as set out in Chapter 14.12 of the borough code;
2. Scheduling and performing maintenance as required for proper operation;
3. Development and maintenance of division safety programs and procedures; and

- 4. Preparation and administration of the annual budget for the division and preparation of recommendations for capital improvements.
- C. The operation of the motor pool division includes:
 - 1. Operation of the motor pool division as provided by local policies and generally accepted principles of an internal service fund operation;
 - 2. Scheduling and performing maintenance as required for proper operation;
 - 3. Development and maintenance of division safety programs and procedures; and
 - 4. Preparation and administration of the annual budget for the division and preparation of recommendations for operation of the motor pool and capital improvements.

B. Amendment: Chapter 3.40

Chapter 3.40 ELECTRIC UTILITY, WATER UTILITY, AND SEWER UTILITY DEPARTMENTS

3.40.010 Departments established.

There are established within the borough an electric utility department, a water utility department, and a sewer utility department, which are responsible for the proper operation of the utilities as required by state and federal law. The departments are to manage and control the operations, maintenance and expenditures of the utilities, the utility funds, rate analysis, safety programs, consultant coordination and the construction, maintenance, repair and operation of utility facilities of the borough.

3.40.020 Electric Utility director.

A. The electric utility director shall be the head of the electric, ~~water and sewer~~ utility departments, and carry out the duties and responsibilities of the department under the supervision and control of the borough manager. The utility director is an administrative officer of the borough appointed by the borough manager with the approval of the borough assembly. An employment contract with an administrative officer may be terminated only for just cause.

B. The director shall be responsible for the proper operation of the borough's electric utility, and its generation and distribution facilities, as provided by federal and state law and as set out in chapter 14.16 of the Borough Code; ~~The utility director shall carry out the duties and responsibilities of the departments under the supervision and control of the borough manager.~~

C. The utility director may select personnel to serve as employees of the departments, but all such appointments and the number thereof shall require prior approval of the borough manager.

D. The utility director may approve departmental expenditures in accordance with section 4.04.020A. of the Borough Code. Expenditures exceeding that amount shall require prior approval of the borough manager.

3.40.025 Water and sewer utility.

A. The Public Works director shall serve as the head of the water utility and the sewer utility.

B. The director is responsible for the proper operation of the borough's water utility and its facilities, as provided by federal and state law and as set out in chapter 14.04 of the Borough Code;

C. The director is responsible for the proper operation of the borough's sewer utility and its facilities, as provided by federal and state law and as set out in chapter 14.08 of the Borough Code.

3.40.030 Additional duties and responsibilities of utility directors.

The electric, water, and sewer utility department, through the utility directors shall also:

~~A. Be responsible for the proper operation of the borough's electric utility, and its generation and distribution facilities, as provided by federal and state law and as set out in chapter 14.16 of the Borough Code;~~

~~B. Be responsible for the proper operation of the borough's water utility and its facilities, as provided by federal and state law and as set out in chapter 14.04 of the Borough Code;~~

~~C. Be responsible for the proper operation of the borough's sewer utility and its facilities, as provided by federal and state law and as set out in chapter 14.08 of the Borough Code;~~

A~~D.~~ Prepare and administer the annual departmental budgets ~~for the departments~~, and prepare recommendations for capital improvements;

B~~E.~~ Budget and control the spending in the utility funds, and make recommendations regarding rates;

C~~F.~~ Schedule and perform maintenance of the utility ~~electric, water and sewer~~ facilities as required for proper maintenance and operation.

D~~G.~~ Develop and maintain departmental safety programs and procedures ~~for the departments~~; and

E~~H.~~ Provide support to consultants and contractors for facility construction projects.

C. Amendment: Section 3.76.020

Chapter 3.76 ADMINISTRATIVE OFFICERS AND APPEALS PROCESS

3.76.020 Applicability.

- A. These provisions shall apply to administrative officers of the borough.
- B. The following positions are administrative officers for the borough: chief of police, borough clerk, deputy borough clerk, finance director, fire/EMS director, library director, parks and recreation director, electric utility director, harbormaster, public works director, assistant public works director, Mountain View Manor elderly housing director, Mountain View Manor assisted living facility director, assisted living registered nurse, and community and economic development director. The borough assembly, by ordinance, may change, add or delete administrative positions.

Section 4. Severability: If any provisions 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 and be retroactive to July 1, 2024.

PASSED AND APPROVED by the Petersburg Borough Assembly, Petersburg, Alaska, this _____ day of August, 2024.

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, Borough Clerk

Adopted:
Noticed:
Effective:

PETERSBURG BOROUGH
ORDINANCE #2024-15

AN ORDINANCE AMENDING SECTION 14.20.280 OF THE PETERSBURG MUNICIPAL CODE TO CLARIFY RECOVERABLE EXPENSES FROM VESSELS IMPOUNDED AND DISPOSED OF FROM BOROUGH HARBORS

Therefore, the Petersburg Borough Ordains, Section 14.20.280, *Impounded vessel; disposition procedure*, 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 amend the language of the section to address collection of disposal costs and expenses where an impounded vessel is not sold at a public sale.

Section 3 Substantive Provisions: Paragraph (I) of section 14.20.280 of the Petersburg Municipal Code, entitled *Impounded vessel; disposition procedure*, is hereby amended as follows. The language proposed for addition is **underlined and bolded**.

14.20.280 - Impounded vessel; disposition procedure.

[There are no changes to paragraphs A through H]

I. *Other disposition.* If there are no bidders for the vessel at public sale, the borough may destroy, sell at private sale or otherwise dispose of the vessel. The disposition is to be made without borough liability to the owner, master, agent or lien holder of the vessel. **The owner of any vessel disposed of hereunder shall be liable to the borough for all costs incurred by the borough by reason of other disposition, including costs of destruction and disposal of the vessel.**

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 19th day of August, 2024.

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, BoroughClerk

Adopted:
Noticed:
Effective:

**PETERSBURG BOROUGH
ORDINANCE #2024-16**

**AN ORDINANCE OF THE PETERSBURG BOROUGH ADJUSTING
THE FY 2025 BUDGET FOR KNOWN CHANGES**

Section 1. Classification: This ordinance is not of a permanent nature and shall not be codified in the Petersburg Municipal Code.

Section 2. Purpose: The purpose of this ordinance is to adjust the FY 2025 budget for known changes.

Section 3. Substantive Provisions: In accordance with Section 11.09(a) of the Charter of the Petersburg Borough, the budget for the fiscal period beginning July 1, 2024 and ending June 30, 2025 is adjusted as follows:

Explanation: Necessary revisions in the FY 2025 budget identified after adoption of the Budget.

<u>Account Number</u>	<u>Account</u>	<u>Original Budget</u>	<u>Increase (Decrease)</u>	<u>Amended Budget</u>
<u>FISCAL YEAR 2025 REVENUE / EXPENSE BUDGET ADJUSTMENTS</u>				
Harbor/Port – Derelict Boat Disposal				
450.000.501503	Derelict Boat Disposal Expense	\$10,000.	\$240,000.	\$250,000.
To increase the budgeted amount in FY2025 to \$250,000 to take care of removing two derelict boats in the harbor.				
General Fund – Account Change				
110.000.500300	General Fund Contingency	\$15,000.	(\$4,000)	\$11,000.
110.511.501420	Ballot Proposition – Maximum Sales Tax Exemption & Transient Room Tax Rate Information	\$0	\$4,000.	\$4,000.
Alaska Statute 15.13.145 requires that any funds to be used to potentially influence the outcome of a public election be appropriated specifically for that purpose. It is being proposed to use up to \$4,000 on the dissemination of information on the ballot propositions regarding the maximum sales tax exemption and transient room tax rate. Information may be posted by newspaper advertising, flyers, or by other means of advertising.				

Electric Fund				
410.000.407175	Utility Contract Work Revenue	\$15,000	\$217,965.	\$232,965.
410.000.506528	Libby Lane Line Extension Materials	\$0	(\$19,874.)	(\$19,874.)
410.000.506529	Petersburg Medical Center WERC Building Line Extension Materials	\$0	(\$133,544.)	(\$133,544.)
Payment was collected from both parties for the line extensions in FY24 (\$164,895 from PMC and \$53,070 from the Libby Lane customer). Work will be completed in FY25. The Electric Department did not anticipate this revenue or expense when creating the FY25 budget.				

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 application to any person and circumstance shall not be affected.

Section 5. Effective Date: This ordinance shall become effective immediately after the date of its passage.

Passed and approved by the Petersburg Borough Assembly, Petersburg, Alaska this _____ day of _____, 2024.

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, Borough Clerk

Adopted:
 Published:
 Effective:

MEMORANDUM

TO: STEVE GIESBRECHT, BOROUGH MANAGER
FROM: KARL HAGERMAN, UTILITY DIRECTOR *KH*
SUBJECT: PUMP STATION 4 PROJECT – BID AND CONSTRUCTION PHASE SUPPORT
DATE: 7/31/2024
CC: CHRIS COTTA, PUBLIC WORKS DIRECTOR
DEBBIE THOMPSON, BOROUGH CLERK

The Pump Station 4 Pump Station and Force Main Replacement project is nearing advertisement for bids. Therefore, the wastewater department is seeking approval to amend the existing professional services contract with PND Engineers to provide bid phase support and construction phase support.

PND originally proposed fees in April 2023 to provide these services and is honoring their previous proposal at this time.

It is requested that the Borough Assembly approve an amendment to the PND design contract of \$103,352.90, which will include Task 11: Bid Phase support in the amount of \$12,842.50, and Task 12: Construction Phase support in the amount of \$90,510.40. The overall PND contract value will be increased to \$485,494.40.

This amendment is accounted for in the project budget and will cover costs for the design team to respond to any questions received from bidders, issue addenda to the bid package if needed and offer a recommendation on the award of the contract. The amendment also provides for construction administration and inspection during the construction phase of the project.

As a general information item, this contract's schedule was impacted by the pandemic after the initial design study contract was entered into by PND and the Borough. Further impacts were caused the time involved in securing a loan increase and settling a property transfer for project that also helped to pave the way for future development in the project vicinity. At this time the loan increase has been approved by the Assembly and ADEC and the project is fully designed and ready to move forward toward construction in late 2024/early 2025.

Thank you for your consideration.



7/29/24

Memorandum

To: Steve Giesbrecht, Borough Manager
 Cc: Mayor Jensen and Members of the Borough Assembly
 Karl Hagerman, Utilities Director
 From: Chris Cotta, Public Works Director
 Re: PMPL #99 and #102 Replacements

The FY25 approved Borough budget includes line items for replacement of PMPL #99 Material Handler (\$350,000 budget) and PMPL #102 Digger Derrick (\$375,000 budget). Motor Pool has been working with Power & Light to identify suitable replacement vehicles. Due the very long lead times for custom builds, it was decided to procure stock units that are available now and will meet the needs of the Utilities Dept with minimal upfitting after purchase. Buying in-stock units also ensures that we will avoid price increases that may occur over the next few years and would apply to any units on order during that time. Utilities Director Hagerman has provided a memo of support (attached) that explains the process behind selection of the subject vehicles.

Global Rental Co., Inc. has supplied a quote of \$270,079 for a new Altec AM55 Material Handler to replace current PMPL #99. This unit comes in \$79,921 under the approved budget of \$350,000. For #102 Digger Derrick, Altec has supplied a quote for a new Altec D3060H-TR Digger for a price of \$355,234 which is \$19,766 less than the approved budget of \$375,000. Both quotes are attached for reference. Pricing for both trucks was supplied through Sourcewell, which is a purchasing cooperative that serves many government entities and utilizes pre-bid equipment contracts. Borough code allows this type of purchasing process, as follows:

Code Section 4.04.040 (Exceptions to Bidding), Section G States: When it is advantageous to the borough to enter into a contract with a bidder for the same supplies or services such bidder is providing another Alaskan local government, the state of Alaska, a cooperative purchasing association composed of government agencies, or the United States, where such supplies, equipment or services are being provided to the other governmental unit or association on the basis of competitive bids submitted; and where the borough contract is on substantially the same terms as those bid; or to contract with or through such other governmental unit or association so that the benefit of the responsible bid accrues to the borough;

These proposed vehicle replacements adhere to Borough purchasing code and the cost in both cases is under the amount budgeted. Payment for the vehicles will be taken from Power & Light's Motor Pool reserves, which are currently in excess of \$675,000 dollars. The trucks being retired will be surplus after the new trucks are placed in service and any amounts received from the sales will be used to offset the cost of the new units.

