



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda Borough Assembly Regular Meeting

Monday, May 06, 2024

12:00 PM

Assembly Chambers

You are invited to a Zoom webinar.
When: May 6, 2024 12:00 PM Alaska
Topic: May 6, 2024 Borough Assembly Meeting

Please click the link below to join the webinar:

https://petersburgak.gov.zoom.us/j/83631529521?pwd=6maDpnnUe39c0sqclxRzC4g89x839w.fQu_LZeNM_7JgTs-Passcode:975204

Or Telephone:
(720) 707-2699 or (253) 215-8782
Webinar ID: 836 3152 9521
Passcode: 975204

1. **Call To Order/Roll Call**
2. **Voluntary Pledge of Allegiance**
3. **2023 State of Alaska's Ken Akerley Fire Service Leadership Award**

State Fire Marshal Lloyd Nakano will present the 2023 Ken Akerley Fire Service Leadership Award to one of Petersburg's dedicated Volunteer Fire Fighters.

4. **Approval of Minutes**
 - A. **April 15, 2024 Assembly Meeting Minutes**
5. **Amendment and Approval of Meeting Agenda**
6. **Public Hearings**
 - A. **Public Hearing for Ordinance #2024-06: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough to Rezone Lots 3, 4, 5, and 6, Block 66, US Survey 1252 from Single-Family Residential (SF) to Public Use (P-1)**

Any public testimony regarding Ordinance #2024-06 should be given during this public hearing. A copy of Ordinance #2024-06 may be found under agenda item 15A.

7. 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.

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.

10. Boards, Commission and Committee Reports

A. Borough Safety Committee Report

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

11. Consent Agenda

12. Report of Other Officers

A. Petersburg Medical Center Update

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

B. U.S. Forest Service Update

Petersburg District Ranger Born will update the Assembly on Forest Service activities.

13. Mayor's Report

A. May 6, 2024 Mayor's Report

14. Manager's Report

A. May 6, 2024 Manager's Report

15. Unfinished Business

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

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

16. New Business

A. Ordinance #2024-07: An Ordinance Amending Section 4.33.030 of Chapter 4.33, *Transient Room Tax*, of the Petersburg Municipal Code, to Increase the Transient Room Tax Rate from Four Percent (4%) to Seven Percent (7%), and

Directing that the Amendment be Submitted to the Qualified Voters of the Borough for Ratification

If approved by the Assembly in three readings, Ordinance #2024-07 will bring a proposition before Borough voters at the October, 2024 municipal election to increase the Transient Room Tax from 4% to 7%. Transient Room Tax is levied on rental of rooms at hotels, motels, or other lodging, for fewer than 30 days. It is estimated that increasing the Transient Room Tax to 7% will generate approximately \$53,000 in additional funds to support Borough infrastructure and expenses related to tourism in Petersburg.

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

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

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

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

D. Department Head Reorganization

Assistant Utility Director recruitment has proven to be unsuccessful. Manager Giesbrecht is suggesting to reorganize departments back to the organization in place prior to creation of the Utility Director position, which was as follows: 1) Petersburg Power & Light Director, 2) Public Works Director in charge of Public Works, Maintenance, Motor Pool, Water, Wastewater and Sanitation; and 3) Assistant Public Works Director to work under the supervision of the Public Works Director. Manager Giesbrecht's memo, attached in this packet, requests approval to move the Water & Wastewater Departments to be under the direction of the Public Works Director, post an Assistant Public Works Director position in-house this summer, and recruit for an Assistant Power & Light Director beginning in 2025. This position would become the Power & Light Director upon Director Hagerman's retirement in 2026.

E. New Hospital Project Mud Dump Fees

Public Works Director Cotta and PMC CEO Hofstetter request Assembly support to waive all mud dump fees for the new hospital project. Memos from Public Works Director Cotta and PMC CEO Hofstetter are included in this packet.

17. Communications

A. Correspondence Received Since April 11, 2024

18. Assembly Discussion Items

A. Assembly Member Comments

B. Recognitions

19. Adjourn



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes Borough Assembly Regular Meeting

Monday, April 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 Bob Lynn
Assembly Member Scott Newman
Assembly Member Rob Schwartz
Assembly Member Jeigh Stanton Gregor

EXCUSED

Assembly Member Thomas Fine-Walsh

2. Voluntary Pledge of Allegiance

The Pledge was recited.

3. Board of Equalization

- A. The Borough Assessor received 55 appeals, all of which were settled prior to the Board of Equalization. The Board of Equalization did approve four senior citizen property tax exemption applications that were received after the filing deadline.

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

4. Approval of Minutes

A. April 1, 2024 Assembly Meeting Minutes

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

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Lynn.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Lynn, Assembly

Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

5. Amendment and Approval of Meeting Agenda

The agenda was approved as submitted.

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

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

6. Public Hearings

There were no public hearings.

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.

Brock Snider, owner of Island Refrigeration, thanked the Assembly for considering the sale of tideland parcel #01.010.035 and explained his reasoning for offering \$325,000 for the parcel, which is appraised at \$414,000.

Everett Bennett, WAVE Director, thanked Mayor Jensen for the Sexual Assault Awareness Month Proclamation and encouraged everyone to wear teal on Tuesday, April 23, 2024 in support of sexual assault victims.

Bob Martin, Harbor Advisory Board Chair, asked the Assembly to route proceeds of the sale of tideland parcel #01-010-035 to the Harbor Enterprise Fund and to approve the sale at no less than the appraised value.

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.

Eleanor Kandoll, representing a group of students in the Petersburg High School Music program, stated the importance of the program to her and many other PHS students, and that electives are often what keeps students engaged in school. Kandoll stated the future of electives is in danger due to lack of school funding and asked the Assembly to help keep electives available to students by maximizing the funding the Borough may provide to the school in the upcoming budget year.

10. Boards, Commission and Committee Reports

There were no reports.

A. Public Safety Advisory Board Report/Recommendation

The Public Safety Advisory Board provided a written report to the Assembly with recommendations regarding Police Department Training Funding.

B. Petersburg Indian Association

Petersburg Indian Association President Debra O'Gara introduced PIA's Council Members that were present in the Chambers. She and Council Member Heather Conn gave a presentation regarding past projects with which PIA has partnered with the Borough, the USFS, and the State of Alaska. PIA is also interested in a future project partnering with the Tlingit Haida Regional Housing Authority and the Borough to build a second phase of the Airport Subdivision.

11. Consent Agenda

A. Fierce Allegiance Development, LLC Lease Renewal

The Fierce Allegiance lease, recently assigned by Ocean Beauty Seafoods, of Lot 4A-A, Plat 94-5, May 24, 1994, is up for renewal effective April 15, 2024, at an annual rate of \$1,644.

By unanimous roll call vote, the Assembly approved renewal of the Fierce Allegiance Development, LLC lease.

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

12. Report of Other Officers

There were no reports.

13. Mayor's Report

A. April 15, 2024 Mayor's Report

Mayor Jensen recognized Sexual Assault Awareness Month with a Proclamation and encouraged everyone to wear teal on Tuesday, April 23rd. Mayor Jensen also shared that 1) Senator Stedman informed him there are currently three Petersburg projects that could receive funding in the FY 2025 State budget (\$200,000 for Banana Point, \$200,000 for the South Harbor Work Float, and \$30,000 for the Gun Range); 2) Lisa Falskow, Alaska's Honorary Consul to the Norwegian Embassy, informed him of Author Don Pugnetti, Jr.'s plan to be in Petersburg at the Library June 23 through July 9, 2024 to gather information on fishing in Petersburg in the 1960's for an upcoming book. Mayor Jensen encouraged anyone who fished in the 1960s to take the time to speak with Mr. Pugnetti. Mr. Pugnetti is author of A Coat Died Black, a book about the Norwegian resistance during WWII; and 3) he will be out of town for the May 6 meeting and requests Vice Mayor Marsh facilitate the meeting. He will try to attend the meeting via Zoom.

14. Manager's Report

There is no written Manager's Report for this meeting.

15. Unfinished Business

A. Ordinance #2024-05: An Ordinance Determining that Property Conveyed to the Borough in a Tax Foreclosure Proceeding Shall not be Retained for a Public Purpose and Shall Hereafter be Sold - Third and Final Reading

The Assembly unanimously approved Ordinance #2024-05 in its third and final reading.

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

16. New Business

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

If approved in three readings, Ordinance #2024-06 will rezone Lots 3, 4, 5 and 6, Block 66, Survey 1252, from Single Family Residential (SF) to Public Use (P-1) at the request of the Petersburg Children's Center, who currently leases the property, for the future development of childcare and learning facilities.

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

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

B. Resolution #2024-06: A Resolution Approving the Sale of a Borough Tidelands Parcel, Described as Petersburg Port Authority Storage Area, According to Plats #2000-6 and #2000-5 (Parcel ID #01-010-035), to Island Refrigeration, LLC

Island Refrigeration has offered a purchase price of \$325,000 for Parcel ID #01-010-035, plus expenses incurred during the sale process as required by Borough Code. Parcel ID #01-010-035 has an appraised value of \$414,000.

A motion to approve the sale of Borough tideland parcel #01-010-035 for \$364,000 failed by a vote of 3-3.

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

A motion to approve the sale of Borough tideland parcel #01-010-035 for the appraised value of \$414,000 failed by a vote of 3-3.

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

Voting Yea: Mayor Jensen, Assembly Member Lynn, Assembly Member Stanton Gregor

Voting Nay: Vice Mayor Marsh, Assembly Member Newman, Assembly Member Schwartz

A motion to approve the sale of Borough tideland parcel #01-010-035 for \$325,000 failed by a vote of 3-3.

Motion made by Assembly Member Newman, Seconded by Assembly Member Schwartz.

Voting Yea: Vice Mayor Marsh, Assembly Member Newman, Assembly Member Schwartz

Voting Nay: Mayor Jensen, Assembly Member Lynn, Assembly Member Stanton Gregor

A motion to approve the sale of Borough tideland parcel #01-010-035 for \$360,000 passed by a vote of 4-2.

Motion made by Assembly Member Stanton Gregor, Seconded by Vice Mayor Marsh.

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

Voting Nay: Mayor Jensen, Assembly Member Lynn

C. FY 2025 Budget Work Session

The Assembly will hold the FY 2025 budget work session on Wednesday, April 24, 2024 at 6:00 p.m. in the Assembly Chambers.

17. Communications

A. Correspondence Received Since March 27, 2024

18. Assembly Discussion Items

A. Assembly Member Comments

There were no comments.

B. Recognitions

Mayor Jensen recognized Elementary School Principal Heather Conn for her wonderful work at the school and for being named Alaska Elementary Principal of the Year.

19. Adjourn

The meeting was adjourned at 7:17 p.m.

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

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

May 6, 2024

Written Report from Safety Committee Chairman Captain Holmgrain

The Borough Safety Committee continues to meet monthly.

The Committee is continuing to work on reviewing and updating all policies in the Borough Safety Manual and is on schedule to finish the review at the May 21, 2024 safety meeting.



Petersburg Medical Center

Borough Assembly Report – May 2024 – Phil Hofstetter, CEO

FY24-28 Strategic Plan Goals, Priorities, and Benchmarks

Community Engagement:

- [PMC First Quarter 2024 Newsletter](#).
- I was in Washington, DC, with the Alaska Hospital and Healthcare Association executive team for the annual American Hospital Association (AHA) meeting April 14-16. This conference is a forum that provides the opportunities to learn from top thought leaders in Washington; connect with colleagues from across the country who are leading efforts to transform the way care is delivered; and influence the political landscape as we advocate for policies to support patients, caregivers and communities. Our team was able to meet with the legislative delegation to discuss healthcare advocacy and I was able to advocate for capital funding. In addition I met with Minnesota Senator Smith's Health Policy staff on telehealth and the National Rural Health Executive team on rural health issues, priorities and supported legislation nationally. These nationwide issues are areas of concern at PMC and across the country:

- Insurance Companies creating barriers to receiving care and paying for services through the following processes, including prior authorization process, delays and denials. We had a presentation from Dr. Shikha Jain featured in this [New York Times video](#) regarding how this is affecting patients and the health system. In the past 2 years, denials from payors increased 41% nationally. PMC also has been reported this as an issue that affects our AR.
- Cybersecurity and cyber attacks: We heard from the FBI and the NSA that there are increased attacks in healthcare on the third-party vendors that are used. Healthcare is expecting increased regulations in this area and PMC will also be doing a thorough review to make sure all third-party vendors have their systems up to the same protection we are required to have.
- Workforce: Workforce burnout continues to remain a pressing issue in healthcare, emphasizing the critical need for sustainable strategies to address this ongoing challenge and ensure the well-being of dedicated staff members.