For the preceding reasons, Public Works recommends award of these vehicle purchases to Global Rental Co., Inc. in the total amount of \$625,313. If you agree with this recommendation, please forward it to the Borough Assembly for consideration at their next regular meeting on August 5th, 2024. Thank you.


Attachments: PMPL Memo of Support (1 page)
 Global Rental Co., Inc. Quotes (1 page each, 2 pages total)
 FY25 Motor Pool Replacement Memo (2 pages)

Public Works Department

PO Box 329, Petersburg, AK 99833 – Phone (907) 772-4430 Fax (907) 772-4102

www.petersburgak.gov

INTEROFFICE MEMORANDUM

TO: CHRIS COTTA, PUBLIC WORKS DIRECTOR
FROM: KARL HAGERMAN, UTILITY DIRECTOR 
SUBJECT: PMPL LINE TRUCKS – AWARD RECOMMENDATION
DATE: 7/24/2024
CC: STEVE GIESBRECHT, BOROUGH MANAGER
 FILE

PMPL is in full support of awarding the purchase of #99, the 55' aerial service truck, and #102, the digger derrick, to Global Rental Co., Inc. (Global). See below for additional information.

The 55' bucket truck and digger derrick were purchased in 2010 from Altec. Over most of their lives, they have been dependable and kept in good shape due to the MP preventative maintenance program, Altec support and parking them out of the weather at the Scow Bay pole yard. However, in recent years, the maintenance and reliability of both trucks hasn't been as good as the department would like. Both trucks have had component failures that have taken them out of service for extended periods of time. This puts the department in a tough position when we have critical needs to address or customers waiting for service. We were very happy when the trucks were included in the FY25 budget for replacement. Being able to get 14 -15 years out of these trucks when in the past we've had to replace them consistently at a 10-year interval provides great value to our customers.

After the highly successful purchase of a new, base model service truck through Altec's rental branch, Global, the department reached out to Altec and Global to seek cooperative contract pricing (via Sourcwell) on stock trucks to replace the larger line units. As we saw with the service truck, custom orders of similar trucks would take years to receive, but "stock spec" trucks are available immediately or in the very near future. PMPL values the immediate availability of aerial and digger trucks due to the issues we've had with the reliability of our current units. While there will need to be some options purchased and installed on the trucks to fully meet our needs, these options are not significant and can be funded through remaining line item funds since these trucks' pricing is below budget by quite a bit.

PMPL recommends that awards be made to Global Rental Co., Inc. as follows:

One (1) new, unused Altec AM55 aerial truck, on Freightliner 4x4 chassis for a price of **\$270,079.00**. The spec, quote and photos of the unit have been supplied in a separate email. The approved budget for this purchase is \$350,000.

One (1) new, unused Altec D3060H-TR digger on International 6x6 chassis for a price of **\$355,234.00**. The spec, quote and photos of the unit have been supplied in a separate email. The approved budget for this purchase is \$375,000.

Although you know this very well, it is important to note that the Sourcwell pricing that has been offered by Global is the result of a competitive bidding process that meets the Borough's procurement code requirements.

Lastly, while the dependability of our current trucks is causing the department to seek replacements, there remains significant value in the used market. It is recommended that the old trucks be auctioned off through an online government auction site to receive the highest surplus pricing possible, which will help to further offset the purchase price of the new units. Such a process makes the trucks available to any interested party, whether they are in Petersburg or outside of our community.

Please let me know if you have any questions. Thank you.



Quote Number: 718202403
 Opportunity Number:
 Sourcewell Contract #: 062320-ALT
 Date: 7/18/2024

Quoted for: City of Petersburg
 Quoted by: Bryce Saddoris
 Phone: / Email: (360) 218-6930 / bryce.saddoris@altec.com

REFERENCE MODEL	Sourcewell Price	Commercial List Price	Discount %
AM55 4x4, 2022	\$206,521	\$212,909	3%
(A.) Sourcewell Options On Contract			
1			
2			
3			

SOURCEWELL OPTIONS TOTAL: \$206,521 \$212,909 3%

(A.) **OPEN MARKET ITEMS** (Customer Requested)

1	UNIT		
2	UNIT & HYDRAULIC ACC		
3	BODY		
4	BODY & CHASSIS ACC		
5	ELECTRICAL		
6	FINISHING		
7	CHASSIS	Chassis and unit body to be 2024 model year in lieu of 2022	\$51,703
8	OTHER	Barge for transport from Seattle to Petersburg	\$6,500
9			
OPEN MARKET OPTIONS TOTAL:			\$58,203

SUB-TOTAL FOR UNIT/BODY/CHASSIS: \$264,724
Delivery to Customer: \$5,355
TOTAL FOR UNIT/BODY/CHASSIS: \$270,079

(C.) **ADDITIONAL ITEMS** (items are not included in total above)

1			
2			
3			
4			

Pricing valid for 45 days and may be subject to availability at time of order

NOTES

** Denotes FET fees were paid when unit was new. Global is not FET exempt.

All items listed subject to availability, quote provided at time of request detailing options

Delivery is \$3.00 / mile

Alternate year models may be available in addition to the ones shown here, they will be discounted / priced appropriately to reflect this

Chassis model can be any standard chassis (Ford, Dodge, International, Freightliner, Peterbilt, etc.)

PAINT COLOR: White to match chassis, unless otherwise specified

TO ORDER: To order, please contact the Account Manager listed above.

CHASSIS: Per Altec Commercial Standard

DELIVERY: No later than _____ days ARO, FOB Customer Location

TERMS: Net 10 days

BEST VALUE: Altec boasts the following "Best Value" features: Altec ISO Grip Controls for Extra Protection, Only Lifetime Warranty on Structural Components in Industry, Largest Service Network in Industry, Altec SENTRY Web/CD Based Training, Dedicated/Direct Gov't Sales Manager, In-Service Training with Every Order.

***This quote does not include City, County, State, or Federal taxes.**



Quote Number: 716202404
 Opportunity Number:
 Sourcewell Contract #: 062320-ALT
 Date: 7/16/2024

Quoted for: City of Petersburg
 Quoted by: Bryce Saddoris
 Phone: / Email: (360) 218-6930 / bryce.saddoris@altec.com

REFERENCE MODEL	Sourcewell Price	Commercial List Price	Discount %
DT65 6x6, 2022 **	\$353,420	\$364,350	3%
(A.) Sourcewell Options On Contract			
1			
2			
3			

SOURCEWELL OPTIONS TOTAL: \$353,420 \$364,350 3%

(A.) **OPEN MARKET ITEMS** (Customer Requested)

1	UNIT	Unit to be Altec D3060H-TR in lieu of DT65	-\$58,815
2	UNIT & HYDRAULIC ACC		
3	BODY		
4	BODY & CHASSIS ACC		
5	ELECTRICAL		
6	FINISHING		
7	CHASSIS	Chassis and unit body to be 2024 model year in lieu of 2022	\$45,909
8	OTHER	Barge for transport from Seattle to Petersburg	\$6,500
9			
OPEN MARKET OPTIONS TOTAL:			-\$6,406

SUB-TOTAL FOR UNIT/BODY/CHASSIS: \$347,014
Delivery to Customer: \$8,220
TOTAL FOR UNIT/BODY/CHASSIS: \$355,234

(C.) **ADDITIONAL ITEMS** (items are not included in total above)

1			
2			
3			
4			

Pricing valid for 45 days and may be subject to availability at time of order

NOTES

** Denotes FET fees were paid when unit was new. Global is not FET exempt.
 All items listed subject to availability, quote provided at time of request detailing options
 Delivery is \$3.00 / mile
 Alternate year models may be available in addition to the ones shown here, they will be discounted / priced appropriately to reflect this
 Chassis model can be any standard chassis (Ford, Dodge, International, Freightliner, Peterbilt, etc.)

PAINT COLOR: White to match chassis, unless otherwise specified

TO ORDER: To order, please contact the Account Manager listed above.

CHASSIS: Per Altec Commercial Standard

DELIVERY: No later than _____ days ARO, FOB Customer Location

TERMS: Net 10 days

BEST VALUE: Altec boasts the following "Best Value" features: Altec ISO Grip Controls for Extra Protection, Only Lifetime Warranty on Structural Components in Industry, Largest Service Network in Industry, Altec SENTRY Web/CD Based Training, Dedicated/Direct Gov't Sales Manager, In-Service Training with Every Order.

***This quote does not include City, County, State, or Federal taxes.**

MOTOR POOL RECOMMENDATION

TO: STEVE GIESBRECHT, BOROUGH MANAGER
FROM: CHRIS COTTA, PUBLIC WORKS DIRECTOR
SUBJECT: FY25 VEHICLE/EQUIPMENT FLEET RECOMMENDATIONS
DATE: 04/09/24
CC: MOTOR POOL FILE

FY25 Replacement Recommendation Summary

The following is a summary of the Motor Pool's recommendations for vehicle replacements and service extensions for the next budget year.

Units replaced:	3	\$770,000
Units extended:	16	
Total recommended replacement budget:		<u>\$770,000</u>

Unit	Recommendation	Budget
PW #9 Pickup	Replace	\$ 45,000
PMPL #99 Material Handler	Replace	\$350,000
PMPL #102 Digger Derrick	Replace	\$375,000
FD #6 (1994 Pierce Pumper fire truck)	Extend for 1 year	-
FD #8 (2001 Pierce Pumper fire truck)	Extend for 2 years	-
FD #27 (2015 Ford Expedition)	Extend for 2 years	-
CD #10 (2015 Ford Explorer)	Extend for 3 years	-
P&R #ST132 (Walker Riding Mower)	Extend for 2 years	-
PW #33 (2004 Cat 924 Loader)	Extend for 2 years	-
PW #65 (2007 International Dump Truck)	Extend for 2 years	-
PW #70 (1996 International Plow Truck)	Extend for 2 years	-
PW #87 (2012 Cat Road Grader)	Extend for 3 years	-
PW #98 (2007 International Swap Loader)	Extend for 2 years	-
PW #100 (2000 Cat 950 Loader)	Extend for 1 year	-
PW #106 (2003 Clark Forklift)	Extend for 1 year	-
PW #114 (2015 Ford F550)	Extend for 2 years	-
Water #GEN1 (1995 Kohler Generator)	Extend for 3 years	-
Water #7 (2000 Ace Water Tank)	Extend for 1 year	-
WW #82 (2010 Ford F550)	Extend for 2 years	-
Total Replacement Budget requested FY2025		\$770,000

Fleet Replacement Recommendations

Public Works #9 (2003 Ford F250 Pickup) This pickup is used by the Public Works department as the Foreman's vehicle, for general hauling duties and also serves as our magnesium chloride application vehicle in the winter months. Originally scheduled for replacement in 2015, it has been extended several times due to being in better than expected condition. This unit is now showing its age with 80K miles and underbody rust issues. The engine is also having problems and has blown several spark plugs out of the cylinder heads. Although still in service, it needs to be replaced soon.

Power & Light #99 (2010 International Material Handler) This is the Power & Light Department's 55' bucket truck and is used for line clearing, service upgrades, transformer work and any other aerial work not accessible with the smaller bucket truck. It was originally scheduled for replacement in FY20 but has been extended twice, in FY20 (for 2 years) and in FY22 (for 3 years). Recently this truck has experienced a lot of hydraulic control and electrical issues and the body is beginning to rust out. Due to the critical nature of this truck's mission in regard to both infrastructure maintenance and personnel safety, it is recommended to replace this unit now before any major failures occur.

Power & Light #102 (2010 International Digger Derrick) This unit is used by the Power & Light department for hauling and placing power poles, transformers, general crane work, and as a tool carrier. It was originally slated for replacement in FY20 and has been extended for a total of 5 years. There have been intermittent issues with the controls on this truck that have not been fully resolved. The boom and stabilizers have function issues and the frame has also been weakened from some old fabrication work (we believe by the factory) that has deteriorated due to corrosion. It is one of the two main line trucks that are critical to the ongoing safe operations of the department. As such, we recommend replacement now before this unit develops any further problems that result in compromised reliability or crew safety.

Fleet Extensions

A total of 16 units are recommended for extension. The various vehicles and equipment were evaluated by the Motor Pool dept. All units recommended for extension have been found to be reliable and in good mechanical condition. The units listed in the first page summary are being recommended for 1-3 year extensions with details provided upon request.