Pictured: Phil Hofstetter, PMC CEO; Jared Kosin, AHHA CEO; Jan Mylet, AHHA Communications Director; Jennifer Opsut, Alaska Regional CEO; and Dori Stevens, PeaceHealth CEO.



Pictured front: Phil Hofstetter, PMC CEO; Jennifer Opsut Alaska Regional CEO; Representative Mary Peltola; Dori Stevens, PeaceHealth CEO, Jan Mylet, AHHA Communications Director. Back: Shaun Keef, Central Peninsula CEO; Jared Kosin, AHHA CEO; and Bruce Richards, Central Peninsula, Director of Public Relations.

- April 1: PMC reported out at the Borough Assembly meeting.
- April 6: PMC participates in DOT emergency preparedness drill.
- April 13: Youth mental health first aid course. This engaging and impactful training teaches adults how to recognize and respond to a mental health crisis in young people.
- April 14-16: AHA Annual meeting in Washington, DC.
- April 25: KFSK Radio PMC Live.

Financial Wellness:

- Accounts Receivables (AR) is still hovering about 70 days and the revenue cycle team continues to work on improving this to get to target of 55 days.
- PMC received a large Medicare cost report settlement of ~ \$1M. This injection of funds is crucial for replenishing our short-term reserves, which were depleted by post-pandemic financial strains.
- PMC Grant teams have been working diligently on evaluating and submitting grants to State of Alaska from Adult Day Program, Denali Commission \$2M for new facility development, Senator Murkowski and Rep Peltola CDS appropriations applications for new facility, HRSA grant Colorectal Cancer, Behavioral Health Opioid settlement grant through state of Alaska and collaborative grant with the school on nursing and healthcare services.

Workforce Wellness:

- The PMC family mourns the loss of Rodney Anderson, a valued team member since 2018. Rodney's contributions to our community through alternative healing chiropractic treatment were profound, and he will be deeply missed.
- PMC fosters opportunities for employee engagement. Currently underway is a comprehensive facility-wide employee survey aimed at gauging workplace satisfaction, with the annual employee forum scheduled for May 9. Monthly CEO Office Hours serve as a vital platform for staff interaction and feedback.

Facility:

- A blasting plan was submitted to the Borough for the removal of the bedrock. Notifications will be sent out to the community that this will be occurring within the next week or two.
- The PMC selection committee selected firms related to the new facility project: Project Management Services and Special Inspection and Testing Services.
- PMC staff had one final opportunity to comment on the 65% design documents for the WERC building. This part of the process involved reviewing the contents of each room, such as outlet placements, and the finishes, like flooring selections. Next will be 100% full design documents.
- 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:

- We met with the CEO and an orthopedic surgeon from PeaceHealth Ketchikan to assess and discuss options for providing specialty clinics in Petersburg.
- The March 23 health and safety fair's success is a crucial factor in impacting our community's well-being initiatives. Our commitment to fostering a culture of health extends beyond the event, as we continually seek avenues for community engagement and collaboration across all programs. This year's event saw a strong turnout, with over 200 community members attending, and more than 400 individuals obtaining their lab results leading up to the event, demonstrating a proactive approach to health within our community.
- Dermatology clinic and ENT specialties will be coming up in May.
- Kinder Skog received a \$20k grant to provide an outdoor kayak program this summer through the Alaska Community Foundation. This will focus on wellness and health through outdoor activities.



Pictured: Dr. Cortney Hess, PMC Medical Director; Jennifer Bryner, PMC CNO; Dr. Joshua Schkrohowsky, PeaceHealth; Phil Hofstetter, PMC CEO; Dori Stevens, PeaceHealth CEO.

TONGASS National Forest

IS OUTREACHING FOR YOUR PARTICIPATION!



JOIN OUR RESOURCE ADVISORY COMMITTEE:

- ▶ Improve economic opportunities and ecosystem services for your community!
- ▶ Lend your voice to project spending!
- ▶ Share your ideas with people who value your perspective!
- ▶ Build your professional skills!

SECURE RURAL SCHOOLS REAUTHORIZATION ACT OF 2021

A portion of Forest Service funds generated from multiple use activities like grazing, mining, timber, and special use permits is distributed to local governments.

WHAT IS A RAC?

Resource Advisory Committees review projects submitted by agencies, non-profits, landowners, and others and make recommendations for funding. These projects must be on or adjacent to the Tongass National Forest. Types of projects include improving trails; soil productivity; ecosystem health; wildlife and fish habitat; native species or noxious weed control. The annual commitment is attending 2-3 one-hour admin meetings, a few hours to review proposals on your own time, and 1-2 day-long voting meetings.



WHO CAN APPLY?

Citizens within the **South Tongass RAC** jurisdiction who represent one of the vacant interest groups below are encouraged to apply. There are 3 vacancies available.



Scan the QR code for an application, instructions and more information.



A functional RAC needs 15 members, one from each of the following:

Category A	Category B	Category C
Organized labor or non-timber product harvester groups (VACANT)	Nationally recognized environmental organizations (VACANT)	State elected official or designee (VACANT)
Developed outdoor recreation, off-hwy vehicle users, or commercial recreation activities	Regionally or locally recognized environmental organizations	County or local elected official
Energy and mineral development interests or commercial or recreational fishing interests	Dispersed recreational activities	Representative for American Indian Tribes within or adjacent to RAC jurisdiction (VACANT)
Commercial timber industry	Archaeological and historical interests	Area school officials or teachers
Federal grazing or other land use permittee or nonindustrial private forest landowner (VACANT)	Nationally or regionally recognized wild horse & burro groups, wildlife or hunting organizations, or watershed associations	Representative for the affected public at large

United States Department of Agriculture
ADVISORY COMMITTEE OR RESEARCH AND PROMOTION
BACKGROUND INFORMATION

Board/Council Name:

Privacy Act Notice

Public Laws 95-113 and 93-579 permit collection of the data requested on this form. The information is used to determine qualifications, suitability and availability for service on advisory committees or research and promotion boards/councils. The information will be used to conduct background clearances and/or for annual reports on advisory committees or research and promotion boards/councils. Failure to submit this information may result in non-selection of a prospective advisory committee member, board/council member or termination of the committee or board/council.

PLEASE PRINT CLEARLY OR TYPE

1. Name (Last, First, Middle) – Mr., Mrs., Miss., Ms., Dr.	2. Social Security Number: Are you a U.S. Citizen? (Mark yes or no) <input type="radio"/> (yes) <input type="radio"/> (no) If no, please provide passport number and issuing country: <i>(foreign citizens only)</i>
3. Residential Address (include ZIP code):	4. Business No. Home No: Cell or Mobile: Fax: E-mail Address:
5. Place of Birth (City and State, Country):	6. Date of Birth:

7. *This information is voluntary, and data will not be used to grant preferential treatment: (See last page for definition of categories.)*

What is your Gender? <input type="radio"/> Male <input type="radio"/> Female	Ethnicity: <input type="radio"/> Hispanic or Latino <input type="radio"/> Not Hispanic or Latino	What is your Race? (Mark one or more) <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White
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8. Company/Business Name:	8a. Are you a federally registered lobbyist? <input type="radio"/> Yes <input type="radio"/> No
9. Company/Business Address (include Zip Code):	9a. Occupation/Title:

10. [Insert appropriate commodity question(s) from supplemental list.] *(To be completed by R&P Board Members Only)*

10a. If applicable, how long have you been engaged in farming or production, and what is the size of your farming operation? List acreage and pounds produced by kind of crop, as well as, kinds and numbers of livestock?)

11. List your business experience. (Use the Continuation Sheet for additional space to answer.)

12. List education and any specialized experience. (Use the Continuation Sheet for additional space to answer.)

13. List applicable farm/handler/producer/importer or co-op member industry organizations (indicate whether a member or officer and how long affiliated).

14. List other affiliations and/or service as a community leader that would benefit you in your role as a member of the advisory committee or research and promotion board/council.

15. List any Federal advisory committee or board on which you are currently a member and the number of years you have served on that committee or board. (To be completed by current Advisory Committee Members Only)

16. List sources of income in excess of \$10,000 for the past calendar year from other than your primary employment. List only sources; do not show amounts of income from each source. (To be completed by Advisory Committee Nominees Only)

17. Have you ever been convicted of a felony? (A felony is defined as any violation of law punishable by imprisonment of longer than one year). Yes No. If yes, please explain on the attached continuation sheet.

18. As a result of your participation in Federal programs, have any judgments been rendered against you? As a result of participation in any governmental programs relative to the purposes of the advisory committee or research and promotion board/council for which you are a nominee, have any civil or criminal actions been initiated against you? Yes No. If yes, please explain on the attached continuation sheet.

19. Name as you would prefer it to appear on official correspondence.

Signature	Date
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Continuation Sheet for Form AD-755

If you need more space for an answer, use this sheet. Please number each answer to correspond to the number on Form AD-755. When you have completed your answer(s), attach to Form AD-755.

[INSERT COMMODITY BOARD, COUNCIL, OR DELEGATE NAME]

Name (Last, First, Middle): _____

Last 4 digits of Social Security or Passport Number: _____

Additional space for answers (if needed):

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0505-0001. The time required to complete this information collection is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

Definition of Ethnicity and Race Categories

Ethnicity:

Hispanic or Latino. A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.

Race:

American Indian or Alaska Native – A person having origins in any of the original peoples of North and South America (including Central America), and who maintains tribal affiliation or community attachment.

Asian – A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.

Black or African American – A person having origins in any of the black racial groups of Africa.

Native Hawaiian or Other Pacific Islander – A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.

White – A person having origins in any of the original peoples of Europe, the Middle East or North Africa.

Two or more – A person having two or more origins in any race.

**Mayor's Report
For
May 6, 2024 Assembly Meeting**

- 1. Mayfest Celebration 2024:** Wishing everyone a safe and enjoyable Mayfest celebration next week!



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

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

- ❖ PMPL is planning an open house at the Blind Slough Hydro project for the afternoon of May 16th from 1 - 3 pm. Hydro power started in Petersburg 100 years ago in 1924 so it is fitting that we celebrate the ongoing benefit to the community and the completion of the newest upgrades to the powerhouse at the same time. We will hold a short ribbon cutting ceremony at 2:30pm, followed by Mayor Jensen initiating a restart of the generator. The entire Assembly, Department Heads and the public are invited to attend. There will be light refreshments and you'll be able to compare the differences between the 1929 generator and the 2023 generator. Please help us celebrate.
- ❖ PMPL has provided additional Blind Slough Hydro project information to the DOE staff members who are managing negotiations for the Section 243 grant. Of note is that the DOE project managers have determined that the requirements of the Buy America Build America act will not need to be met by our project as the work is complete and the law was enacted after equipment and construction contracts had been entered into. This is fantastic news for PMPL staff and means that the full eligible value of the grant should be forthcoming after the negotiations are completed (approximately \$2.8 million).
- ❖ Geotechnical investigations at the Scow Bay Generator site were completed recently and verified that the site is well prepared for another large generator foundation. Design work is ongoing to produce a Design Build Invitation to Bid that will be advertised this summer.
- ❖ PMPL is happy to report that our entire staff did a great job in response to the SEAPA systemwide outage that occurred on Thursday, April 25th. A series of events that occurred in Ketchikan knocked all SEAPA member communities off the grid, but Petersburg's restoration with our diesel plant went smoothly. This was the first total system outage for many of our staff members and they did great.
- ❖ We are short employees in Dispatch and are looking for good candidates. Check out the Borough's website or talk to Chief Kerr regarding the openings.
- ❖ Chief Kerr attended the USCG port security meeting; getting ready for the cruise ship season.
- ❖ Derrick is working on updating our documentation for the kitchen processes.
- ❖ We have been having some issues with the call system at Assisted Living. Working through upgrading some of the computer system which supports the pagers.
- ❖ Derrick is working on the wording for our contract at Assisted Living as it relates to double occupancy in the rooms.
- ❖ I have reached out again to ADNR regarding abandoned vehicles at Papke's. We are hoping they will allow the Borough to work with ADOT to keep the problem under control, so users of the facility have parking space.