End of Recommendation

Planning Commission Report & Findings of Fact

Commission Meeting Date: June 11, 2024

APPLICANT/AGENT:

Island Refrigeration, LLC
Brock Snider

OWNER(S), IF DIFFERENT:

Petersburg Borough

LEGAL DESCRIPTION:

McFadden Lease Parcel B,
Plat#95-7

LOT AREA:

3,923 Sq Ft

LOCATION:

107A Dock St

SURROUNDING ZONING:

North: Industrial
South: Industrial
East: Industrial
West: Industrial

ZONING:

Industrial

PID:

01-008-242

APPLICATION SUBMISSION DATE:

4/2/2024

I. APPLICANT REQUEST: The applicant has requested to purchase Borough owned property located off Dock Street. (PID: 01-008-242)

II. APPLICABLE CODE:

16.12 ACQUISITION OR DISPOSAL OF BOROUGH PROPERTY

16.16 TIDELANDS

19.44 INDUSTRIAL DISTRICT

III. FINDINGS:

- a. The subject property is approximately 3,923 sf of vacant waterfront property owned by the Petersburg Borough.
- b. The subject property is zoned industrial.
- c. The proposed use of the property is to establish a marine refrigeration and electrical facility to serve the commercial fishing fleet. The intended use is consistent with the existing zoning.
- d. The property has legal access to Dock St.
- e. Municipal utilities are located at Dock St but would need to be extended to the subject parcel.
- f. No portion of the property is located within a flood zone.
- g. Per borough code, tidelands maybe sold in isolated and necessary instances when not needed for public purposes.
- h. Borough departments have reviewed the request and determined the property is not needed for a public purpose. Additional comments are attached.

Planning Commission Report & Findings of Fact

Commission Meeting Date: June 11, 2024

IV. PUBLIC NOTICE

The borough provided public notice of the hearing. Notice was mailed by first class mail to the owner of record of the property within six hundred feet of the exterior boundary of the property that is the subject of the application.

V. APPLICATION REVIEW

a. The application is classified as a request to purchase borough property.

b. Criteria –

Per 16.12.050, no borough property in Service Area 1 may be disposed of unless it has been zoned by the borough. As noted in Section III, Findings, the subject property is zoned Industrial.

Per 16.12.080 (A), the Planning Commission may require an applicant to state the nature, extent, size and general specifications of improvements the applicant intends to construct upon the real property and the time when the improvements will be completed.

VI. ACTION

The commission recommends to the Borough Assembly that McFadden Lease Parcel B, Plat #95-7 be approved for sale along with the findings as presented.

Based on the preceding findings of fact, the Petersburg Planning Commission makes the following report to the Borough Assembly

a. The subject property is not needed for a public purpose.

b. The subject property is appropriately zoned for its intended future use.

EXHIBITS

- A. Applicant materials
- B. Vicinity & Detail Maps
- C. Public Hearing Mailout
- D. Comments - none

Applicant Material



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: DGT

Fee: \$ 560.00

Date Rec'd: 4/2/24

Date: 4/1/2024

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

Lease **Purchase** Exchange Other

Parcel ID #(s) of Subject Property:

01-008-242
T-37 PTN, Section 28, T58S,
R 79E, Survey A759

Proposed term of lease: _____

(total years)

Legal Description of Property:

107A Dock St.

Current Zoning of Property:

INDUSTRIAL

Applicant Name:

ISLAND REFRIGERATION, LLC

Applicant Mailing Address:

BROCK SNIDER

PO Box 2185, PETERSBURG AK 99833

Applicant Contact Info:
(phone and/or email)

BROCK SNIDER 907-518-1310

Brock@islandref.com

1. Size of Area requested (identify the minimum area necessary in square feet): 3,923

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.

SEE ATTACHED

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)

SEE ATTACHED

THIS PARCEL WOULD BE USED FOR THE SAME PURPOSES AS ISLAND REFRIGERATION HAS APPLIED FOR IN THE LAND DISPOSAL APPLICATION FOR THE ADJACENT PROPERTY (A PORTION OF WILSON TIDELANDS LEASE PLAT # 2000-6 T-37)

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

PETERSBURG BOROUGH
US COAST GUARD, LESSEE

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)

LOCAL BUILDING PERMIT

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

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?

SEE ATTACHED NARRATIVE

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

SEE ATTACHED NARRATIVE

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: See attached for comments from Utility Director Hagerman (Elec, W, WW), Harbor Master Wollen, PW Director Cotha and Com Dev Director Cabrera.

Signature of Department Commenter

Department Comments:

Signature of Department Commenter

Department Comments:

Signature of Department Commenter

Department Comments:

Signature of Department Commenter

Island Refrigeration General Purpose for Applying to Purchase Land

Petersburg's waterfront, particularly the parcel near South Harbor, holds immense potential for bolstering our community's economic and marine vitality. Currently, this industrially zoned waterfront land, owned by the borough, is underutilized, primarily serving as net storage. Given its strategic location and the overarching vision of the borough to prioritize marine uses, there's an evident opportunity to maximize its utility. However, due to the complications of ownership of the land, a business owner is very hesitant to invest in a building on leased land. This reveals a self-contradicting plan design.

Historically, the lease model has presented challenges for business owners looking to invest and develop properties. A prime example is Wikan Enterprises who, after building on leased land, faced significant obstacles in selling his property. This is partially due to lenders' hesitancy in providing loans for properties on leased land, given the complications in asset seizures. But it is also a challenge for the seller to establish a price for the structure built on leased property. Recognizing this challenge, the borough took the step of allowing this individual to purchase the land his building occupied, paving the way for a smoother business transition.

As a community, we are at a crossroads. Many of our skilled tradesmen are approaching retirement, emphasizing the need to support and nurture the next generation of marine professionals. My team and I represent this new wave of dedicated workers, fully committed to supporting the commercial fishing fleet. Specializing in marine refrigeration and electrical work, our business is exclusively tailored to serve and uplift the fleet, ensuring its continued success. Very few locations near the harbors, where we do nearly 100% of our work, are available to build, buy or even rent. This property would be a chance for us to establish a long-term location where we can be close to where we are needed.

By granting us this land, the borough would be entrusting a valuable asset to individuals deeply invested in Petersburg's marine future. Not only would this move alleviate the property's current limitation as storage, but it would also symbolize a proactive approach in ensuring the land's optimal use. Furthermore, given the scarcity and high cost of land on the island, acquiring this parcel would enable us to establish a permanent base, further cementing our commitment to the community and the fleet.

In conclusion, this proposal isn't just about land acquisition; it's about envisioning a future where Petersburg's marine heritage thrives, supported by passionate professionals dedicated to its success. We humbly request the borough's consideration in granting us this opportunity.

3. Narrative on Use of Property:

The proposed use of the land is to establish a marine refrigeration and electrical facility tailored to support Petersburg's commercial fishing fleet. We anticipate beginning operations within six months of acquiring the land. The overall use of the property would be to be the headquarters for Island Refrigeration and Marine Electrical, which would be housed in two buildings which would be built in phases. The first building would house the parts warehouse, office, a small work area/toolroom, and a basic showroom and retail area. This structure is a steel building 40'x80' intent to utilize durable marine-grade materials to withstand Petersburg's waterfront conditions. The construction phase is expected to span approximately 12 months from the start date. The estimated dollar value of these improvements stands at \$500,000. Our proposal's value to the borough's economy is twofold: directly, by enhancing marine services and infrastructure, and indirectly, by creating jobs and fostering economic activity. As a team of young professionals dedicated to marine trades, our venture symbolizes a generational commitment to bolstering Petersburg's marine heritage.

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

This request aligns with the borough's vision of prioritizing marine uses, especially in strategic locations like the parcel near South Harbor. While the current use as storage serves a purpose, diversifying its utility can lead to broader economic benefits. Given the challenges highlighted by the leasing model, granting this land to a committed business like ours not only optimizes its use but also sends a positive message about the borough's adaptability and forward-thinking approach.

9. Consistency with the Borough's Comprehensive Plan:

Our proposal resonates with the comprehensive plan's emphasis on marine vitality and economic development. The establishment of a marine refrigeration and electrical facility directly supports and uplifts the commercial fishing fleet, a cornerstone of Petersburg's identity. Furthermore, by nurturing the next generation of marine professionals, we are laying the groundwork for sustainable growth and ensuring that our marine traditions continue to flourish.

Debra Thompson

From: Chris Cotta
Sent: Tuesday, April 2, 2024 12:25 PM
To: Glorianne Wollen; Debra Thompson; Karl Hagerman; Liz Cabrera
Subject: RE: Island Refrigeration Land Purchase Application PID #01-008-242

All,

Comments from Public Works remain the same as before – no changes needed.

Chris

From: Glorianne Wollen <gwoollen@petersburgak.gov>
Sent: Tuesday, April 2, 2024 12:24 PM
To: Debra Thompson <dthompson@petersburgak.gov>; Karl Hagerman <khagerman@petersburgak.gov>; Chris Cotta <ccotta@petersburgak.gov>; Liz Cabrera <lcabrera@petersburgak.gov>
Subject: RE: Island Refrigeration Land Purchase Application PID #01-008-242

Ok, thank you.

From: Debra Thompson <dthompson@petersburgak.gov>
Sent: Tuesday, April 2, 2024 12:05 PM
To: Glorianne Wollen <gwoollen@petersburgak.gov>; Karl Hagerman <khagerman@petersburgak.gov>; Chris Cotta <ccotta@petersburgak.gov>; Liz Cabrera <lcabrera@petersburgak.gov>
Subject: RE: Island Refrigeration Land Purchase Application PID #01-008-242

It's a completely separate application. Will need to be appraised, etc.

Debra K. Thompson, CMC
Borough Clerk/Human Resources Director

Petersburg Borough
907-772-5405



From: Glorianne Wollen <gwoollen@petersburgak.gov>
Sent: Tuesday, April 2, 2024 12:03 PM
To: Karl Hagerman <khagerman@petersburgak.gov>; Debra Thompson <dthompson@petersburgak.gov>; Chris Cotta <ccotta@petersburgak.gov>; Liz Cabrera <lcabrera@petersburgak.gov>
Subject: RE: Island Refrigeration Land Purchase Application PID #01-008-242

Thanks Debbie, my prior comments to the original application still apply.

Debra Thompson

From: Glorianne Wollen
Sent: Friday, November 10, 2023 3:40 PM
To: Debra Thompson; Liz Cabrera; Karl Hagerman; Chris Cotta
Cc: Stephen Giesbrecht
Subject: RE: Island Refrigeration Land Purchase Application

Hi Debbie,

10.

This is Borough's Port waterfront property that was filled in and developed in the early 80's by the Harbor and has been managed and maintained for marine use by the Port and Harbor Department. We are glad we have an opportunity to comment on its future.

Will start with a little history. The originally authorized City Council's plan for this developed Port property on Dock Street was to be used as a marine industrial park with partials of leasable land that marine businesses could use for short- or long-term purposes. The objective was to protect an area within the waterfront and keep it available for specific marine industry businesses to enhance the available support for our commercial fleet and harbor users. The goal of leasing borough property gave the Borough some oversight to ensuring the marine nature of the use of the property, especially during the sale of improvements associated with the said leased property. Over the last 40 years the Port property has been leased and used for a variety of marine businesses ie: USCG Port Building, Alaska Commercial Electronics, Wikan Enterprise, Wally MacDonald's Fleet Refrigeration, McFadyn Shipwrights, Desire Fish Company and others have operated out of this area and met the goals of the original intention. The Port and Harbor Dept. has also used a portion of the property to house containers used for material and equipment storage and maintenance facility (welding/wood working) needs. The area has also been used as leased space for gear storage – bait houses, trailers, crab pots, tender gear etc. on a monthly square foot basis.

This being said, the decision to sell the leased Port property to Wikan Enterprises changes the landscape and the need outlined by Mr. Snider is hard to argue with. His business, Island Refrigeration is the second generation of Wally MacDonald's Fleet Refrigeration and is instrumental to supporting the SE fishing industry. There are a couple of local businesses we notice "put Petersburg on the map" as far as vessels that come from elsewhere to have work done here in Petersburg and Island Refrigeration is one of them.

Being familiar with refrigeration maintenance needs onboard our commercial fleet, we understand that location is an important element for this particular business and their customer base to thrive. More importantly to keep the original vision of a marine industrial park which is integral to the local fleet's viability, staff supports the Borough's direct sale of Port property to Mr. Snider and Island Refrigeration. The Harbor Dept. is currently exploring a better location for a permanent maintenance building and storage yard so willing to relocate the storage containers and equipment as needed. The private gear storage needs will be accommodated at the Drive Down Approach where currently (free) 30 day parking is available, thus no loss of income related to the requested purchased partial.