**PETERSBURG BOROUGH
ORDINANCE #2024-06**

**AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP FOR SERVICE AREA 1 OF
THE PETERSBURG BOROUGH TO REZONE LOTS 3, 4, 5, AND 6, BLOCK 66, US
SURVEY 1252, FROM SINGLE-FAMILY RESIDENTIAL (SF) TO PUBLIC USE (P-1)**

WHEREAS, the Petersburg Borough owns and the Petersburg Children’s Center (PCC) leases the parcels, described as follows:

Lots 3, 4, 5, and 6, Block 66, US Survey 1252, Petersburg Recording District, State
of Alaska

; and

WHEREAS, Chapter 19.84 of the Petersburg Municipal Code (Service Area 1) provides for zoning amendments whenever the public necessity, convenience or general welfare requires; and

WHEREAS, the Planning Commission considered a request from Petersburg Children’s Center to rezone the four parcels from Single-Family Residential (SF) to Public Use (P-1); and

WHEREAS, if rezoned, the PCC intends to use the premises for the future development of childcare and learning facilities, which is consistent with the lease agreement (Recorded Document: 2004-000892—0) assigned to the PCC for the subject property; and

WHEREAS, the Planning Commission conducted a duly noticed public hearing on the proposed rezone on March 12, 2024, and considered and reviewed applicant materials, public comments and testimony, and staff report; and

WHEREAS, the Planning Commission voted 6-0 to recommend rezoning the subject property; and

WHEREAS, Borough Charter Section 3.01(K) and Section 1.12.010(G) of the Municipal Code require amendments to the official zoning map be enacted by ordinance.

THEREFORE, THE PETERSBURG BOROUGH ORDAINS as follows:

Section 1. Classification. This Ordinance is of a general and permanent nature but will not be codified in the Municipal Code.

Section 2. Purpose. The purpose of this Ordinance is to amend the Official Zoning Map for Service Area 1 of the Petersburg Borough.

Section 3. Substantive Provisions.

The Official Zoning Map for Service Area 1 of the Petersburg Borough, codified and referenced in Section 19.08.020 in the Municipal Code, is hereby amended for the following described property from Single-Family Residential (SF) to Public Use (P-1): Lots 3, 4, 5, and 6, Block 66, US Survey 1252, Petersburg Recording District, State of Alaska.

Section 4. Where Record to be Maintained. This non-Code ordinance, and the enactment of the zoning amendment referenced under Section 3 of this ordinance, shall be maintained with the zoning records of the Borough.

Section 5. Effective Date. This Ordinance will take effect immediately upon final adoption.

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

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, Borough Clerk

Adopted:
Published:
Effective:

Planning Commission Report & Findings of Fact

Meeting Date: 3/12/2024

APPLICANT/AGENT:

Petersburg Children's Center

OWNER(S), IF DIFFERENT:

Petersburg Borough

LEGAL DESCRIPTION:

Lots 3,4,5,6 Blk 66 USS1252

LOT AREA:

20,000 sq ft

LOCATION:

See attached maps

SURROUNDING ZONING

North: Public Use

South: Single-family Residential (SF)

East: Single-family Residential (SF)

West: Public Use

ZONING:

Single Family Residential

PID:

01-006-125, 01-006-127

01-006-149, 01-006-155

APPLICATION SUBMISSION DATE:

1/25/2024

I. APPLICANT REQUEST: Request to rezone 4 lots from Single-family to Public Use.

II. APPLICABLE CODES:

19.84 AMENDMENTS

III. FINDINGS:

- a. The subject property is composed of 4 parcels of borough-owned vacant land that is leased to the Petersburg Children's Center.
- b. The immediate surrounding area is developed with a mix of residential and institutional uses such as schools and childcare.
- c. The applicant's intent is to develop these lots for parking for the adjacent childcare facility but also move toward construction of a future childcare facility.
- d. The 2016 comprehensive plan recommends future land use for this area be Public Facilities. The intended use is *site-specific, developed public use facilities, including developed recreation facilities*.
- e. Public Facilities is also the intended land use for the existing PCC facility.
- f. Rezoning these lots from SF to Public Use would be consistent with the current land use for the school and existing Petersburg Children's Center. It would also be consistent with the intended use as outlined in the lease agreement with the borough.

IV. PUBLIC NOTICE

The borough provided public notice consistent with PMC 19.84.040. 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.

Planning Commission Report & Findings of Fact

Meeting Date: 3/12/2024

V. APPLICATION REVIEW

- a. The application is classified as a request to amend the borough zoning map.
- b. Criteria – Per 19.84.030, The Planning Commission’s report to the Assembly shall include findings as to need and justification for the proposed change, including findings as to the effect which the proposed change would have on the objective of the comprehensive plan.

VI. ACTION

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

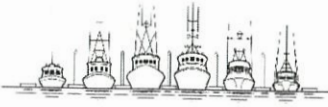
The Planning Commission recommends to the Borough Assembly that Lots 3,4,5,6 Blk 66, USS 1252 be rezoned from Single-Family Residential to Public Use with findings of fact as presented.

The proposed change is consistent with the goals of the comprehensive plan, which recommended the property be used for public facilities and is consistent with the intended use as outlined in the terms of the lease between the PCC and the borough.

EXHIBITS

Planning Commission packet

Pages 1-2 of original Lease Agreement that was assigned to PCC

 PETERSBURG BOROUGH LAND USE APPLICATION		CODE TO: 110.000.404110
		BASE FEE:
		PUBLIC NOTICE FEE: \$70.00
		TOTAL:
DATE RECEIVED:	RECEIVED BY:	CHECK NO. or CC:
APPLICANT/AGENT		LEGAL OWNER (IF DIFFERENT THAN APPLICANT/AGENT)
NAME Petersburg Children's Center	NAME Petersburg Borough	
MAILING ADDRESS P.O. Box 138	MAILING ADDRESS P.O. Box 329	
CITY/STATE/ZIP Petersburg, AK 99833	CITY/STATE/ZIP Petersburg, AK, 99833	
PHONE 907-772-3419	PHONE	
EMAIL pccen1@gmail.com	EMAIL	
PROPERTY INFORMATION		
PHYSICAL ADDRESS or LEGAL DESCRIPTION: US Survey 1252 Lots 3, 4, 5, 6 Block 66		
PARCEL ID: 01-006-125;-127;-149;-155	ZONE: Single Family Residential	OVERLAY: N/A
CURRENT USE OF PROPERTY: Vacant		LOT SIZE: 5000 sf each
PROPOSED USE OF PROPERTY (IF DIFFERENT): Childcare facilities and required parking lot		
CURRENT OR PLANNED SEWER SYSTEM: <input checked="" type="checkbox"/> Municipal <input type="checkbox"/> DEC-approved on-site system		
CURRENT OR PLANNED WATER SOURCE: <input checked="" type="checkbox"/> Municipal <input type="checkbox"/> Cistern/Roof Collection <input type="checkbox"/> Well		
LEGAL ACCESS TO LOT(S) (Street Name): Dolphin Street and 5th Street		
TYPE OF APPLICATION & BASE FEE		
<input checked="" type="checkbox"/> 19.84 Zoning Change (\$100)		
<input type="checkbox"/> 18.18 Record of Survey (\$50) (Note: No Public Notice Fee)		
<input type="checkbox"/> 18.20 Minor Subdivision/18.24 Preliminary Plat/18.19 Replat (\$75 + \$10 per lot)		
<input type="checkbox"/> 18.24 Final Plat (\$25 per lot)		
SUBMITTALS:		
For Zoning Change, please submit letter stating the new zoning and explaining the need for the change. For Subdivision approvals, please submit a prepared plat map as required by borough code.		
SIGNATURE(S):		
I hereby affirm all of the information submitted with this application is true and correct to the best of my knowledge. I also affirm that I am the true and legal property owner(s) or authorized agent thereof for the property subject herein.		
Applicant(s): <u><i>Shalaya Mancee</i></u>	Date: <u><i>1/25/2024</i></u>	
Owner: _____	Date: _____	
Owner: <u><i>[Signature]</i></u>	Date: _____	
Owner: _____	Date: <u><i>1/25/2024</i></u>	



Petersburg Children's Center
 Eagle's Nest
 P.O. Box 138
 Petersburg, AK 99833
 (907)772-3419 Fax (907)772-3452
 pccen1@gmail.com

The mission of the Petersburg Children's Center is to promote the healthy development of children and families in Petersburg by offering dependable, high-quality child care and by actively working toward the positive growth and development of all children in the community.

Petersburg Children's Center
 PO Box 138
 Petersburg, AK 99833
 907-772-3419

Dear Planning and Zoning Committee,

The Petersburg Children's Center is planning for a new building on the site of their current parking lot and the building of a new parking lot across the street from the Children's Center building. There is an existing lease between the Petersburg Children's Center and the City of Petersburg for Lots 3, 4, 5, 6 Block 66, US Survey 1252 for childcare related facilities and activities. Reviewing the status of the land in question with the Borough staff it was determined that the zoning of Lots 3, 4, 5, 6, Block 66, currently is Single Family Residential.

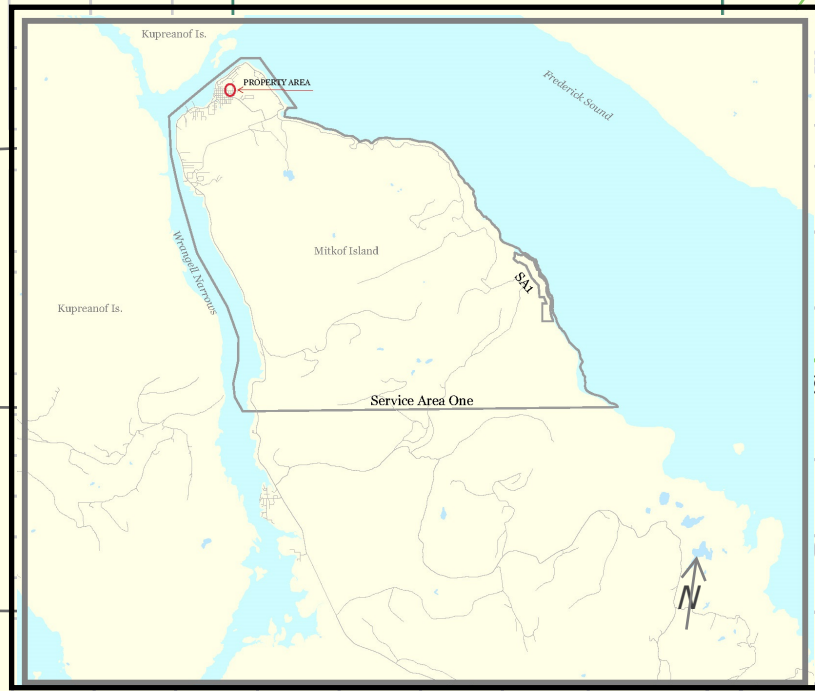
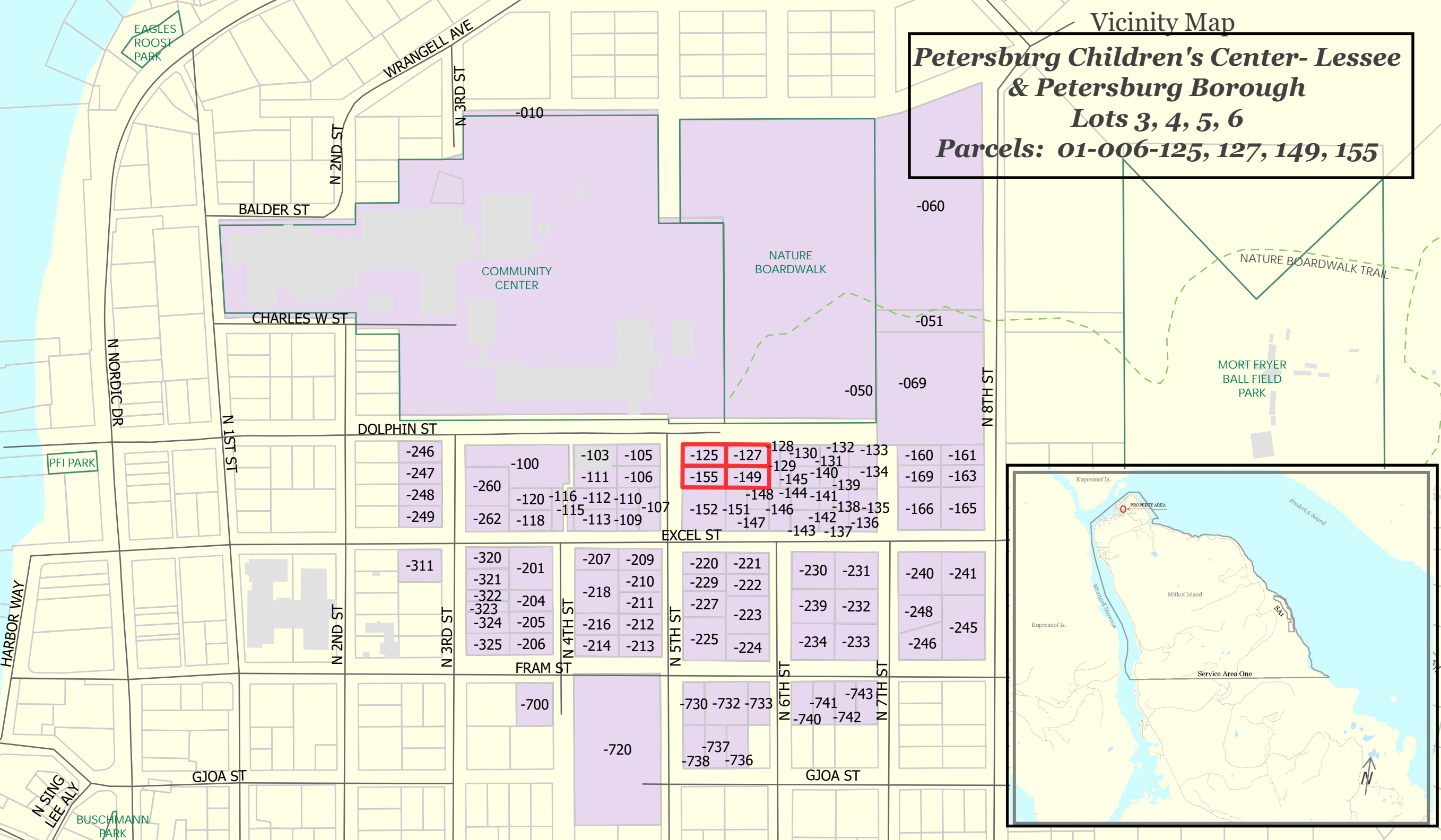
The Petersburg Children's Center is requesting to change the zoning of Lots 3, 4, 5, 6, Block 66, from Single Family Residential to Public Use, so that the zoning will match the intent of the existing lease between the Petersburg Children's Center and the Petersburg Borough. We would also like to point out that the Petersburg Childcare Task Force has discussed the positive potential of the lots for future childcare facilities. The Petersburg Children's Center is also submitting a conditional use permit for Lot 4, of Block 66, for the construction of a parking lot to replace the loss of their current parking lot to the proposed after-school childcare facility. The rezoning of the land in question will also strengthen the grant applications that we will be submitting, eliminating any potential questions with mismatched documentation.