Thanks, Glo

From: Debra Thompson <dthompson@petersburgak.gov>
Sent: Tuesday, November 7, 2023 4:33 PM
To: Liz Cabrera <lcabrera@petersburgak.gov>; Glorianne Wollen <gwollen@petersburgak.gov>; Karl Hagerman <khagerman@petersburgak.gov>; Chris Cotta <ccotta@petersburgak.gov>
Subject: Island Refrigeration Land Purchase Application

Debra Thompson

From: Chris Cotta
Sent: Tuesday, November 14, 2023 3:57 PM
To: Debra Thompson
Cc: Liz Cabrera; Glorianne Wollen; Karl Hagerman
Subject: FW: Island Refrigeration Land Purchase Application
Attachments: Island Refrigeration Land Purchase Application 11.6.2023.PDF

All,

My comments wouldn't quite fit on the attached form so I'm providing them via email. Public Works does not need the subject parcel for a public purpose. That being said, we also feel that if the outlined property is transferred to private ownership, that the driveway leading from Dock Street to the subject property should also be looked at. We have been maintaining that driveway as a courtesy to the Harbor Dept, but if there was only one property owner served by that driveway, our opinion is that it would essentially be a private drive at that point and no longer something Public Works would need to maintain. The Coast Guard lots and the Wikan Enterprises building both have access from Dock Street. Even if the driveway is left in public hands, it would only be serving one private entity (Island Refrigeration) so it would not make sense for us to maintain it going forward. This issue likely merits further discussion before any action is taken to transfer ownership of either the subject lots or the associated driveway leading from Dock Street. Thanks,

Chris Cotta
 Public Works Director
 Petersburg Borough
 (907)772-4430

From: Debra Thompson <dthompson@petersburgak.gov>
Sent: Tuesday, November 7, 2023 4:33 PM
To: Liz Cabrera <lcabrera@petersburgak.gov>; Glorianne Wollen <gwollen@petersburgak.gov>; Karl Hagerman <khagerman@petersburgak.gov>; Chris Cotta <ccotta@petersburgak.gov>
Subject: Island Refrigeration Land Purchase Application

Liz, Glo, Karl & Chris,

Brock Snider, owner of Island Refrigeration, has applied to purchase the lot behind Wikan Enterprises on Dock Street (parcel #01-010-035). Please note on the application or in an email whether or not your department has a need to keep the parcel in Borough ownership. Once I hear from all of you I will forward the application to the Planning Commission.

Thank you,
 Debbie

Debra K. Thompson, CMC
 Borough Clerk/Human Resources Director

Petersburg Borough
 907-772-5405

On another note, Is he expecting to slip that in under the same purchase agreement or expecting the cost go up a little (\$56,000) using the number Ramsey applied to the larger parcial.

Thanks!

From: Karl Hagerman <khagerman@petersburgak.gov>

Sent: Tuesday, April 2, 2024 11:59 AM

To: Debra Thompson <dthompson@petersburgak.gov>; Glorianne Wollen <gwollen@petersburgak.gov>; Chris Cotta <ccotta@petersburgak.gov>; Liz Cabrera <lcabrera@petersburgak.gov>

Subject: RE: Island Refrigeration Land Purchase Application PID #01-008-242

The water, wastewater and electric departments do not need the subject lot for any public purpose.

Thanks,

Karl Hagerman
Utility Director
907-772-5421

From: Debra Thompson <dthompson@petersburgak.gov>

Sent: Tuesday, April 2, 2024 11:51 AM

To: Karl Hagerman <khagerman@petersburgak.gov>; Glorianne Wollen <gwollen@petersburgak.gov>; Chris Cotta <ccotta@petersburgak.gov>; Liz Cabrera <lcabrera@petersburgak.gov>

Subject: Island Refrigeration Land Purchase Application PID #01-008-242

Karl, Glo, Chris & Liz,

Please find attached a new land purchase application filed today by Brock Snider with Island Refrigeration for a @ 4,000 sq. ft. lot next to the one he already applied to purchase on the south side of Dock Street. He had included this smaller parcel in his original application, but I didn't notice that it was included and only brought forward PID #01-0010-035 to the Planning Commission and Assembly - and that is all we obtained an appraisal for. Brock isn't worried about the error but does want to apply to purchase this parcel as well.

Please respond via email whether your department needs this parcel for a public purpose.

Thank you,
Debbie

Debra K. Thompson, CMC
Borough Clerk/Human Resources Director

Petersburg Borough
907-772-5405

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

SEE ATTACHED NARRATIVE

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

SEE ATTACHED NARRATIVE

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:

Signature of Department Commenter

Department Comments: Community Development does not need the parcel for a public purpose.

Liz Cabrera

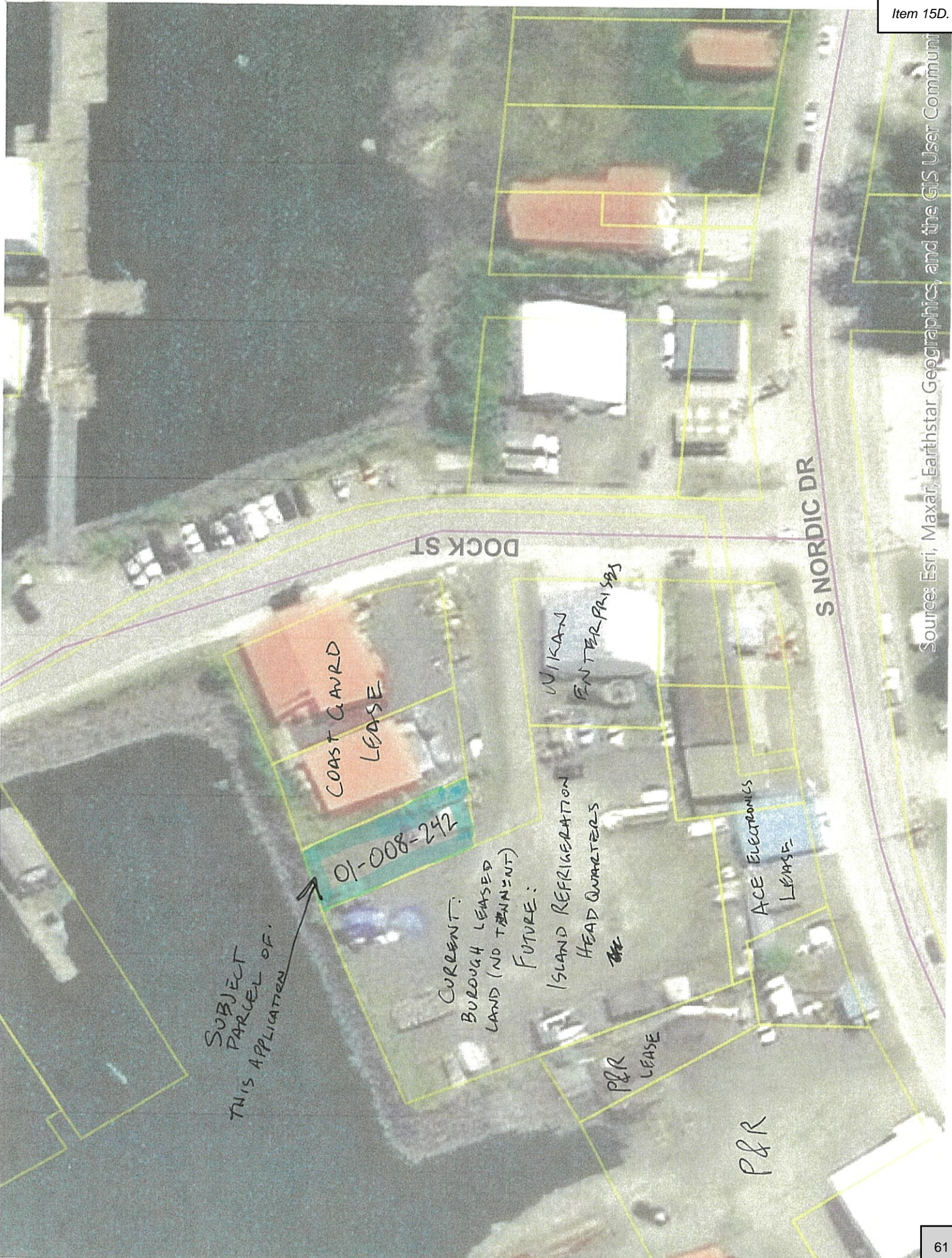
Signature of Department Commenter

Department Comments:

Signature of Department Commenter

Department Comments:

Signature of Department Commenter



SUBJECT
PARCEL OF
THIS APPLICATION

COAST GUARD
LEASE

01-008-242

CURRENT:
BOROUGH LEASED
LAND (NO TENANT)

FUTURE:
ISLAND REFRIGERATION
HEAD QUARTERS

WIKAN
ENTERPRISES

ACE ELECTRONICS
LEASE

P&R
LEASE

P&R

DOCK ST

S NORDIC DR

Source: Esri, Maxar, Earthstar Geographics, and the GIS User Community

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.

BK Sh

Applicant/Applicant's Representative

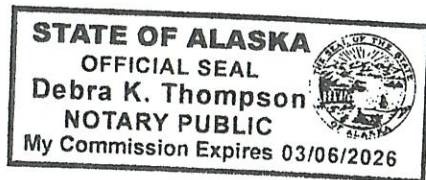
Subscribed and sworn to by Brock Snider, who personally appeared

before me this 2nd day of April, 2024.

Debra K Thompson

Notary Public

Notary Public in and for the State of Alaska. My Commission Expires: 3/6/2026

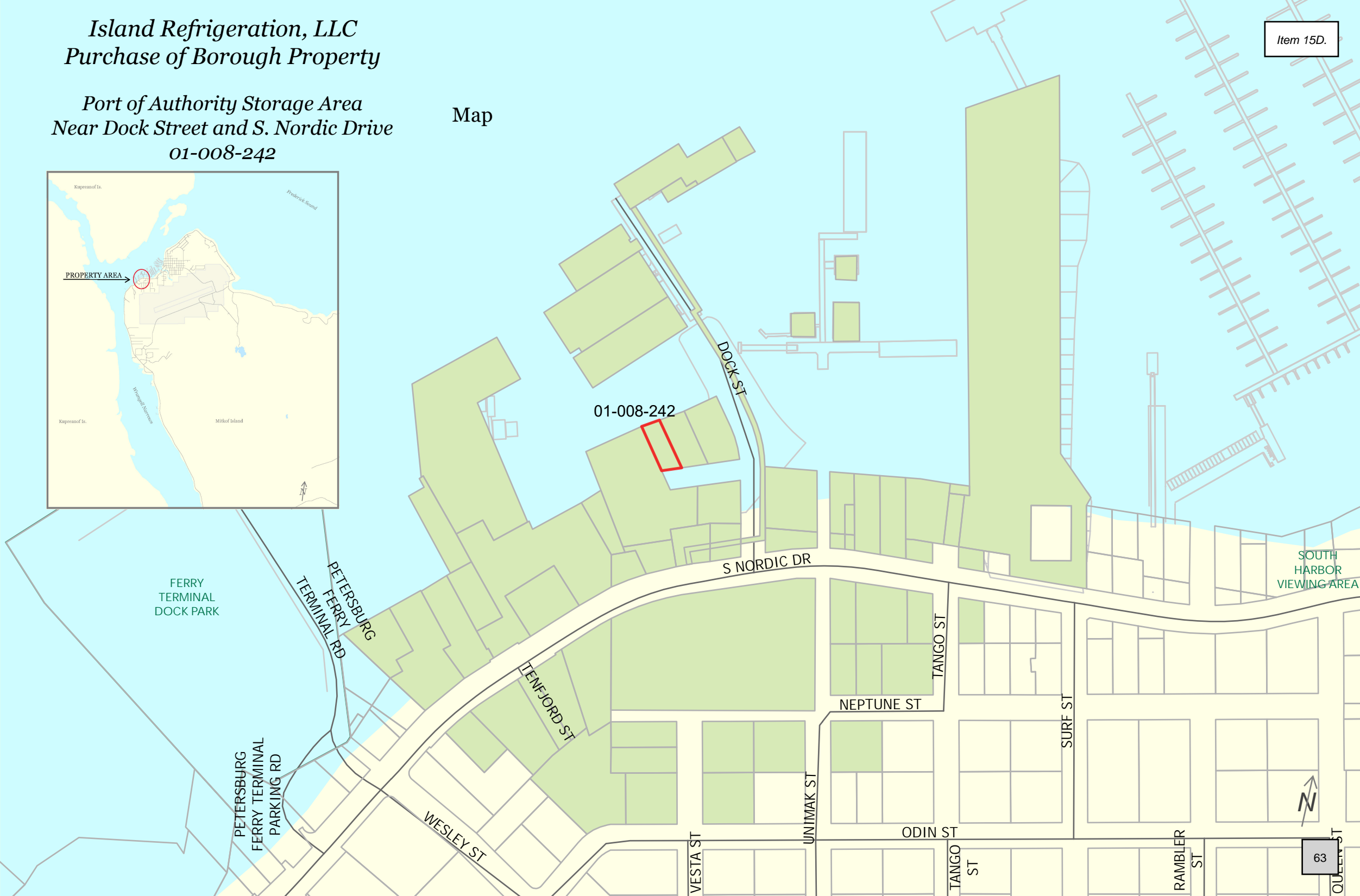


Island Refrigeration, LLC Purchase of Borough Property

Port of Authority Storage Area
Near Dock Street and S. Nordic Drive
01-008-242

Map

Item 15D.