Thank you for your consideration.
 Sincerely,

Sharlay Mamoe
 Executive Director
 Petersburg Children's Center

Vicinity Map

**Petersburg Children's Center- Lessee
& Petersburg Borough**
Lots 3, 4, 5, 6
Parcels: 01-006-125, 127, 149, 155





February 20, 2024

**ABBOTT THOMAS HART ELIZABETH
PO BOX 1617
PETERSBURG, AK 99833-1617**

NOTICE OF SCHEDULED PUBLIC HEARINGS

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


An application from the Petersburg Children’s Center for a conditional use permit to allow parking spaces to be on a lot within 500’ of the use at 306 N 5th ST. (PID: 01-006-125) also, to rezone Lots 3,4,5, and 6 from single-family residential to public use at the corner of N 5th and Dolphin Streets (PID: 01-006-125, -127, -149, -155).

The public hearing and consideration of the application will be held:	Tuesday, March 12th 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
PETERSBURG CHILDREN CENTER		PO BOX 138	PETERSBURG	AK	99833-0138
ABBOTT THOMAS	HART ELIZABETH	PO BOX 1617	PETERSBURG	AK	99833-1617
ANDERSON JASON C	ANDERSON JULIE E	PO BOX 1841	PETERSBURG	AK	99833-1841
ANDERSON RODNEY L	ANDERSON MELINDA S	PO BOX 849	PETERSBURG	AK	99833-0849
BRUMBLEY PAGE	HILL KENNETH	PO BOX 1290	CORDOVA	AK	99574
BURKE RICHARD		PO BOX 1406	PETERSBURG	AK	99833-1406
CANIK HEATHER D		PO BOX 1653	PETERSBURG	AK	99833-1653
CANTON LOGAN J	CANTON SHEENA L	PO BOX 1742	PETERSBURG	AK	99833-1742
COLLISON JEREMY N	COLLISON MARISSA A	PO BOX 1702	PETERSBURG	AK	99833-1702
CRONLUND DOUGLAS		PO BOX 363	PETERSBURG	AK	99833-0363
EILENBERGER MARILYN H		PO BOX 503	PETERSBURG	AK	99833-0503
EWING LYNN R	EWING DONNA M	PO BOX 1335	PETERSBURG	AK	99833-1335
FIRST BAPTIST CHURCH		PO BOX 990	PETERSBURG	AK	99833-0990
FREDRICKSEN NORMAN	FREDRICKSEN LYNDA	PO BOX 98	PETERSBURG	AK	99833-0098
HAGERMAN KARL	HAGERMAN ROBYN	PO BOX 2111	PETERSBURG	AK	99833-2111
HINDE BENJAMIN	HINDE MARCIE	PO BOX 2099	PETERSBURG	AK	99833-2099
HOLMGRAIN RANDAL E	HOLMGRAIN SARAH	PO BOX 1975	PETERSBURG	AK	99833-1975
JOHNSON CARLEE RAE	BAXTER-MCINTOSH RANS	PO BOX 2162	PETERSBURG	AK	99833-2162
KAINO DOUGLAS	MCNUTT NAN	PO BOX 295	PETERSBURG	AK	99833-0295
KAINO TEDDY T	KAINO SHIGEKO	PO BOX 265	PETERSBURG	AK	99833-0265
LENHARD MATTHEW	LENHARD JILL	PO BOX 1404	PETERSBURG	AK	99833-1404
LEWIS ERIC L		PO BOX 2046	PETERSBURG	AK	99833-2046
LONGWORTH JOHN R		PO BOX 773	PETERSBURG	AK	99833-0773
LUTHERAN CHURCH		PO BOX 709	PETERSBURG	AK	99833-0709
MALLORY DARCY		PO BOX 1945	PETERSBURG	AK	99833-1945
MANLY AMBER	OLSON DARRYL P	PO BOX 476	PETERSBURG	AK	99833-0476
MARTIN DAVID S		PO BOX 88	PETERSBURG	AK	99833-0088
NEWLUN NEIL	NEWLUN MARGARET	PO BOX 957	PETERSBURG	AK	99833-0957
NICHOLSON NATALIE RUTH	REID MICHAEL FLOYD	14200 69TH DR SE #M-1	SNOHOMISH	WA	98296
NILSEN MIKE L	NILSEN RAVENNA	PO BOX 1084	PETERSBURG	AK	99833-1084
OHMER DAVE N		PO BOX 13	PETERSBURG	AK	99833-0013
OINES MARJORIE J		PO BOX 591	PETERSBURG	AK	99833-0591
O'NEIL ERICA	O'NEIL SCOTT	PO BOX 755	PETERSBURG	AK	99833-0755
OTNESS HOLLI	OTNESS NELS	PO BOX 2058	PETERSBURG	AK	99833-2058
OTNESS NELS K III	OTNESS HOLLI I	PO BOX 716	PETERSBURG	AK	99833-0716
PETERSBURG BOROUGH SCHOOLS		PO BOX 289	PETERSBURG	AK	99833-0289
PETERSEN CODEE	PETERSEN NATALIE	PO BOX 1498	PETERSBURG	AK	99833-1498
SPERL DONALD & TAUSHA	SPERL KOREN	PO BOX 1407	PETERSBURG	AK	99833-1407
ST ANDREWS EPISCOPAL CHURCH		PO BOX 1815	PETERSBURG	AK	99833-1815
ST CATHERINE'S CHURCH		PO BOX 508	PETERSBURG	AK	99833-0508
STANTON GREGOR JAY	STANTON GREGOR LEA	PO BOX 2155	PETERSBURG	AK	99833-2155
STEWART DAVID L		PO BOX 1018	PETERSBURG	AK	99833-1018
STRATMAN JOSEPH	RICE ALLISON	PO BOX 1736	PETERSBURG	AK	99833-1736
THOMPSON FLOYD A		PO BOX 1436	PETERSBURG	AK	99833-1436
TURLAND BECKY A		PO BOX 1987	PETERSBURG	AK	99833-1987
US FOREST SERVICE		PO BOX 21628	JUNEAU	AK	99802-1628
WELDE DOUGLAS		PO BOX 875	PETERSBURG	AK	99833-0875
WELDE RACHEL		PO BOX 1245	PETERSBURG	AK	99833-1245
WELLNER MICHAEL	WELLNER JENNIFER	PO BOX 1591	PETERSBURG	AK	99833-1591
WIKAN RICHARD		PO BOX 1461	PETERSBURG	AK	99833-1461
WILKINSON TIM	WILKINSON RAE	PO BOX 895	PETERSBURG	AK	99833-0895
WRIGHT CHADWICK C	JOHNSON SARAH A	PO BOX 1956	PETERSBURG	AK	99833-1956

A
L
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S
K
A



Record in the Petersburg Recording District

LAND LEASE

THIS AGREEMENT is made on the date last below signed between the City of Petersburg, a municipal corporation organized and existing under the laws of the State of Alaska, whose mailing address is P. O. Box 329, Petersburg, Alaska 99833, hereinafter referred to as the "Lessor" or "City", and the Petersburg Childhood Education Center Board of Directors, a non-profit organization organized and existing under the laws of the State of Alaska, whose mailing address is PO Box 1793 Petersburg, Alaska 99833, hereinafter referred to as the "Lessee."

RECITALS

WHEREAS, the real property subject to this lease lies within the boundaries of the City of Petersburg, Alaska, First Judicial District, Petersburg Recording District; and

WHEREAS, Lessor holds title to the real property; and

WHEREAS, the real property subject to this lease has been assessed for true and full value in the amount of \$75,000.00 prior to the date fixed for the beginning of the term of this lease; and

WHEREAS, on June 7, 2004 the City Council passed Resolution #1746 determining this particular tract of land is not required for municipal purposes; shall be exempt from public auction and leased for a period of five years for the construction of The Childhood Education Center; and

WHEREAS, the Childhood Education Center is a non profit entity as defined by the Petersburg Municipal Code, and

WHEREAS, this lease contains restrictions and reservations as are necessary to protect the public interest.

NOW THEREFORE, in consideration of the mutual covenants and conditions of this lease the parties agree as follows:

ARTICLE 1 - Description of Premises

Section 1. Description. Lessor hereby leases to Lessee the "premises," designated as Lots 3, 4, 5 & 6 of Block 66, US Survey 1252, in the City of Petersburg, Alaska.

ARTICLE 2 - Term of Lease

Section 2.1 Term. The term of this lease shall extend for a period of five (5) years, commencing on August 1, 2004 and ending at midnight on July 31, 2009.

Section 2.2 Renewal. This lease may be renewed on new terms and conditions upon written mutual consent by the Lessee and Lessor.

ARTICLE 3 - Rent

Section 3. Rent. Lessee shall pay to Lessor rent for the premises at the annual rate of \$1.00 (One Dollar and 00/100) per year.

ARTICLE 4 -Use of Premises

Section 4.1 Use of Premises. The premises are to be used only for the development, construction and operation of a community child learning center with emphasis on providing learning facilities and opportunities for the children of Petersburg aged twenty and under.

Section 4.2: Compliance with Law. Lessee shall comply with all, laws, regulations and rules that apply to the leased premises.

Section 4.3: Uses Prohibited. Lessee shall not use, or permit the premises, or any part of it, to be used for any purpose other than the purpose for which the premises is leased. No use shall be allowed which may be considered hazardous on account of fire or otherwise. Lessee shall not allow any nuisance to occur or remain on the premises and shall not use or occupy the premises for any unlawful purpose. Any use not authorized by this lease shall be a trespass against the Lessor.

Section 4.4: Utilities. Lessee shall fully and promptly pay all costs associated with public services built, installed and used by Lessee, for example, power and any other utilities of any kind furnished to the premises throughout the term of this lease, and all other similar costs and expenses of any kind, arising from the use, operation and maintenance of the premises and all activities conducted on the premises.

Section 4.5: Location of Improvements. Lessee shall be responsible for properly locating improvements on the leased land. Utilization or development for other than allowed uses shall be a violation of this lease and subject to lease cancellation.



2 of 11

2004-000892-0

**PETERSBURG BOROUGH
ORDINANCE #2024-07**

**AN ORDINANCE AMENDING SECTION 4.33.030 OF CHAPTER 4.33,
TRANSIENT ROOM TAX, OF THE PETERSBURG MUNICIPAL CODE, TO
INCREASE THE TRANSIENT ROOM TAX RATE FROM FOUR PERCENT
(4%) TO SEVEN PERCENT (7%), AND DIRECTING THAT THE
AMENDMENT BE SUBMITTED TO THE QUALIFIED VOTERS OF THE
BOROUGH FOR RATIFICATION**

WHEREAS, the borough levies a tax on the transient rental of hotel rooms, defined as a person staying in a hotel, motel or other lodging for fewer than 30 days; and

WHEREAS, the funds generated by this tax, in the amount of \$71,000 for FY23, are used for tourism-related services within the Borough, including tourism related marketing and support of borough infrastructure supporting tourism; and

WHEREAS, the current transient room tax rate of four percent (4%) was established in 1997, and has not been increased in the last 27 years; and

WHEREAS, the Petersburg Borough currently has one of the lowest transient room tax rates in Alaska; and

WHEREAS, based upon Alaska Taxable 2023, published by the State of Alaska's Office of the State Assessor, of the 45 municipalities that impose a transient occupancy tax on a percentage basis, only 5 other municipalities have a bed tax rate of 4% or less, and the average tax rate is in excess of 7%; and

WHEREAS, for example, in the Southeast communities of Sitka, Wrangell, City of Ketchikan, Skagway, and Juneau, the transient occupancy tax rates are 6%, 6%, 7%, 8% and 9% respectively; and

WHEREAS, increasing the transient room tax rate for the borough to 7% will generate approximately \$53,000 in additional funds to support borough infrastructure and expenses related to the tourism-related sector of the borough economy; and

WHEREAS, under the provisions of Borough Charter Section 12.02(B), the increase in the transient room rate requires ratification by the voters.

THEREFORE, THE PETERSBURG BOROUGH ORDAINS, Section 4.33.030, paragraph A, 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 increase the Transient Room Tax Rate from four percent (4%) to seven percent (7%), subject to voter ratification.

Section 3. Substantive Provisions:

Section 4.33.030, paragraph A, is hereby amended to read as follows (the language proposed for addition is in **bold and underlined**, and the language proposed for deletion is ~~struck through~~):

4.33.030 Rate.

A. The rate of the transient room tax is established at **seven** ~~four~~ percent of the room rent.

Section 4. Submittal to voters.

A. In accordance with subsection 12.02(B) of the Borough Charter, the Borough Clerk shall submit the proposed Transient Room Tax Rate increase set out in Section 3 to the voters of the borough at the next regular election to be held on October 1, 2024.

B. The proposition to be submitted to the voters shall read substantially as follows:

Proposition #___

Increasing the Transient Room Tax Rate to Seven Percent (7%)

The borough currently levies a four percent (4%) tax on transient hotel room rentals, defined as a person staying in a hotel, motel or other lodging for fewer than 30 days. This rate has been in place since October of 1997. Under the borough code (PMC 4.33.060), these tax revenues are used for visitor-related marketing and support of visitor-related borough infrastructure and services. This proposition, if approved by the voters, would increase the transient room tax rate to seven percent (7%) and is projected to generate an additional \$53,000 in borough tax revenue.

Shall the borough increase the transient room tax rate to seven percent (7%)?

- YES
- NO

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. Effective Date: This ordinance shall be effective upon adoption. The proposed code amendment set forth herein, if approved by the voters, shall become effective January 1, 2025.

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: Ordinance effective upon adoption. Code Amendment, if approved by voters, effective 1/1/2025.

**PETERSBURG BOROUGH
ORDINANCE #2024-08**

**AN ORDINANCE AMENDING SECTION 4.33.060 OF THE
PETERSBURG MUNICIPAL CODE, TO CLARIFY THE PERMITTED
USES OF PROCEEDS OF THE BOROUGH TRANSIENT ROOM TAX**

WHEREAS, the borough currently levies a transient room tax, at the rate of 4%, on the transient rental of hotel rooms, defined as a person staying in a hotel, motel or other lodging for fewer than 30 days; and

WHEREAS, a potential increase in the transient room tax rate, from 4% to 7%, will be on the ballot in October, 2024 for voter ratification; and

WHEREAS, the use of proceeds of this tax are dedicated, under PMC 4.33.060, to the following: "to provide funding for visitor related services in the borough. Uses include, but are not limited to, payment of membership fees to tourist-related organizations, advertising, and maintenance and operation of the Chamber of Commerce."; and

WHEREAS, there are many visitor related expenses incurred by the borough that are not specifically set out in the examples, including signage, park maintenance, downtown beautification (including flower boxes, garbage containers, and benches), and certain borough infrastructure maintenance (including repair and maintenance of N. Nordic beach stairs, Sing Lee Alley Bridge, and downtown sidewalks); and

WHEREAS, it would be beneficial to provide additional examples of visitor-related permitted uses so as to further clarify usage of those revenues.

THEREFORE, THE PETERSBURG BOROUGH ORDAINS, Section 4.33.060, *Use of proceeds*, of Chapter 4.33, Transient Room Tax, 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 clarify permitted uses of Transient Room Tax revenue received by the Borough.

Section 3 Substantive Provisions: Section 4.33.060 of the Petersburg Municipal Code, entitled *Use of proceeds*, is hereby amended as follows. The language proposed for addition is **underlined and bolded**, and the language proposed for deletion is ~~struck through~~.

4.33.060 Use of proceeds.

The proceeds of this tax, less administrative and enforcement related expenses, are dedicated to, and shall be used to provide funding for, visitor-related services in the borough. Uses include, but are not limited to, payment of membership fees to tourist-related organizations, advertising, and maintenance and operation of the Chamber of Commerce, **visitor-related signage, park maintenance and improvements, borough beautification and improvement projects, and repair and maintenance of visitor-related borough infrastructure, including stairs and sidewalks in the downtown area.**

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

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

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

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, Borough Clerk

Adopted:
Noticed:
Effective:

**PETERSBURG BOROUGH
ORDINANCE #2024-09**

**AN ORDINANCE OF THE PETERSBURG BOROUGH ADOPTING THE BUDGET FOR THE FISCAL YEAR
JULY 1, 2024 THROUGH JUNE 30, 2025**

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 set forth budgetary requirements for the operation of the various divisions, departments and organizations of the Petersburg Borough for Fiscal Year 2025. Support to the Petersburg School District has been included in the General Fund Expenditures.

Section 3. Substantive Provisions: In accordance with Section 11.07 of the Charter of the Petersburg Borough, the budget for the fiscal period beginning July 1, 2024 and ending June 30, 2025 is hereby approved in the amounts and for the purposes as stated below. The supporting line item budget detail, as reviewed by the Assembly, is incorporated as part of this ordinance.

A. Fiscal Year 2025 Revenue and Expenditure Budget

<u>FUND</u>	<u>REVENUES</u>	<u>EXPENDITURES BUDGET</u>
<u>GENERAL FUND</u>		
General Fund	\$ 13,009,827	\$ 13,409,922
<u>ENTERPRISE FUNDS</u>		
Electric Fund	\$ 7,507,226	\$ 8,230,297
Water Fund	\$ 1,319,392	\$ 2,222,084
Wastewater Fund	\$ 1,008,000	\$ 1,552,725
Sanitation Fund	\$ 1,542,000	\$ 1,847,929
Harbor Fund	\$ 2,097,137	\$ 4,562,861
Elderly Housing Fund	\$ 495,252	\$ 583,337
Assisted Living Fund	\$ 1,970,689	\$ 2,076,360
<u>INTERNAL SERVICE FUNDS</u>		
Motor Pool Fund	\$ 1,257,445	\$ 2,023,866
<u>DEBT SERVICE FUND</u>		
	\$ 828,900	\$ 828,900
<u>SPECIAL REVENUE FUNDS</u>		
Miscellaneous Grants	\$ 228,790	\$ 229,090
Economic Development Fund	\$ 100,000	\$ 832,843
Secure Rural Schools Fund	\$ 520,000	\$ 1,100,000
Secure Rural Roads Fund	\$ 82,000	\$ 450,000
Property Development Fund	\$ 28,000	\$ 194,000
Transient Room Tax Fund	\$ 75,412	\$ 120,000
E911 Surcharge Fund	\$ 80,000	\$ 79,300
Marine Passenger Fee	\$ 50,000	\$ 129,750
Borough Organizational Fund	\$ -	\$ 56,128
Coronavirus State and Local Recovery Fund (ARPA)	\$ 103,225	\$ 103,225
DCRA Local Government Lost Revenue Fund (ARPA)	\$ -	\$ 39,000
Local Assistance & Tribal Consistency Fund	\$ -	\$ -
<u>CAPITAL PROJECTS FUNDS</u>	\$ 14,721,415	\$ 16,296,757

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 July 1, 2024.

PASSED AND APPROVED by the Petersburg Borough Assembly, Petersburg, Alaska this 3rd day of June, 2024.

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, Borough Clerk

Adopted:
Published:
Effective:



Department Head Reshuffle May 2024

Several years ago, when PMPL Superintendent Joe Nelson retired, I reorganized some of our Department Head assignments. At the time, Joe was responsible for PMPL, Karl Hagerman was the Director for Water/WW/Sanitation/Public Works and the Motor Pool; Chris Cotta was the Assistant Director. Chris primarily did project management for Karl and filled in as the Director when needed.

When Joe retired, Karl was appointed the Utility Director in charge of Water/WW/PMPL. Chris was promoted to the Director for Sanitation/Public Works/Motor Pool/Maintenance. The third Department Head position was left unfilled as part of the reorganization.

With Karl announcing his retirement in about 2 years, the Assembly approved recruiting for a replacement which would be hired as an Assistant Utility Director. We have been recruiting for this position for just under one year, with very limited success. Some of this is the salary we are offering is low in the market, but it also has to do with the very competitive market we are currently in for this skill set.

My plan, if approved by the Assembly, is to reinstitute the three-department head organization. A PMPL superintendent (assistant director until Karl retires); a director in charge of Public Works/Maintenance/Motor Pool/Water/Wastewater/Sanitation (Chris Cotta); and an assistant director to work with Chris (to be recruited, possibly from inside the organization).

We would start the process by doing an internal posting for the Assistant position under Chris this summer and start the recruitment process for the PMPL Superintendent (Asst. Director) in early 2025. It is possible we could have the PMPL position in place for up to 12 months of training with Karl, however experience tells us this will also be a difficult position to find. Sitka is currently looking for an Electric Utility Director and offering a starting salary of \$148k to \$176K. Clearly someone qualified for this position will apply to Sitka before they consider our position at \$125K.

I would like the approval of the Assembly to move forward with this scenario.

1. Move Water/WW to Chris Cotta
2. Begin recruiting for an Asst. PMPL Director to train with Karl in 1st quarter 2025.
3. Post the Assistant Director for Public Works internally this Spring.

Stephen Giesbrecht
Borough Manager



Memorandum

To: Steve Giesbrecht, Borough Manager
Mayor Jensen and Members of the Borough Assembly

From: Chris Cotta, Public Works Director

Re: New Hospital Project – Waiving of Mud Dump Fees

Date: 05-01-24

Preparation of the new hospital site has resulted in a large quantity of waste soil – approximately 95,400 bank cubic yards - being hauled to the Borough’s mud dump near the airport quarry. With a correction factor added in to account for expansion of the material once it has been excavated and loaded out, the total volume of waste soil delivered to the Borough’s mud dump will be approximately 124,000 truck cubic yards. Although the impacts of this discharge are significant, PMC’s contractors have put quite a bit of work into mitigation efforts at the mud dump to help accommodate all the mud being placed at the site. There have been mud flows into the overflow cell that was constructed during the last series of airport expansion projects, and near overflows in a couple of other spots however the contractor has thus far been responsible and responsive in dealing with these issues.