May 20, 2024

**WIKAN JOHN B WIKAN SHERI L WIKAN ENTERPRISES INC
PO BOX 929
PETERSBURG, AK 99833-0929**

NOTICE OF SCHEDULED PUBLIC HEARINGS

The Petersburg Borough Planning Commission has scheduled a public hearing to consider:

An application from Island Refrigeration to purchase borough-owned property at 107A Dock St. (PID: 01-008-242)

The public hearing and consideration of the application will be held:	Tuesday, June 11th, 2024, at 12:00 PM Assembly Chambers, Municipal Building 12 South Nordic Drive, Petersburg, Alaska.
The meeting is open to the public. To attend via ZOOM , please contact Anna Caulum at 907-772-5409.	

Interested persons desiring to present their views on the applications, either in writing or verbally, will be given the opportunity to be heard during the above-mentioned hearing. Said hearing may be continued from time to time as necessary. If the Planning Commission is unable to meet at the date and time stated above, this application will be considered at a future meeting with no further notice provided except for the general notice provided to the public.

TO SUBMIT WRITTEN COMMENTS TO THE PLANNING COMMISSION	
By Mail:	PO Box 329, Petersburg, Alaska 99833
By Email:	acaulum@petersburgak.gov
Hand-Deliver:	Petersburg Municipal Building, 12 S. Nordic Dr.

The Petersburg Municipal Code (PMC) provides for an appeal of a Planning Commission decision to the Borough Assembly by the property owner or a governmental agency, or any property owner within 600' of the applicant property and requires that such an appeal be filed within 10 consecutive calendar days of the date the decision is made. For more information regarding appeal requirements, please see PMC Chapter 19.92.

Sincerely,

Liz Cabrera,
Community & Economic Development Department

Name1	Name2	Address1	City	State	Zip
CHRIST FRY		PO BOX 1440	PETERSBURG	AK	99833-1440
HEATHER O'NEIL		PO BOX 1083	PETERSBURG	AK	99833-1083
SALLY DWYER		PO BOX 1788	PETERSBURG	AK	99833-1788
JIM FLOYD		PO BOX 281	PETERSBURG	AK	99833-0281
JOHN JENSEN		PO BOX 681	PETERSBURG	AK	99833-0681
PHIL MEEKS		PO BOX 1514	PETERSBURG	AK	99833-1514
MARIETTA DAVIS		PO BOX 673	PETERSBURG	AK	99833-0673
ISLAND REFRIGERATION, LLC		PO BOX 2185	PETERSBURG	AL	99833-2185
ALASKA COMMERCIAL ELECTRONICS LLC	PETERSBURG BOROUGH LESSOR	PO BOX 1144	PETERSBURG	AK	99833-1144
ANDERSON AMY E		PO BOX 1781	PETERSBURG	AK	99833-1781
BIRCHELL PROPERTIES LLC	PETERSBURG BOROUGH LESSOR	PO BOX 12	PETERSBURG	AK	99833-0012
BOJORQUEZ-FELIX RICARDO		PO BOX 2011	PETERSBURG	AK	99833-2011
CURTISS KERRI		PO BOX 1532	PETERSBURG	AK	99833-1532
DAHL JEROME E	DAHL STACEY	PO BOX 1275	PETERSBURG	AK	99833-1275
KIVISTO ROBERT S		PO BOX 1781	PETERSBURG	AK	99833-1781
LITSHEIM PETER	LITSHEIM THERESA	PO BOX 856	PETERSBURG	AK	99833-0856
MARSH KIRT	MARSH DONNA	PO BOX 1421	PETERSBURG	AK	99833-1421
MARTIN BROCK F	WEBB SUZANNE M	PO BOX 1398	PETERSBURG	AK	99833-1398
MENISH SCHONBERG LIVING TRUST		PO BOX 877	PETERSBURG	AK	99833-0877
NORDIC HOUSE BED & BREAKFAST INC		PO BOX 469	PETERSBURG	AK	99833-0469
OLSEN OLIVIA J		PO BOX 221	PETERSBURG	AK	99833-0221
PARKER SAMMY	NEWTON LEEROY	PO BOX 1364	PETERSBURG	AK	99833-1364
PERRY DONALD E	PERRY LYNNE M	PO BOX 1566	PETERSBURG	AK	99833-1566
PETERSBURG FLYING SERVICES LLC LESSEE	ALASKA DOT & PF LESSOR	PO BOX 1348	PETERSBURG	AK	99833-1348
PETRO 49 INC	HARBOR ENTERPRISES INC	PO BOX 389	SEWARD	AK	99664
PISTON AND RUDDER SERVICE INC		PO BOX 1308	PETERSBURG	AK	99833-1308
RIBICH ELI	RIBICH GAIL	PO BOX 110	PETERSBURG	AK	99833-0110
ROCKY'S MARINE INC. LESSEE	PETERSBURG BOROUGH LESSOR	PO BOX 690	PETERSBURG	AK	99833-0690
ROSVOLD LESSEE ERIC LESSEE	ALASKA DOT & PF LESSOR	PO BOX 1144	PETERSBURG	AK	99833-1144
RUTHERFORD ANDREW LESSEE	ALASKA DOT & PF LESSOR	PO BOX 190498	ANCHORAGE	AK	99519-0498
SMITH LYNN M		PO BOX 841	PETERSBURG	AK	99833-0841
STEBER NORIE	STEBER GERALD M JR	PO BOX 102	PETERSBURG	AK	99833-0102
STROMDAHL JAMES	STROMDAHL MARY	PO BOX 1326	PETERSBURG	AK	99833-1326
TUCKER EMIL K	CHRISTENSEN CARIN L	PO BOX 1785	PETERSBURG	AK	99833-1785
US COAST GUARD LESSEE	PETERSBURG BOROUGH LESSOR	PO BOX 1290	PETERSBURG	AK	99833-1290
US FOREST SERVICE LESSEE	PETERSBURG BOROUGH LESSOR	PO BOX 1328	PETERSBURG	AK	99833-1328
VOLK EDWARD J	VOLK RENEE I	PO BOX 1564	PETERSBURG	AK	99833-1564
WEATHERS LAIFE	WEATHERS ANDREA	PO BOX 167	PETERSBURG	AK	99833-0167
WIKAN JOHN B WIKAN SHERI L	WIKAN ENTERPRISES INC	PO BOX 929	PETERSBURG	AK	99833-0929

Planning Commission Report & Finding of Fact

Planning Commission Meeting Date: July 9, 2024

APPLICANT/AGENT:

Pacific Rose LLC
Bill Menish

OWNER(S), IF DIFFERENT:

Petersburg Borough

LEGAL DESCRIPTION:

McFadden Lease Parcel B,
Plat#95-7

LOT AREA:

3,923 Sq Ft

LOCATION:

107A Dock St

SURROUNDING ZONING:

North: Industrial
South: Industrial
East: Industrial
West: Industrial

ZONING:

Industrial

PID:

01-008-242

APPLICATION SUBMISSION DATE:

6/5/2024

I. APPLICANT REQUEST: The applicant has requested to purchase Borough owned property located off Dock Street. (PID: 01-008-242)

II. APPLICABLE CODE:

16.12 ACQUISITION OR DISPOSAL OF BOROUGH PROPERTY

16.16 TIDELANDS

19.44 INDUSTRIAL DISTRICT

III. FINDINGS:

- a. The subject property is approximately 3,923 sf of vacant waterfront property owned by the Petersburg Borough.
- b. The subject property is zoned industrial.
- c. The proposed use of the property is to construct a 40'x80' metal building for heated boat storage. The intended use is consistent with the existing zoning.
- d. The property has legal access to Dock St.
- e. Municipal utilities are located at Dock St but would need to be extended to the subject parcel.
- f. No portion of the property is located within a flood zone.
- g. Per borough code, tidelands maybe sold in isolated and necessary instances when not needed for public purposes.
- h. Borough departments have reviewed the request and determined the property is not needed for a public purpose. Additional comments are attached.

Planning Commission Report & Finding of Fact

Planning Commission Meeting Date: July 9, 2024

IV. PUBLIC NOTICE

The borough provided public notice of the hearing. Notice was mailed by first class mail to the owner of record of the property within six hundred feet of the exterior boundary of the property that is the subject of the application.

V. APPLICATION REVIEW

a. The application is classified as a request to purchase borough property.

b. Criteria –

Per 16.12.050, no borough property in Service Area 1 may be disposed of unless it has been zoned by the borough. As noted in Section III, Findings, the subject property is zoned Industrial.

Per 16.12.080 (A), the Planning Commission may require an applicant to state the nature, extent, size and general specifications of improvements the applicant intends to construct upon the real property and the time when the improvements will be completed.

VI. ACTION

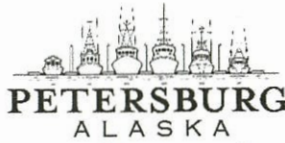
The Commission recommends to the Borough Assembly that McFadden Lease Parcel B, Plat #95-7 be approved for sale along with the findings as presented.

Based on the preceding findings of fact, the Petersburg Planning Commission makes the following report to the Borough Assembly

- a. The subject property is not needed for a public purpose.
- b. The subject property is appropriately zoned for its intended future use.
- c. Project will be reviewed by State Fire Marshal for compliance with fire code prior to construction. This may require reducing the width of the structure to meet fire separation standards.

EXHIBITS

- A. Applicant materials
- B. Vicinity & Detail Maps
- C. Public Hearing Mailout
- D. Comments



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: KT
 Fee: \$ 500⁰⁰
 Date Rec'd: 6/5/24

Date: 6-4-24

This is a request for land disposal via:

- Lease
- Purchase
- Exchange
- Other _____
(Describe)

Parcel ID #(s) of Subject Property:
01-008-242

Proposed term of lease: _____
(total years)

Legal Description(s) of Property:
McFadden Tidelands lease Plat
Plat # 95-7, USS ATS 9, Tidelands T-37,
Section 28, Township 58S, Range 79E

Current Zoning of Property:
industrial

Is the Applicant applying to purchase under Petersburg Municipal Code Section 16.12.030 as one of the following? If yes, check approximate box below:

- State of Federal Agency
- Federally Recognized Tribe
- Nonprofit Entity
- Applying to Purchase for a Public Benefit Purpose per PMC 16.12.030

Applicant Name: Pacific Rose LLC

Applicant Mailing Address: P.O. Box 877
Petersburg AK 99833

Applicant Contact Info:
(telephone and email) Bill Menish cell 206-910-4401
billrmenish@gmail.com

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

A. Name, address and place of incorporation: NA

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

X Name and address of registered agent: Pacific Rose LLC, Bill Menish 710 S Nordic P.O. Box 827 Petersburg AK 99833

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

attached sheet

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

attached sheet

10. Prior to submitting this application, please verify with pertinent Borough Departments that the land requested for lease, purchase, exchange or other disposal 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: See attached comments from the Harbor, Water, Wastewater, Electric, Public Works & Community Development Departments.

Signature of Department Commenter

Department Comments: _____

Signature of Department Commenter

- ✓ 1. Size of Area requested (identify the minimum area necessary in square feet): 3923
- ✓ 2. Attach a map showing the location of the parcel(s) requested. Map must show surrounding area with the land requested clearly marked with bolded borders or highlighted color.

If applicant is applying to purchase property under PMC 16.12.030 for a public benefit purpose, the application must include, at a minimum, the following:

- ~~a) a conceptual plan;~~
- ~~b) a financial plan; and~~
- ~~c) a development timeline~~

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)

Attached sheet

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

Island Refrigeration LLC _____
Petersburg Borough _____
US Coast Guard _____

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)

Petersburg Borough building permit _____

3 narrative-Use of Property

The proposed use of land is to build a metal steel building, 40 feet X 80 feet X 18 feet high for inside storage of boats that will be heated. The demand is there, without the product, so with boats, as expensive as they are, getting them out of the weather is a great value to boat owners.