Normally, we charge \$1.50 per cubic yard of waste soil discharged into the mud dump and if we were to assign these charges to the hospital project, it would result in approximately \$186,000 in revenue that would accrue to the Borough’s General Fund. However, it has been expressed at the Assembly level that the intent of the Borough is to forgive these fees as a local contribution to the hospital project. Previously, the Assembly voted to forgive mud dump fees for any offsite work – primarily related to access corridor and utility upgrades, however there has not yet been a vote to write off mud dump fees for the site work related to the main hospital campus and parking areas, which constitute the majority of the waste soil that will be generated by the project.

Although waiving mud dump fees means giving up a significant amount of revenue to the Borough, the benefits to the community from the new hospital – both during construction, and especially after - will be significant. The construction phase of the hospital project has also had some direct benefits to Public Works: 1)Re-development of the Borough’s rock quarry, which has saved the Borough at least \$100,000 in quarry development costs; and 2)Related improvements to the mud dump haul road and mud dump infrastructure also have significant value to the Borough, likely another \$50-60K.

With the above considerations in mind, Public Works has no objections to waiving the mud dump fees for the hospital project in its entirety.

Public Works Department

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

MEMORANDUM

TO: Petersburg Borough Assembly

FROM: Philip Hofstetter, Petersburg Medical Center CEO

SUBJECT: New Hospital Project – Mud Dump Fees

DATE: April 29, 2024

CC: Steve Giesbrecht, Borough Manager
Jody Tow, Finance Director
Debbie Thompson, Borough Clerk
Jerod Cook, PMC Board Chair

I am writing to request that the Assembly support the agenda item related to waiving mud dump fees for the new hospital project. Please note the following.

1. Borough Resolution #2023-04 dedicated the Borough owned site being developed for the new hospital project. All material being excavated at the site is Borough owned material. This material is being disposed of at the Borough owned mud dump.
2. On January 2, 2024 the Borough Assembly identified the new hospital project as its #1 priority for state and federal funding. PMC recently submitted the following requests for additional funding for the project. Local contributions-in-kind are a plus when such requests are being considered. Waiving the referenced fees would be considered a contribution-in-kind.
 - FY 2025 State Capital Budget: \$37M
 - FY 2025 Federal CDS: \$15M
 - FY 2025 Federal CPF: \$15M
 - FY 2024 Denali Commission: \$2M
3. PMC is already paying Dawson Construction and their earthwork subcontractor (Rock-N-Road) directly for mud dump road maintenance. The payments to date total approximately \$44,000 with a commitment for an additional \$10,000.
4. The total excavation quantity for the project is approximately 95,400 Bank CY (all phases). For this amount of material the standard mud dump fee of \$1.50 per Truck CY would equate to approximately \$186,000.

Thank you for your consideration.

April 12, 2024

P.O. Box 1186
282 Mitkof Hwy.
Petersburg, AK 99833

Dear Borough Assembly Members,

I would like to voice my opposition regarding the 2024 Property Assessment Notice.

From '22 to '23, my total assessment went up from \$126,800 to \$171,200, a total of \$44,400 which is 35%. I accepted this because I knew everyone else's assessments were increased throughout the whole town, approximately 20%.

However, this year, my assessment has continued to rise \$18,300, which is 11%, bringing my total valuation to \$189,500. This might sound OK for a home on the beach, but my total increase has gone up in just 2 years to \$62,700. Under Improvements, my increase was \$27,800 in 2023, and another \$18,300 for 2024. And yet I have done nothing to the house or the property. Everything is the same as it always was.

My valuation has gone up 46% in just 2 years! When is this going to end?? And I thought last year's increase was a one-time deal, to bring us all into line with the market, but 46% in just 2 years is too much.

I decided to not appeal this, but would instead oppose this by writing a letter to all of you.

Thank you for your time and consideration.



Linda Herff
email: l_herff@hotmail.com



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Natural Resources

DIVISION OF MINING, LAND & WATER
Land Conveyance Section

550 West 7th Avenue, Suite 640
Anchorage, Alaska 99501-3576
Main: 907.269.8594
TTY: 711 or 800-770-8973
Fax: 907.269.8916
<http://landsales.alaska.gov>
<http://facebook.com/alaskaland/>

April 18, 2024

Honorable Mark Jensen, Borough Mayor
Petersburg Borough
PO Box 329.
Petersburg, Alaska 99833

RE: Proposed Petersburg Borough Municipal Land Entitlement within Region 3 (Central Southern Southeast Area Plan) for portions to be conveyed.

Dear Honorable Jensen,

The purpose of this letter is to provide notice to the Mayor's Office of proposed conveyances of state-owned land to the Petersburg Borough, properly posted, in accordance with AS 38.05.945.

Enclosed is a copy of the public notice that explains the proposed actions. Please distribute this letter to those within your organization that may have an interest and submit your comments, if any, by **May 24, 2024**.

If you should have any questions concerning these actions, you may contact me at (907) 269-6546, or email at mary.hermon@alaska.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Mary Hermon".

Mary Hermon
Natural Resource Specialist II
Land Conveyance Section, Municipal Entitlements

Cc: Debbie Thompson, Borough Clerk
Stephen Giesbrecht, Borough Manager

Enclosure: 2

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

Attachment H: PUBLIC NOTICE

Requesting Input for a Proposed Conveyance Under AS 29.65
Petersburg Borough Municipal Land Entitlement Selections – ADL 108982, 108983, and 108984

COMMENT PERIOD ENDS: 4:30 PM, FRIDAY, MAY 24, 2024

The Department of Natural Resource (DNR), Division of Mining, Land and Water (DMLW), Land Conveyance Section (LCS) has prepared a Preliminary Decision (PD) for a proposal to convey approximately 1,758 acres of state owned vacant, unappropriated, unreserved (VUU) general grant land to Petersburg Borough (Borough), in order to partially fulfill their municipal land entitlement under AS 29.65.010. Located within DNR's Southeast Region, these land selections are in two geographical regions of the Central Southern Southeast Area Plan (Region 3. Petersburg). LCS finds that the proposed conveyance is consistent with the requirements of AS 29.65, and that the Borough's interest in obtaining these state lands outweigh the State's interest in retaining them.

Pursuant to AS 38.05.945 Notice, the public is invited to comment on this PD which proposes to transfer ownership of state land to the Petersburg Borough. **The deadline for submitting public comment is 4:30 PM, Friday, May 24, 2024.** Only persons from whom LCS receives timely written comment during the identified comment period will be eligible to file and appeal of the Final Finding and Decision (FFD). Comments must be received in writing to the Division of Mining, Land and Water, Attention: Mary Hermon, at 550 West 7th Avenue, Suite 640, Anchorage, Alaska 99501, by fax at (907) 269-8916, or by email at mary.hermon@alaska.gov. If you have questions, call Mary Hermon at (907) 269-6546.

The public notice is available on the Alaska Online Public Notice System at: <http://dnr.alaska.gov/commis/pic/pubnotfrm.htm>. The Preliminary Decision is available on the DMLW Municipal Entitlement web site at: <http://dnr.alaska.gov/mlw/muni/> and on the DMLW Land Sales website at: <http://landsales.alaska.gov>.

Following the comment deadline, those written responses received will be considered and the decision may be modified to incorporate public comments in a Final Finding and Decision (FFD). Only persons who comment during this public comment period will be eligible to file an administrative appeal of the FFD. A copy of the FFD will be sent to any person who comments on the PD. The FFD will include the appeal instructions. Please direct all inquiries or questions to Mary Hermon, at the above address, electronic mail, phone or by fax.

DNR is prepared to accommodate individuals with disabilities by providing auxiliary aids or services when requested. Individuals with audio impairments who wish to respond to this decision by telephone may call the DNR, Public Information Center in Anchorage between the hours of operation: 10:00 AM to 5:00 PM, Monday through Friday at TTY: 711 for Alaska relay or 800-770-8973 or go to <http://dnr.alaska.gov/commis/pic/>

If no significant change is required, the PD, including any minor changes and a summary of comments and responses, will be issued as the FFD, without further notice. A copy of the FFD will be sent to any persons who commented timely on the PD.

DNR reserves the right to waive technical defects in this notice.

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

PRELIMINARY DECISION
PROPOSED CONVEYANCE OF STATE LAND UNDER AS 29.65

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

PUBLIC COMMENT PERIOD ENDS 4:30 P.M., FRIDAY, MAY 24, 2024

I. PROPOSED ACTION

Preliminary Decision: Petersburg Borough Municipal Land Entitlement Selections – ADL 108982, 108983, and 108984

- Attachment A: Vicinity Map*
- Attachment B: NE Mitkof Map*
- Attachment B2: ADF&G Mitkof Stream Map*
- Attachment C: Blind Point Map*
- Attachment D: Summit Island Map*
- Attachment E: Wilson Islands Map*
- Attachment F: FDR Parcel Map*
- Attachment G: Blind Slough Map*
- Attachment H: Public Notice*

Primary Proposed Action: The State of Alaska (State), Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW), Land Conveyance Section (LCS) proposes to convey lands selected by Petersburg Borough (PB) in partial fulfillment of their general grant land entitlement under AS 29.65.010 Determination of Entitlement of Boroughs and Unified Municipalities. See *Attachment A: Vicinity Map* for a depiction of the project area.

PB selected six parcels in Region 3 - Petersburg as identified in the Central/Southern Southeast Area Plan¹ (CSSEAP). In this decision, LCS will adjudicate 1,758 acres, more or less.

LCS proposes to convey 1,758 acres, more or less, of state-owned vacant, unappropriated, unreserved² (VUU) general grant land. LCS has determined that no overriding state interests merit retaining these selections in state ownership.

Public Notice of Proposal: In accordance with AS 38.05.945 Notice, during a period of at least 30 consecutive days, the public is invited to submit written comment on this Preliminary Decision (PD).

¹ The *Central/Southern Southeast Area Plan* (CSSEAP) adopted November 2000 determines the management intent, land-use designations, and management guidelines that apply to all state lands in the applicable planning area. This plan forms the basis for the land use classifications that constitute vacant, unappropriated, unreserved land for purposes of determining the eligibility of state land for potential conveyance to a municipality under AS 29.65 *General Grant Land*.

² *Vacant, unappropriated, unreserved* (VUU) land is general grant land patented or tentatively approved to the State from the United States, excluding minerals as required by 6(i) of the Alaska Statehood Act, and is conveyable under the Municipal Entitlement Act (AS 29.65).

Preliminary Decision

Petersburg Borough - ADL 108982, 108983, 108984

Page 2 of 17

See **Section VII. Submittal of Public Comments** at the end of this document and *Attachment H: Public Notice* for details on submitting comment for consideration. If LCS moves forward with the proposal after considering timely, written comments, LCS will issue a Final Finding and Decision (FFD).

II. AUTHORITY

The proposed actions in this PD are authorized pursuant to Alaska Statute (AS) and Alaska Administrative Code (AAC), particularly AS 29.65 General Grant Land, AS 38.05.035(e) Power and Duties of the Director, AS 38.05.125 Reservation, AS 38.05.127 Access to Navigable or Public Water, AS 19.10.010 Dedication of Land for Public Highways, and 11 AAC 51 Public Easements.

III. ADMINISTRATIVE RECORD

The administrative record for this PD consists of case files Alaska Division of Lands (ADL) ADL 108982, ADL 108983, and ADL108984. Also incorporated by reference are:

- Central/Southern Southeast Area Plan (CSSEAP) adopted in November 2000 and associated land classification files;
- Alaska Department of Fish and Game (ADF&G) Alaska Anadromous Waters Catalog & Atlas to the Catalog;
- Alaska Department of Environmental Conservation (DEC) Contaminated Sites Database; and
- DNR case files: National Forest Community Grant (NFCG) 110, 112, 290, and 294.

IV. SCOPE OF THE PROPOSAL

The scope of this proposal under the statutes described in the proceeding **Section II. Authority** is limited and specific to determining whether it is appropriate to convey the subject parcels to PB. This decision includes a review of third-party interests, stipulations necessary to effectuate this decision, and an evaluation of whether the public interest in retaining state ownership of the land outweighs PB's interest in obtaining the selected lands as provided in AS 29.65.050 Fulfillment of Land Entitlement. In this decision, LCS will also determine whether PB's municipal entitlement land selections meet requirements under AS 29.65.070(b) Selection and Conveyance Procedure and whether it is appropriate to allow PB to exercise immediate management authority for conditional sales and leases on land approved for conveyance.

V. DESCRIPTION

A. Location and Geographical Features

Petersburg Borough was incorporated as a Non-Unified Home Rule Borough in 2013. The borough boundary encompasses the entrance to Endicott Arm, east to the Canadian border, south to Sumner Strait, west through the middle of Kupreanof Island (the east half of the island), and north along Stephens Passage up to Endicott Arm.

The area within the borough boundary is characterized by steep hillsides along the coast and relatively flat coastal plains. Spruce bog vegetation is found on coastal plains, whereas the steeper hillsides support a mixture of hemlock and spruce forests. The northern area of Mitkof Island has steep mountain terrain, while the southern part of Mitkof Island is characterized by gently sloping coastal plains backed by foothills, which often rise rapidly and produce steep valleys.

<i>Borough/Municipality:</i>	Petersburg Borough
<i>Meridian:</i>	Copper River (C)
<i>Regional Corporation:</i>	Sealaska Corporation

Federally Recognized Tribe: Wrangell Cooperative Association, Petersburg Indian Association, Organized Village of Kake, and Central Council of the Tlingit and Haida Indian Tribes of Alaska

Village Corporation: Kake Tribal Corporation

USGS Map Coverage: Petersburg Quadrangle (1:250,000)
 NE Mitkof Petersburg C-3, D-3 (1:63,360)
 Blind Point Petersburg C-3 (1:63,360)
 Summit Island Petersburg C-2 (1:63,360)
 Wilson Island Petersburg C-2 (1:63,360)
 FDR Parcel Petersburg C-3 (1:63,360)
 Blind Slough Petersburg C-3 (1:63,360)

B. Legal Description, Land Status, and Third-Party Interests

Table 1 below identifies PB land selections adjudicated in this decision by location/map name and ADL number, Meridian (M), Township (T), Range (R), Section (S), title report number and date, and includes state case file, title status, date, and any third-party interests affecting those state-owned lands. The State holds fee title to the land and mineral estates through either Patent (PA) or Tentative Approval (TA) from the U.S. Department of Interior, Bureau of Land Management (BLM). The State will only convey the land estate on approved conveyances to PB. AS 38.05.125 Reservation requires the State to retain the mineral estate. Pursuant to AS 29.65.070(b) Selection and Conveyance Procedure, the State may only issue a patent to a municipality once BLM has patented the land to the State.

Table 1

Map Name ADL No.	MTRS	Title Report No.	State Case File	Title/ Date	Third-Party Interests
NE Mitkof (ADL 108983)	C059S080E04 C059S080E09 C059S080E10 C059S080E14 C059S080E15 C059S080E23	RPT – 22876 current as of 11/24/2023	NFCG 112	PA 50-88-0039 1/15/1988	ADL 101866 Public Access Easement, issued (FDR 6204), 66' (Secs 9, 10) ADL 105927 P&C Use Sale, conveyed to PB ADL 107871 Material Source (Sec. 4) ADL 107869 Material Source (Sec. 10) Cabin Creek Road (FDR 6206), 66' ROW (Secs 9, 10)
Blind Point (ADL 108984)	C060S079E24	RPT – 22877 current as of 11/14/2023	NFCG 294	TA 11/5/1996	ADL104833 ROW Public Utility Easement, FERC Power Project 3015, 300' ROW ADL 106335, P&C Use lease, issued to PB Mitkof Highway (FH7), 132' ROW
Summit Island (ADL 108982)	C061S082E12	RPT – 22874 Current as of 10/17/2022	NFCG 110	PA 50-2015-0074 4/14/2015	None identified
Wilson Islands (ADL 108982)	C061S082E27	RPT – 22093 Current as of 10/17/2022	NFCG 110	PA 50-2015-0074 4/14/2015	None identified
FDR Parcel (ADL 108982)	C062S081E03	RPT – 22873 Current as of 10/14/2022	NFCG 290	PA 50-2003-0454 8/14/2003	S. Sumner Mtn Road, FDR 6283, 66' ROW Muck Road, FDR 40083, 66' ROW Woodpecker Road, FDR 6245, 66' ROW

Map Name ADL No.	MTRS	Title Report No.	State Case File	Title/ Date	Third-Party Interests
Blind Slough (ADL 108982)	C061S081E25 C061S081E26 C061S081E35 C061S081E36	RPT – 22875 Current as of 1/17/2023	NFCG 110	PA 50-2015-0074 4/14/2015	Mitkof Highway (FH 7), 132' ROW (Sec. 35) ADL 104833 ROW Public Utility Easement, FERC Power Project 3015, 300' ROW (Secs 26, 35, 36) ADL 109223 Public Easement, Fiber Optic (Sec 35)

VI. PRELIMINARY DECISION

A. Background

Petersburg Borough was legislatively granted a municipal entitlement of 14,666 acres in 2017. To date, PB has received title to 1,048 acres, more or less, and has approval for approximately 4,137 acres, leaving approximately 9,481 acres remaining in its entitlement. PB submitted the selections within this PD to LCS in 2016 and 2018.

B. Planning, Classification, and Mineral Orders

1. Planning

The CSSEAP is the controlling land management planning authority. The land selections fall within Region 3 – Petersburg of the CSSEAP. The CSSEAP describes each management unit's management intent and area plan designation. These plan designations convert to land use classifications, establishing what land the State may convey under the Municipal Entitlement Act (AS 29.65.010 General Grant Land). Accordingly, the CSSEAP governs the management intent and classifications for the selected lands.

2. Land Use Designation and Classification

The land selections proposed for conveyance in this decision are designated as Public Recreation – Developed, Public Facilities – Transfer, or General Use, which convert to the classifications of Resource Management land or Public Recreation land, which are conveyable classifications for municipal entitlement general grant land under AS 29.65.130 Definitions, unless an overriding state interest exists as stated in the management intent. *Table 2* shows the land use classifications derived from the CSSEAP for the land selections adjudicated in this decision.

Table 2

Map Name ADL No.	MTRS	Approx. Acres	Unit	Classification
NE Mitkof (ADL 108983)	C059S080E04 C059S080E09 C059S080E10 C059S080E14 C059S080E15 C059S080E23	1011	P-28	Resource management land
Blind Point (ADL 108984)	C060S079E24	80	P-16	Public recreation land, Resource management land
Summit Island (ADL 108982)	C061S082E12	10	P-23	Resource management land

Map Name ADL No.	MTRS	Approx. Acres	Unit	Classification
Wilson Islands (ADL 108982)	C061S082E27	20	P-23	Resource management land
FDR Parcel (ADL 108982)	C062S081E03	157	P-27	Resource management land
Blind Slough (ADL 108982)	C061S081E25 C061S081E26 C061S081E35 C061S081E36	480	P-25	Resource management land

3. Mineral Orders

The mineral estate is reserved to the State pursuant to AS 38.05.125 Reservation.

NE Mitkof is closed to mineral entry under MCO 279. No other known mineral orders affect PB's selections within these ADLs.

C. Traditional Use Finding

In an unorganized borough, disposal of state land with traditional uses is reviewed under AS 38.05.830 Land Disposal in the Unorganized Borough. PB is an organized borough under AS 29.05.031 Incorporation of a Borough or Unified Municipality and eligible for municipal entitlement. Therefore, a determination for traditional uses is not required. PB's legal boundary encompasses all municipal entitlement land selections in this decision.

D. Access

Public access will be reserved in accordance with AS 19.10.01 Dedication of Land for Public Highways, AS 19.30.400 Identification and Acceptance to Rights-of-Way, AS 38.05.125 Reservations, AS 38.05.127 Access to Navigable or Public Water, and 11 AAC 51 Public Easements.

Primary access to Mitkof Island is via airplane or boat. Frederick Sound and Sumner Straight are the primary travel corridors for ferries, ships, and boats. Duncan Canal and the Wrangell Narrows are contiguous with these major waterways and provide access to some of PB's municipal entitlement land selections. Petersburg James A. Johnson Airport provides for larger commercial airplanes. Floatplanes and helicopters provide access to various remote locations within PB.

The Mitkof Highway is the primary road on Mitkof Island. It is one segment of the Alaska Highway system for AK-7, which also includes the Alaska Marine Highway. There are many secondary roads, some of which were previous forest development roads (FDR). The Blind Point parcel and the Blind Slough parcel, located on the southern end of Mitkof Island, can be accessed by Mitkof Highway (Forest Highway 7). The NE Mitkof parcels can be accessed by Frederick Drive (FDR 6204) and Cabin Creek Road (FDR 6206). The Wilson Islands and Summit Island parcels can be accessed by floatplane or boat. The FDR Parcel land has three roads within its borders (FDRs 6245 Woodpecker Road, 6283 South Sumner Mountain Road, and 40083 Muck Road)

1. Section Line Easements

As required under AS 19.10.010 Dedication of Land for Public Highways, and in accordance with 11 AAC 51.025 Section Line Easements, public access easements will

Preliminary Decision

Petersburg Borough - ADL 108982, 108983, 108984

Page 6 of 17

be reserved along each section line on lands approved for conveyance. If a section line forms a boundary of a selection being conveyed, the easement will be 50 feet wide measured from the section line. If a section line runs through a selection being conveyed, the easement will be 50 feet wide, measured on each side of the section line, for a total width of 100 feet.

2. Trails, Rights-Of-Way, RS 2477, and Easements

A review of state records verifies that rights-of-way (ROW), easements, reservations, and exceptions in the U.S. Patent affect some of PB land selections, as disclosed above in *Table 1*.

The FDRs, which allow access to much of Mitkof Island, are reserved to the U.S. (r/w AA45079) with a 66-foot ROW. The Mitkof Highway (FH 7) has a ROW of 132 feet in width. There are no RS 2477 rights-of-way within the selected lands.

3. Navigable and Public Water

The State will retain ownership of the bed of navigable water, including all gravel bars and islands, and will convey the bed of public waters to PB. A survey will determine the Ordinary High Water Mark (OHWM) of the navigable and public waters, the Mean High Water Mark (MHWM) on marine meandering shorelines, identify islands, and determine the specific areas to be retained by the State. At the time of survey, fieldwork may find that a body of water or a waterway is different than what was identified in this decision. If this occurs, DNR will review the results of the survey work. If the fieldwork is determined to be accurate, then the survey results will supersede the recommendation in this decision.

Navigable Waters: Pursuant to 11 AAC 51.035 Determination of Navigable or Public Water, a water body is navigable if it is at least 50 acres in size or a waterway at least 50 feet wide from OHWM to OHWM. A water body will also be considered navigable if it is found navigable for a useful public purpose in accordance with AS 38.05.965 Definitions; otherwise, it will be considered public water in accordance with 11 AAC 51.035 Determination of Navigable or Public Water. Additionally, ownership of land adjacent to navigable water does not create any right of title to land below the OHWM of the navigable water.

All tidal waters: Within the Tongass National Forest area, the State received title to the tidal waters through a Quiet Title Disclaimer from the U.S. Department of Justice and U.S. Forest Service as part of the Glacier Bay Decision (Original 128) in association with the Stikine River Recordable Disclaimers of Interest (RDI). The MHWM for tidal waters will be established at the time of survey.

Public Waters: Pursuant to 11 AAC 51.035 Determination of Navigable or Public Water, a water body is considered public water if it is at least ten acres but less than 50 acres in size or at least ten feet but less than 50 feet wide from OHWM to OHWM. Ownership of the land under or adjacent to public water does not grant an exclusive right to use the water (AS 38.05.126 Navigable and Public Water).

On and along the bed of public water bodies or waterways, the State will reserve an access easement and convey title to PB. Legal public access is generally limited to easements typically 100 feet wide on section lines (SLE) and typically 50 feet wide along the OHWM and MHWM of navigable and public water bodies (the 'along' easement, see below).

4. Easements To and Along Navigable and Public Water

A public access easement on the bed and 50 feet in width upland of the OHWM will be reserved on all water bodies and waterways determined to be public, and 50 feet in width upland of the MHWH of navigable waters, in accordance with AS 38.05.127 Access to Navigable or Public Water and 11 AAC 51 Public Easements. This easement is referred to as the 'along' easement. The 'to' easement is to be established approximately once each mile and is often provided on section line easements at 50 feet in width adjacent to the section line on each side (AS 19.10.010 Dedication of Land for Public Highways and 11 AAC 51.025 Section-Line Easements). The 'along' easement applies to these waterbodies, and the 'to' easement is intended to provide access to the 'along' easements.