After permitting and engineering, for the building, a start date would be approximately 6/15/2025 with a finish date of 10/31/2025.

Cost estimate is \$340,000 to \$370,000.

#8 Reason for approving request

To put up a metal steel building that can house boats in a heated environment follows along with the plan of marine industrial that the Borough would like to see.

#9 Consistency with the Borough's comprehensive plan

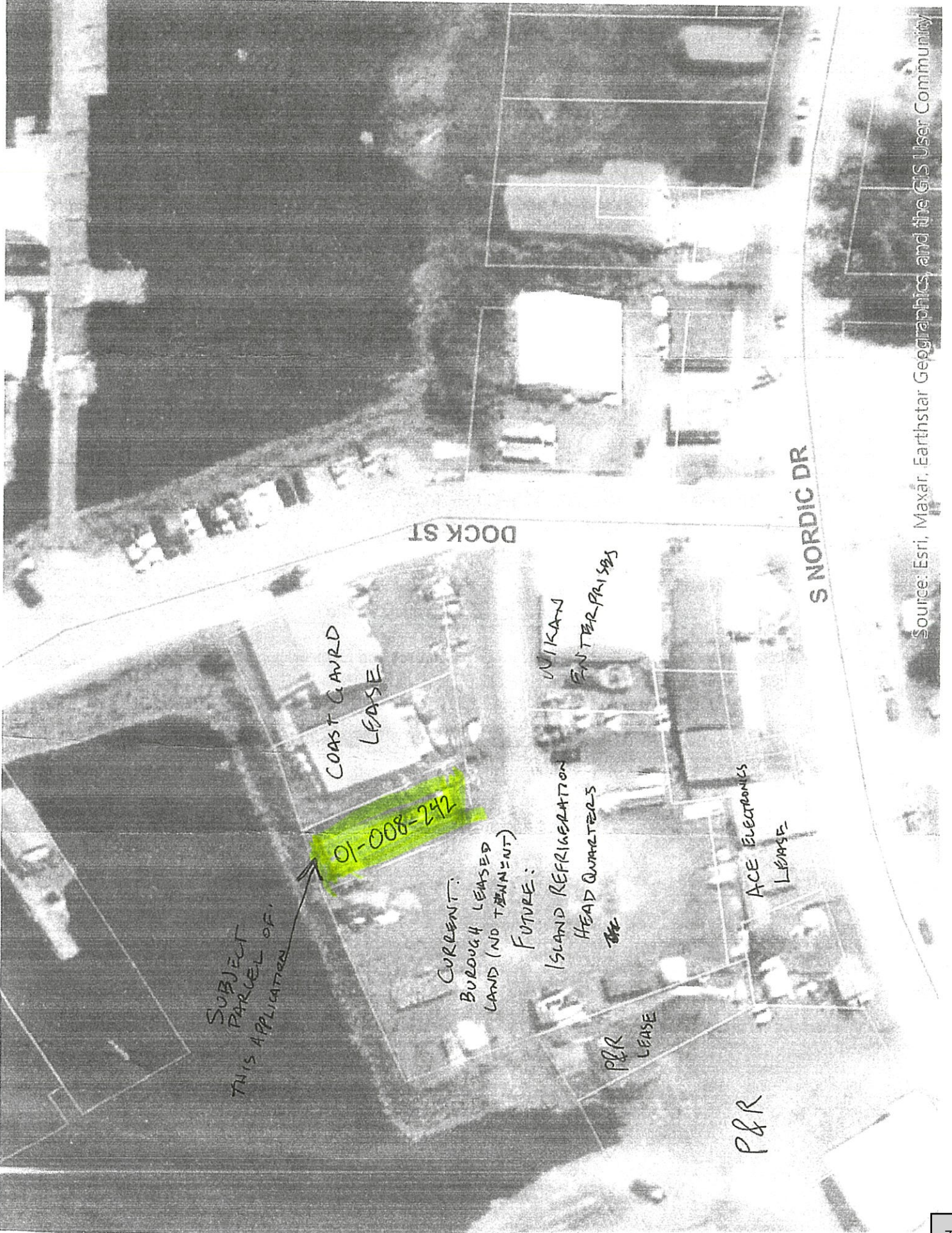
This business will follow along with usage of the waterside land this town wants to keep marine related for businesses.

NOTES

- 1) To address right of way maintenance, I am willing to take over the Maintenance of the road, prorating it with Island refrigeration, assuming the Borough would retain ownership of the easement.

2) As far as looking for a price reduction on parcel 10, I have found that I could get a loan relatively easy to put a building up even if the land was leased. I feel the appraised value at \$15 per square foot is a reasonable valuation.

3) I understand this parcel could be rezoned to Marine Industrial but is in the planning phase at this point.



SUBJECT
PARCEL OF
THIS APPLICATION

01-008-242

COAST GARD
LEASE

CURRENT:
BURROGH LEASED
LAND (NO TENANT)

FUTURE:
ISLAND REFRIGERATION
HEAD QUARTERS

NIKAN
ENTERPRISES

P&R
LEASE

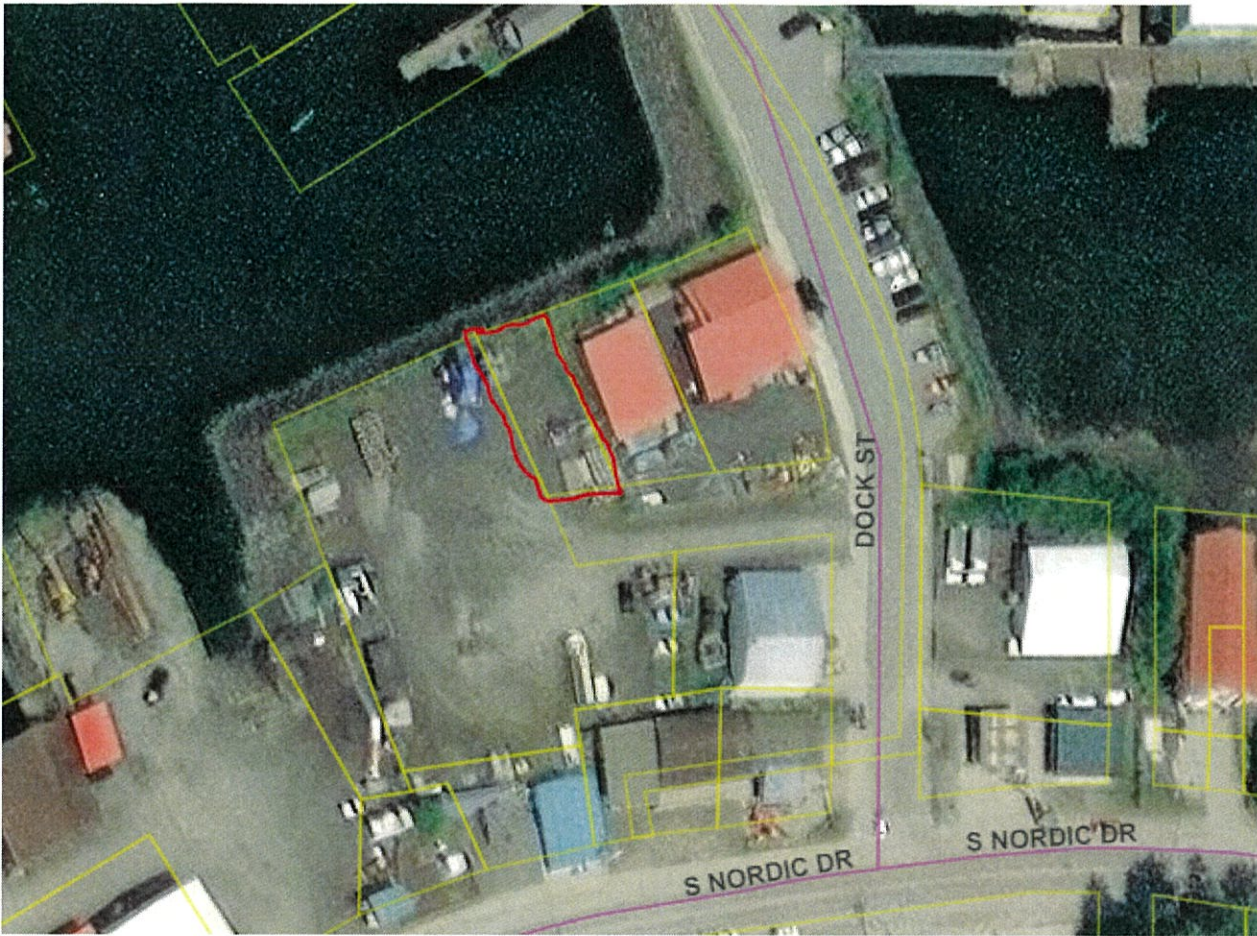
P&R

ACE ELECTRONICS
LEASE

DOCK ST

SNORDIC DR

Source: Esri, Maxar, Earthstar Geographics, and the GIS User Community



Parcel ID 01-008-242

107 A Dock St.

Legal description = McFadden Tidelands Lease Plat,
Plat #95-7, US Survey AT3-9, Tidelands T-37,
Section 28, Township 58S, Range 79E,
Petersburg Recording District

Zoning = Industrial

Debra Thompson

From: Glorianne Wollen
Sent: Wednesday, June 5, 2024 12:42 PM
To: Billrmenish; Karl Hagerman; Liz Cabrera; Debra Thompson; Chris Cotta
Subject: RE: Parcell 01-008-242 purchase

HI Bill, thanks for the chat.

Yes, the Harbor is currently using the piece you are speaking of and will continue to do so until or if the Assembly decides to sell it.

Glo

-----Original Message-----

From: Billrmenish <billrmenish@gmail.com>
Sent: Tuesday, June 4, 2024 2:23 PM
To: Karl Hagerman <khagerman@petersburgak.gov>; Liz Cabrera <lcabrera@petersburgak.gov>; Debra Thompson <dthompson@petersburgak.gov>; Chris Cotta <ccotta@petersburgak.gov>; Glorianne Wollen <gwollen@petersburgak.gov>
Subject: Parcell 01-008-242 purchase

This is the 4000 square foot lot adjoining the coast guard . I am putting in an application to purchase this lot and am looking for verification from your departments that it's not needed for public purpose.
Bill menish Sent from my iPad

Debra Thompson

From: Karl Hagerman
Sent: Tuesday, June 4, 2024 4:21 PM
To: Billrmenish; Liz Cabrera; Debra Thompson; Chris Cotta; Glorianne Wollen
Subject: RE: Parcell 01-008-242 purchase

The electric, water and wastewater departments have no need for this property.

Thanks,

Karl Hagerman
Utility Director
907-772-5421

-----Original Message-----

From: Billrmenish <billrmenish@gmail.com>
Sent: Tuesday, June 4, 2024 2:23 PM
To: Karl Hagerman <khagerman@petersburgak.gov>; Liz Cabrera <lcabrera@petersburgak.gov>; Debra Thompson <dthompson@petersburgak.gov>; Chris Cotta <ccotta@petersburgak.gov>; Glorianne Wollen <gwollen@petersburgak.gov>
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Bill menish Sent from my iPad

Debra Thompson

From: Chris Cotta
Sent: Wednesday, June 5, 2024 11:34 AM
To: Liz Cabrera; Karl Hagerman; Billrmenish; Debra Thompson; Glorianne Wollen
Subject: RE: Parcell 01-008-242 purchase

Public Works has no need for the subject parcel. Thanks,

Chris

From: Liz Cabrera <lcabrera@petersburgak.gov>
Sent: Wednesday, June 5, 2024 11:30 AM
To: Karl Hagerman <khagerman@petersburgak.gov>; Billrmenish <billrmenish@gmail.com>; Debra Thompson <dthompson@petersburgak.gov>; Chris Cotta <ccotta@petersburgak.gov>; Glorianne Wollen <gwollen@petersburgak.gov>
Subject: Re: Parcell 01-008-242 purchase

Community & Economic Development have no need for this property.

From: Karl Hagerman <khagerman@petersburgak.gov>
Sent: Tuesday, June 4, 2024 4:21 PM
To: Billrmenish <billrmenish@gmail.com>; Liz Cabrera <lcabrera@petersburgak.gov>; Debra Thompson <dthompson@petersburgak.gov>; Chris Cotta <ccotta@petersburgak.gov>; Glorianne Wollen <gwollen@petersburgak.gov>
Subject: RE: Parcell 01-008-242 purchase

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Karl Hagerman
 Utility Director
 907-772-5421

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Debra Thompson

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Sent: Wednesday, June 5, 2024 11:30 AM
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Subject: Re: Parcell 01-008-242 purchase

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Sent: Tuesday, June 4, 2024 4:21 PM
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Subject: Parcell 01-008-242 purchase

This is the 4000 square foot lot adjoining the coast guard . I am putting in an application to purchase this lot and am looking for verification from your departments that it's not needed for public purpose. Bill menish Sent from my iPad

Department Comments: _____

Signature of Department Commenter

Department Comments: _____

Signature of Department Commenter

NOTICE TO APPLICANT(s):

Application must be submitted to the Borough with a non-refundable filing fee of \$500. If the application moves forward, the applicant will be required to deposit with the Borough payment for other costs. See, PMC 16.12.030C(2)(a), 16.12.090, and 16.16.070A, as applicable.

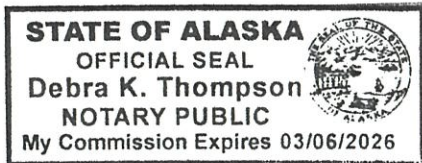
X I hereby certify that I have received and reviewed a copy of Petersburg Municipal Code Chapters 16.12 and 16.16 (as they may pertain to my particular application) and understand the Code requirements. I further certify I am authorized to sign this application on behalf of the applicant.

Please sign application in the presence of a Notary Public.

Bill Menish
Applicant/Applicant's Representative Signature

Bill Menish
Printed Name

Subscribed and sworn to by Bill Menish, who personally appeared
before me this 5th day of June, 2024.

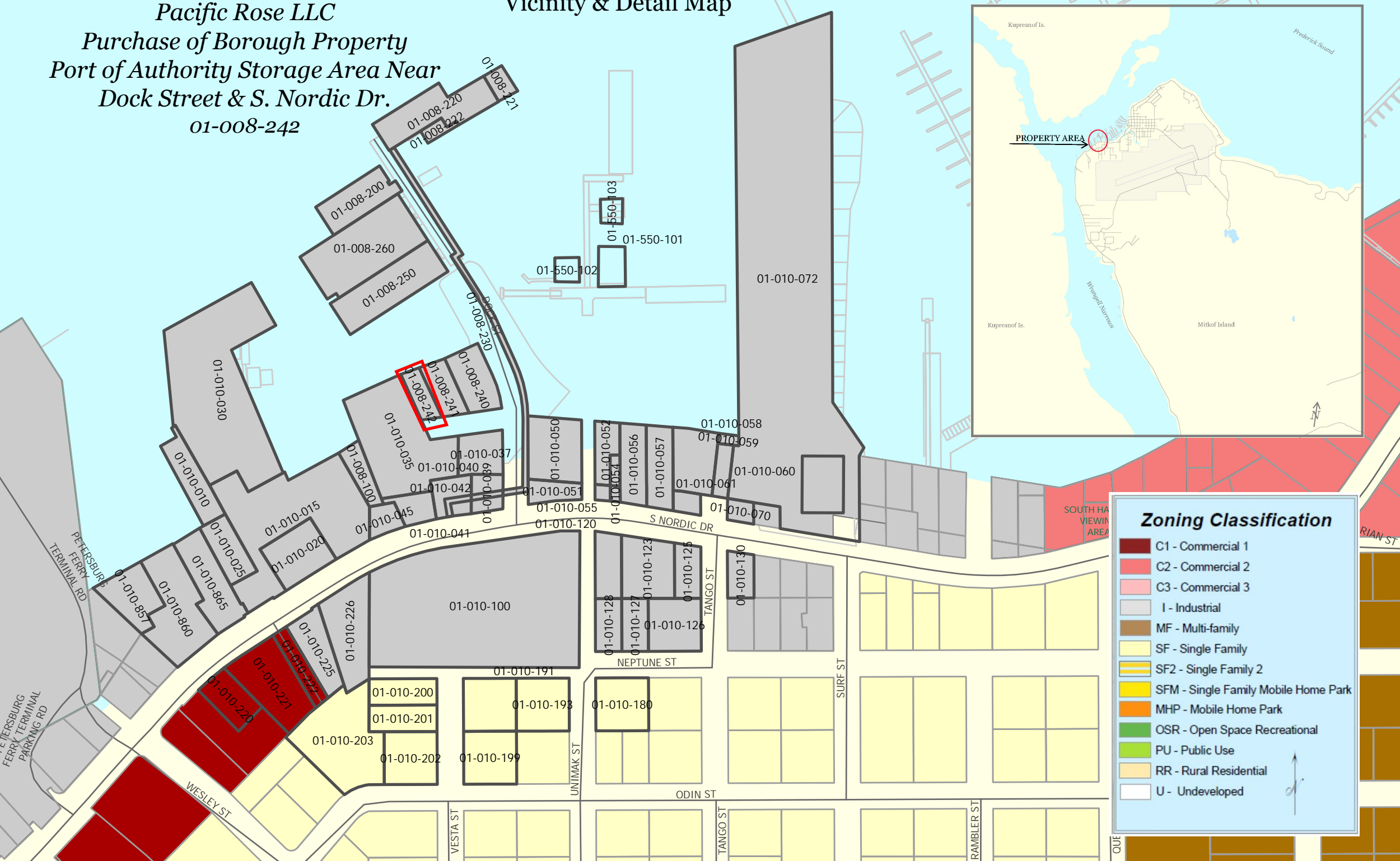


Debra K Thompson
Notary Public in and for the State of Alaska.
My Commission Expires: 3/6/2026

Pacific Rose LLC
Purchase of Borough Property
Port of Authority Storage Area Near
Dock Street & S. Nordic Dr.

01-008-242

Vicinity & Detail Map



Zoning Classification

- C1 - Commercial 1
- C2 - Commercial 2
- C3 - Commercial 3
- I - Industrial
- MF - Multi-family
- SF - Single Family
- SF2 - Single Family 2
- SFM - Single Family Mobile Home Park
- MHP - Mobile Home Park
- OSR - Open Space Recreational
- PU - Public Use
- RR - Rural Residential
- U - Undeveloped



June 17, 2024

**MARSH KIRT MARSH DONNA
PO BOX 1421
PETERSBURG, AK 99833-1421**

NOTICE OF SCHEDULED PUBLIC HEARINGS

The Petersburg Borough Planning Commission has scheduled a public hearing to consider:

An application from Pacific Rose LLC to purchase borough-owned property at 107A DOCK ST. (PID: 01-008-242).

The public hearing and consideration of the application will be held:	Tuesday, July 9th, 2024, at 12:00 PM Assembly Chambers, Municipal Building 12 South Nordic Drive, Petersburg, Alaska.
The meeting is open to the public. To attend via ZOOM , please contact Anna Caulum at 907-772-5409.	

Interested persons desiring to present their views on the applications, either in writing or verbally, will be given the opportunity to be heard during the above-mentioned hearing. Said hearing may be continued from time to time as necessary. If the Planning Commission is unable to meet at the date and time stated above, this application will be considered at a future meeting with no further notice provided except for the general notice provided to the public.

TO SUBMIT WRITTEN COMMENTS TO THE PLANNING COMMISSION	
By Mail:	PO Box 329, Petersburg, Alaska 99833
By Email:	acaulum@petersburgak.gov
Hand-Deliver:	Petersburg Municipal Building, 12 S. Nordic Dr.

The Petersburg Municipal Code (PMC) provides for an appeal of a Planning Commission decision to the Borough Assembly by the property owner or a governmental agency, or any property owner within 600' of the applicant property and requires that such an appeal be filed within 10 consecutive calendar days of the date the decision is made. For more information regarding appeal requirements, please see PMC Chapter 19.92.

Sincerely,

Liz Cabrera, Community & Economic Development Department

Name1	Name2	Address1	City	State	Zip
CHRIST FRY		PO BOX 1440	PETERSBURG	AK	99833-1440
HEATHER O'NEIL		PO BOX 1083	PETERSBURG	AK	99833-1083
SALLY DWYER		PO BOX 1788	PETERSBURG	AK	99833-1788
JIM FLOYD		PO BOX 281	PETERSBURG	AK	99833-0281
JOHN JENSEN		PO BOX 681	PETERSBURG	AK	99833-0681
PHIL MEEKS		PO BOX 1514	PETERSBURG	AK	99833-1514
MARIETTA DAVIS		PO BOX 673	PETERSBURG	AK	99833-0673
MENISH SCHONBERG LIVING TRUST		PO BOX 877	PETERSBURG	AK	99833-0877
ISLAND REFRIGERATION, LLC		PO BOX 2185	PETERSBURG	AL	99833-2185
ALASKA COMMERCIAL ELECTRONICS LLC	PETERSBURG BOROUGH LESSOR	PO BOX 1144	PETERSBURG	AK	99833-1144
ANDERSON AMY E		PO BOX 1781	PETERSBURG	AK	99833-1781
BIRCHELL PROPERTIES LLC	PETERSBURG BOROUGH LESSOR	PO BOX 12	PETERSBURG	AK	99833-0012
BOJORQUEZ-FELIX RICARDO		PO BOX 2011	PETERSBURG	AK	99833-2011
CURTISS KERRI		PO BOX 1532	PETERSBURG	AK	99833-1532
DAHL JEROME E	DAHL STACEY	PO BOX 1275	PETERSBURG	AK	99833-1275
KIVISTO ROBERT S		PO BOX 1781	PETERSBURG	AK	99833-1781
LITSHEIM PETER	LITSHEIM THERESA	PO BOX 856	PETERSBURG	AK	99833-0856
MARSH KIRT	MARSH DONNA	PO BOX 1421	PETERSBURG	AK	99833-1421
MARTIN BROCK F	WEBB SUZANNE M	PO BOX 1398	PETERSBURG	AK	99833-1398
NORDIC HOUSE BED & BREAKFAST INC		PO BOX 469	PETERSBURG	AK	99833-0469
OLSEN OLIVIA J		PO BOX 221	PETERSBURG	AK	99833-0221
PARKER SAMMY	NEWTON LEEROY	PO BOX 1364	PETERSBURG	AK	99833-1364
PERRY DONALD E	PERRY LYNNE M	PO BOX 1566	PETERSBURG	AK	99833-1566
PETERSBURG FLYING SERVICES LLC LESSEE	ALASKA DOT & PF LESSOR	PO BOX 1348	PETERSBURG	AK	99833-1348
PETRO 49 INC	HARBOR ENTERPRISES INC	PO BOX 389	SEWARD	AK	99664
PISTON AND RUDDER SERVICE INC		PO BOX 1308	PETERSBURG	AK	99833-1308
RIBICH ELI	RIBICH GAIL	PO BOX 110	PETERSBURG	AK	99833-0110
ROCKY'S MARINE INC. LESSEE	PETERSBURG BOROUGH LESSOR	PO BOX 690	PETERSBURG	AK	99833-0690
ROSVOLD LESSEE ERIC LESSEE	ALASKA DOT & PF LESSOR	PO BOX 1144	PETERSBURG	AK	99833-1144
RUTHERFORD ANDREW LESSEE	ALASKA DOT & PF LESSOR	PO BOX 190498	ANCHORAGE	AK	99519-0498
SMITH LYNN M		PO BOX 841	PETERSBURG	AK	99833-0841
STEUER NORIE	STEUER GERALD M JR	PO BOX 102	PETERSBURG	AK	99833-0102
STROMDAHL JAMES	STROMDAHL MARY	PO BOX 1326	PETERSBURG	AK	99833-1326
TUCKER EMIL K	CHRISTENSEN CARIN L	PO BOX 1785	PETERSBURG	AK	99833-1785
US COAST GUARD LESSEE	PETERSBURG BOROUGH LESSOR	PO BOX 1290	PETERSBURG	AK	99833-1290
US FOREST SERVICE LESSEE	PETERSBURG BOROUGH LESSOR	PO BOX 1328	PETERSBURG	AK	99833-1328
VOLK EDWARD J	VOLK RENEE I	PO BOX 1564	PETERSBURG	AK	99833-1564
WEATHERS LAIFE	WEATHERS ANDREA	PO BOX 167	PETERSBURG	AK	99833-0167
WIKAN JOHN B WIKAN SHERI L	WIKAN ENTERPRISES INC	PO BOX 929	PETERSBURG	AK	99833-0929

Debra Thompson

From: Stephen Giesbrecht
Sent: Monday, July 22, 2024 2:01 PM
To: Debra Thompson
Cc: Assembly
Subject: Fw: ESA finding on Gulf Chinook - public comment period
Attachments: PSPA comment on Chinook ESA listing_7-8-24.pdf; Chinook 90-day finding public Final 6.18.24.pdf

From: Nicole Kimball <NicoleK@pspafish.net>
Sent: Monday, July 22, 2024 1:50 PM
To: Mark Jensen <mayorjensen@petersburgak.gov>; Stephen Giesbrecht <sgiesbrecht@petersburgak.gov>
Subject: ESA finding on Gulf Chinook - public comment period

Mayor Jensen & Mr. Giesbrecht,

Just wanted to touch base in case Petersburg would consider comment to NOAA on their evaluation to determine whether to list Gulf of Alaska Chinook salmon under the Endangered Species Act. The deadline for comment is **Sept 6**, and it can be submitted as an email or attached letter to this portal: <https://www.regulations.gov/document/NOAA-NMFS-2024-0042-0001>

Alaska residents, fisheries, and non-fisheries businesses and industries could be significantly affected by such a listing, and there are no scientific data we are aware of that warrants a population-level risk to Gulf Chinook. We just wanted to try to get the word out since public comment makes a difference. I've attached the PSPA letter we submitted in early July, and a short ADFG backgrounder on the issue if that is helpful.

Thank you,
 Nicole Kimball (Anch) & Julie Decker (Wrangell)
 Pacific Seafood Processors Assn
 907-223-1648



July 8, 2024

Anne Marie Eich, Assistant Regional Administrator
Protected Resources Division, Alaska Region NMFS
P.O. Box 21668
Juneau, AK 99802
Submitted electronically at <https://www.regulations.gov>

Re: NOAA-NMFS-2024-0042

The Pacific Seafood Processors Association (PSPA) strongly opposes listing Gulf of Alaska Chinook salmon under the Endangered Species Act (ESA) and finds even general, publicly available data do not support such a listing. The initial petition did not present substantial scientific or commercial information indicating the action may be warranted. NMFS acknowledged that the petition included “numerous factual errors, omissions, incomplete references, and unsupported assertions and conclusions”, which should have disqualified the petition from consideration under NMFS’s regulations. In addition, the petition did not present “a complete, balanced representation of the relevant facts, including information that may contradict claims in the petition,” as also required in the regulations for ESA listing petitions. However, given the agency’s positive 90-finding, please consider the following comments in your status review of Gulf of Alaska Chinook salmon to determine whether listing under the ESA is warranted.

PSPA is comprised of major seafood processors operating in 21 communities across Alaska who provide markets for nearly every state and federal fishery managed in Alaska waters. Our members are shore-based and mothership processors who are the center of the U.S. seafood supply chain, and depend on sound, science-based decision making to ensure a sustainable resource and healthy coastal economies over the long-term. Commercial salmon fisheries are a mainstay of small and large processors’ operations in coastal communities across the Gulf of Alaska, from Ketchikan to Kodiak to the Alaska Peninsula. Thousands of fishermen and hundreds of support businesses and communities depend on this resource, which has been managed under sustained yield principles since statehood.

Given that the majority of scientific and commercial data relative to Gulf of Alaska Chinook salmon resides with the Alaska Department of Fish and Game (ADFG), **please ensure that NMFS both reviews sufficient data from State sources and includes ADFG staff as voting members of the status review team.** The agency has been clear that salmon research and management expertise is centered at the State level, given State management for decades, and the regulations require collecting and analyzing the best available scientific and commercial information on the species, including its biology, ecology, abundance and population trends, and threats to the species, to evaluate the status and extinction risk.

www.pspafish.net

ANCHORAGE

721 W. 1st Avenue
Suite 100
Anchorage, AK 99501
907 223 1648

JUNEAU

222 Seward Street
Suite 200
Juneau, AK 99801
907 586 6366

SEATTLE

1900 W. Emerson Place
Suite 205
Seattle, WA 98119
206 281 1667

WASHINGTON DC

20 F Street NW
Floor 7
Washington, DC 20001
202 431 7220

In the initial finding, NMFS stressed uncertainty about the cause of missed escapement goals in recent years and evidence of decreasing size and age at maturity. **Yet these are not indicators of population-level risk, which is the evaluation to be made under the ESA.** Please ensure your further evaluation is completed with the context that salmon management is based on variable run sizes and conditions over time, and with an understanding of the varying types of escapement goals and their basis on maximum sustained yield, which means the greatest average annual yield from a salmon stock. The State's policy is clear that the concept of maximum sustained yield should also be interpreted in a broad ecosystem context to take into account species interactions, environmental changes, an array of ecosystem goods and services, and scientific uncertainty. Escapement goals are used with fisheries management tools and restrictions to be responsive to annual changes, such that the overall system ensures long-term sustained yield.

As has occurred in the past, fishing restrictions are in place across Alaska's Chinook salmon fisheries in response to lower productivity of Chinook statewide. This is the result of a sustainable management system, despite the fact that reduced productivity and size at age is attributed to changes and warming in the marine environment. NOAA has studied and reported on the Gulf of Alaska's marine heatwave in 2014 – 2016, its lingering effects into 2019, and then a second marine heatwave in 2019. These events were particularly strong in the spatial extent, duration, and magnitude of ocean warming from surface waters to the seafloor. Multidecadal shifts in salmon productivity have been documented prior to this current downturn, and Chinook populations are expected to improve as the Gulf returns to pre-heatwave conditions. Regardless of the factors affecting current productivity, the current data on Gulf of Alaska Chinook salmon stocks do not support a population-level risk of extinction.

Finally, given that the summer salmon fisheries are underway, we appreciate NMFS extending the public comment period to Sept 6. The significance and harm resulting from a listing to those dependent on salmon for subsistence, recreational, and commercial fisheries cannot be overstated, so allowing a longer time period for those directly affected to weigh in is necessary. Just the uncertainty associated with the year-long status review is already negatively affecting those dependent on salmon, not knowing how to plan for their livelihoods, businesses, community operating budgets, and families. Please approach this status review with diligence and scientific rigor, such that the appropriate metrics and data are reviewed and well understood by the review team. Thank you for the opportunity to comment.

Sincerely,



Julie Decker
President, PSPA



Gulf of Alaska Chinook Salmon: Endangered Species Act Status Review Key Points

June 18, 2024

The National Marine Fisheries Service (NMFS) recently issued a positive 90-day finding on a petition to list Alaska Chinook salmon as a threatened or endangered species under the Endangered Species Act (ESA), which starts a formal status review under the ESA. The result of the status review will be a decision on whether to list any or all GOA Chinook stocks as threatened or endangered under the ESA.

The petition was submitted to NMFS by the Wild Fish Conservancy, a Washington state-based environmental group, and requested ESA listing and designation of critical habitat of any GOA Chinook subpopulations. The massive area under review includes Chinook that spawn in the rivers of Southeast Alaska, Prince William Sound, Cook Inlet, Kodiak, and the Alaska Peninsula. The positive finding indicates that NMFS believes the petition provides substantial information that an ESA listing for these Chinook stocks may be warranted.

NMFS acknowledges that the petition has “numerous factual errors, omissions, incomplete references, and unsupported assertions and conclusions within the petition,” which should have disqualified the petition from consideration under NMFS’s regulations. Despite that, NMFS proceeded and their rationale for making the positive 90-day finding was uncertainty about the cause of missed escapement goals in recent years and evidence of decreasing size and age of Chinook at maturity.

The in-depth ESA status review will synthesize the best available scientific and commercial information on GOA Chinook salmon. NMFS will first attempt to delineate any listable stock groups, termed evolutionarily significant units (ESUs). Then NMFS will determine if any ESU meets the ESA definition for being endangered (in danger of extinction) or threatened (likely to become endangered). The status review evaluation considers all potential threats to each ESU regardless of whether the threat is natural (e.g., disease, predation) or the result of human activities (e.g., overharvest, habitat destruction). Those threats are placed in the context of each ESU’s abundance, spatial distribution, productivity, and diversity.

What You Can Do – Submit Public Comments

NMFS is currently soliciting information on GOA Chinook abundance, distribution, and productivity; harvest; genetics; limiting factors and threats; and impacts of environmental variability. **The public comment period closes on July 23, 2024**, unless ADF&G’s extension request is granted. Electronic public comments can be submitted via the Federal eRulemaking Portal. Go to <https://www.regulations.gov> and enter NOAA-NMFS-2024-0042 in the Search box. Click on the “Comment” icon, complete the required fields, and enter or attach your comments. The notice can be found at 89 Fed. Reg. 45815.

Key Points about the Status Review, GOA Chinook Stocks, and ADF&G Management

- The ESA is an inappropriate tool to address a downturn in Chinook productivity. ADF&G management is designed to protect the long-term productivity of salmon stocks when productivity is low. This is a **significant** action that Alaska opposes.
- Sustainable management is a bedrock concept enshrined in the State of Alaska Constitution. When Alaska assumed management authority of its salmon fisheries in 1960, one year after statehood, many of the state's salmon runs were depressed and its salmon fisheries were in desperate shape. Alaska's first Governor, William Egan, stated in 1960 that the newly created Department of Fish and Game "was handed the depleted remnant of what was once a rich and prolific fishery." Alaska rebuilt salmon runs from abundances that were far lower than they are today, which is a profound example of the resilience of these stocks and the sustainable management practices that have been praised around the world.
- Alaska prioritized spawning escapement as the central tenet of sustained-yield salmon fisheries management and decision making. Escapement goals are based on maximum sustained yield and are not a metric of abundance to maintain a viable population. Failing to meet escapement goals is not evidence that stocks are at risk of extinction. In contrast to that notion, the escapement goals paired with the painful restrictions in fisheries that are implemented when escapement is not met regularly are the results of robust and responsive fishery management that ensures long-term sustained yield. Alaska's salmon management was designed, and is carried out, to avoid the health of stocks ever being jeopardized again like they were under pre-statehood federal management.
- In response to a downturn in productivity and lower Chinook yield, the Board of Fisheries and ADF&G have reduced Chinook exploitation rates substantially in recent years. Additionally, several stocks have been designated as Stocks of Concern and associated action plans with proscriptive management measures have been developed and implemented. These actions have resulted in fishery closures, reduced fishing time and effort, and have impacted fisheries targeting other species that incidentally catch Chinook. Alaskans endure cultural and economic impacts during productivity downturns to ensure the long-term health and productivity of salmon stocks. Timely reductions in fishing pressure in response to downturns in productivity are indicators of Alaska's strong and responsive management approach to ensure the long-term health of subsistence, commercial, and recreational fisheries, rather than evidence of salmon stocks potentially going extinct.
- The downturn in Chinook productivity in Alaska has been largely attributed to changes in the marine environment (i.e., not freshwater habitat). Multidecadal shifts in salmon productivity are normal and have been documented prior to the current productivity downturn. Chinook populations are expected to rebound once ocean conditions become more favorable again.

- The State of Alaska has made substantial investments in salmon research to better understand the causes of recent declines, identify potential solutions, and consider how to better incorporate climatic variability into fishery management. The investments and research are actions to ensure the long-term health of Alaska salmon stocks.
- Freshwater habitat is relatively pristine for most major GOA Chinook-producing watersheds. This is contrary to assertions in the Wild Fish Conservancy’s petition and in striking contrast to the considerable habitat degradation in the Pacific Northwest. Alaska’s freshwater and marine habitats remain largely intact.
- As NMFS acknowledged, the Wild Fish Conservancy’s petition did not present “a complete, balanced representation of the relevant facts, including information that may contradict claims in the petition,” (50 C.F.R. § 424.14(d)(5)) as called for in the regulations for ESA listing petitions. NMFS never should have accepted the Wild Fish Conservancy’s petition to list GOA Chinook salmon under the ESA as a “reasonable person” should not conclude that GOA Chinook salmon are at risk of going extinct now or in the foreseeable future.
- The use of long-term climate models to predict the status of Chinook stocks into the future requires a host of assumptions that may or may not be accurate. The assessment of whether to list GOA Chinook stocks should not be driven by model assumptions.

Implications of a GOA Chinook ESA listing

A threatened or endangered ESA-listing transfers the management of the listed units and their critical habitats from the State to the federal government. An ESA-listing, in essence, means that NMFS believes state management is insufficient to protect the stocks from going extinct.

ESA listing of Chinook salmon will significantly harm subsistence, commercial, and recreational fisheries, causing cultural and economic harm. The listing of an ESU will move management of that ESU from state control to federal control with restrictions that could span from fishery reductions to no-harvest at all. Any fishery with incidental catch of that Chinook ESU would also be impacted.

Listing means that “critical habitat” for Chinook salmon will be designated, which could encompass a broad swath of freshwater and marine areas. Along with ESA-required consultations and permits, this will add regulatory hurdles for any activities that may affect salmon. Development in watersheds designated as critical habitat would be greatly restricted and require considerable regulatory review.