An alternative upland access route may be reserved if DNR finds that access along an easement reserved under 11 AAC 51.045(d)(1) Easements To and Along Navigable and Public Water, is difficult because of topography or obstructions.

Navigable Waters: Navigable waters may or may not be anadromous. Exposed sand or gravel bars that are within, and are not above the OHWM, are part of the waterbody bed. PB will only be conveyed those lands determined to be uplands above the OHWM.

Tidal Waters: All are considered navigable and, in this decision, include Frederick Sound (NE Mitkof area), Dry Strait (Summit Island area), and Sumner Strait (Wilson Islands area). The upland shore will be 'subject to' a 50-foot public access easement on those lands approved for conveyance to PB.

Public Waters: Waterbodies determined to be public waters under 11 AAC 51.035 Determination of Navigable or Public Water, are identified in *Table 3*. Anadromous water catalog numbers are listed below for waterbodies that have been identified as anadromous. The beds of public waters are to be conveyed with the adjoining approved lands. Those water bodies determined not to meet the minimum public water standards after a survey will not require the public access easement.

Table 3

Map Name ADL No.	MTRS	Waterbody Name	Anadromous Water Catalog #	Public Access Easement (to & along)
NE Mitkof (ADL 108983)	C059S080E04 C059S080E09	Unnamed stream Unnamed stream Cabin Creek	None None 108-50-10050	On the beds and 50 feet upland

Preliminary Decision

Petersburg Borough - ADL 108982, 108983, 108984

Page 8 of 17

Map Name ADL No.	MTRS	Waterbody Name	Anadromous Water Catalog #	Public Access Easement (to & along)
	C059S080E10	Cabin Creek Unnamed stream Tributaries of unnamed streams	108-50-10050 108-50-10050-2009 None	
	C059S080E14 C059S080E15	Unnamed streams	108-50-10040	
	C059S080E23	Unnamed streams	None	
FDR Parcel (ADL 108982)	C062S081E03	Unnamed stream Tributary of an unnamed stream	108-40-10430 None	On the beds and 50 feet upland
Blind Slough (ADL 108982)	C061S080E25	Unnamed streams	108-40-10550	On the beds and 50 feet upland
	C061S080E26	Strange Creek Unnamed stream Unnamed streams	108-40-10500-2018 108-40-10550 None	On the beds and 50 feet upland
	C061S080E36	Unnamed streams	108-40-10550 108-40-10550-2013 108-40-10550-2014 108-40-10550-2018	On the beds and 50 feet upland

E. Reservation of Mineral Estate

A VUU general grant land conveyance to a municipality under AS 29.65 General Grand Land conveys no interest in the mineral estate. All mineral-related permits, licenses, claims, and leases affecting the land for conveyance, if any, will remain under the authority of the State.

In accordance with Section 6(i) of the Alaska Statehood Act and AS 38.05.125 Reservation, the State, in this decision, reserves unto itself the mineral estate, including oil and gas, and the rights expressed in the reservation clause of the statute, that being the right to reasonable access to the surface for purposes of exploring for, developing, and producing the reserved mineral resources. Exploration and development, if any, which could occur, would be consistent with AS 38.05.130 Damages and Posting of Bond and other applicable statutes and regulations.

F. Hazardous Materials and Potential Contaminants

The State is responsible for protecting the overall public interest if there is a reasonable expectation that hazardous contamination may exist on land being proposed for disposal. Based on a review by the DNR DMLW Statewide Abatement of Impaired Lands (SAIL) Section and of the Alaska Department of Environmental Conservation's (DEC) comments received, no sites are considered a hazard. See below the details of SAIL's and DEC's comments in **Subsection M. DMLW and Agency Review**.

PB is expected to inspect these selections and familiarize itself with regard to the condition and quality of the land. The State of Alaska makes no representations and no warranties, expressed or implied, concerning the existence or absence of any hazardous substances, hazardous wastes, contaminants, or pollutants on the land proposed here for conveyance. The State assumes no liability for the removal of hazardous substances, hazardous wastes,

Preliminary Decision

Petersburg Borough - ADL 108982, 108983, 108984

Page 9 of 17

contaminants, or pollutants, nor any liability for the remediation of the site should such substances ever be identified.

G. Survey

Before DNR issues a conveyance document, a state-approved survey is required. If no approved survey exists, then one must be performed by an Alaska Registered Land Surveyor under the direction of the DNR DMLW Survey Section. PB is responsible for the expense of any survey. PB may request a survey determination at any time after the FFD. There is no requirement under AS 29.65.070 Selection and Conveyance Procedure to appraise the land before conveyance.

H. Conditional Leases and Sales

Once the FFD is effective, PB will receive management authority and equitable title to all land approved for conveyance in this decision. This will allow PB to approve conditional leases and make conditional sales pursuant to AS 29.65.070(b) Selection and Conveyance Procedure but not to dispose of land approved for conveyance until the land has been surveyed and ownership transferred to PB.

I. Unauthorized Use

LCS has not physically inspected all areas of the selected lands for unauthorized use but has reviewed department records and is unaware of any other existing unauthorized use within the land selections.

PB is expected to inspect all its land selections to familiarize itself with the condition and quality of the land.

J. Disposition of Leases, Permits, and Applications

Administration of any active leases, permits, and easements for the surface estate issued by the State on land to be conveyed will be transferred to PB when the FFD becomes effective unless such authorizations are expressly excluded from the conveyance (see Table 1). Any pending applications not adjudicated and issued will be closed.

K. Cultural Resources

The Alaska Office of History and Archaeology (OHA) maintains the Alaska Heritage Resources Survey (AHRs), an inventory of all reported historic, prehistoric, and archaeological sites in the State. No historic cultural resources have been found in the selected areas.

However, only a very small portion of the State has been surveyed for cultural resources. Therefore, the possibility remains that the selected lands may contain previously unidentified cultural resources. While the conveyance of these parcels will not directly affect cultural resources, future projects that PB may propose on selected lands could affect unidentified cultural resources. Should any cultural resources be encountered, the Borough will need to take those actions required by law to protect such resources in accordance with AS 41.35.070(d) Preservation of Historic, Prehistoric, and Archeological Resources Threatened by Public Construction.

L. Form and Width Requirement

Each municipal entitlement land selection is required to be compact in form with its length not exceeding approximately four times its width pursuant to AS 29.65.070(c) Selection and

Preliminary Decision

Petersburg Borough - ADL 108982, 108983, 108984

Page 10 of 17

Conveyance Procedure. A review of PB's land selections proposed for conveyance in this decision indicates that the selections are consistent with this statute.

M. DMLW and Agency Review

Information and comments received from multiple sections within DMLW prior to and during agency review have been considered and included in the preparation of this PD. Agency review was conducted between April 5, 2022, through April 29, 2022. The intent of an agency review is to request comments from agencies that may be affected by a municipal entitlement land conveyance decision. Agencies are given the opportunity to evaluate and comment on the municipality's land selection to determine if the State should retain all or a portion of the selected lands and, if so, provide supporting reasons for the requested action. Additionally, agencies are requested to identify any stipulations that may be appropriate if the land is to be conveyed out of state ownership.

DNR DMLW LCS received brief comments of non-objection from the following agencies:
DNR Division of Parks and Outdoor Recreation – Alaska State Parks and DNR Division of Oil and Gas.

DNR DMLW LCS Response: LCS appreciates your review.

Comments from DNR Division of Forestry and Fire Prevention (DOF&FP), Southeast Area:

“The DOF manages several legislatively designated tracts of the Southeast State Forest adjacent to the selected municipal parcels. The primary purpose for the legislatively designated Southeast State Forest (SESF) is timber management (AS 41.17.200). While the DOF respects municipal and community development intent, it may not align with the SESF purpose if State long term use and access is not considered.

Given that the SESF has not been fully developed for forest management and may not be for some time, the DOF requests that commercial and public access to the adjacent SESF be referred to as import to the State's interest and reserved in the patent to the municipality. Additionally, there is uncertainty regarding future management intent of the United States Forest Service on the Tongass National Forest. With that in mind, the State reservation of public access easements on the following federally name roads at a minimum are also requested:

1. Frederick Point. Retain public easement for Road 6204000.
2. Woodpecker. Retain public easement for Roads 6245000 and 4008300
3. South Mitkof. Retain public easement for Road 6222.”

DNR DMLW LCS Response to DOF&FP: LCS appreciates your review. Public access will be maintained to the SE State Forest via section line easements and established FDRs. The FDRs were reserved from state title and therefore any conveyance described in this decision will be subject to the existing easements of 66 feet in width. FDR 6222 in the Blind Slough area (*Attachment G: Blind Slough*) does not cross the selected land within this decision.

Comments from the Alaska Department of Environmental Conservation (DEC):

“The Contaminated Sites Program currently has an active contaminated site, FAA Frederick Point Hazard ID 1762. We are currently working on site closure and should have a final answer about closure within the next few weeks. If/when the site is closed, then we have determined the site no longer poses a threat to human health or environment.”

Preliminary Decision

Petersburg Borough - ADL 108982, 108983, 108984
Page 11 of 17

DNR DMLW LCS Response to DEC: LCS appreciates your review. Petersburg Borough has relinquished their selection on the parcel that contains the FAA site.

Comments from the Alaska Department of Fish and Game (ADF&G):

"Alaska Department of Fish and Game (ADF&G) has reviewed the Municipal Entitlement Selections for Petersburg Borough (ADLs 108982, 108983, 108984). There are six different selections included.

ADL 108982

-Summit Island (CRM T06S R79E SEC 12): Island of approximately 10 acres.

-ADF&G has no objections.

-Wilson Islands (CRM T61S R82E SEC 27): Two islands consisting of approximately 20 acres.

-ADF&G has no objections.

-Blind Slough (CRM T61S R81E SEC 25, 26, 35, 36): Approximately 480 acres selected. This selection has an anadromous stream (AWC: 108-40-10550) which has been identified as important habitat for coho and pink salmon. An ADF&G biologist has identified additional tributaries (map attached) that are anadromous but not in the AWC. These streams will be nominated this year and included in the AWC in 2023.

- ADF&G recommends reservation of a 50-ft wide public access easement and a 100-ft building setback prior to conveyance.

-FDR 6283 [FDR Parcel Map] (CRM T62S R81E SEC 3): Approximately 157 acres selected. This selection has an anadromous unnamed stream (AWC: 108-40-10430) which has been identified to be important habitat for coho salmon and Dolly Varden. An ADF&G biologist has identified additional tributaries (map attached) that are anadromous but not in the AWC. These streams will be nominated this year and included in the AWC in 2023.

- ADF&G recommends reservation of a 50-ft wide public access easement and a 100-ft building setback prior to conveyance.

ADL 108983

-NE Mitkof (CRM T59S R80E SEC 4, 9, 10, 14, 15, 23): Approximately 1012 acres selected. This selection contains three anadromous streams. Cabin Creek (AWC: 108-50-10050) and an unnamed stream (AWC: 108-50-10050-2009) has been identified as important habitat for coho and pink salmon, cutthroat and steelhead trout, and Dolly Varden. An unnamed stream (AWC: 108-50-10040) has been identified as important habitat for coho and pink salmon, and Dolly Varden. An ADF&G biologist has identified additional tributaries (map attached [Attachment B2]) that are anadromous but not in the AWC. These streams will be nominated this year and included in the AWC in 2023.

- ADF&G recommends reservation of a 50-ft wide public access easement and a 100-ft building setback prior to conveyance.

ADL 108984

-Blind Point (CRM T60S R79E SEC24): Approximately 80 acres selected.

-ADF&G has no objections."

DNR DMLW LCS Response to ADF&G: LCS appreciates your review. All public and anadromous streams will have the appropriate public access easements reserved

Preliminary Decision

Petersburg Borough - ADL 108982, 108983, 108984

Page 12 of 17

pursuant to AS 38.05.127 Access to Navigable or Public Water. LCS recognizes the importance of riparian protection and the recommendation of a building setback. However, DNR does not have authority to impose 100-foot riparian buffers along waterbodies, as ADFG has requested in some locations. Per AS 29.65.130(6), conveyance of state land to municipalities are made "without reservation or condition except as may be required by law." Reservations required by law include section line easements and 'to and along' easements. While DNR cannot require reservation of riparian buffers on land conveyed under AS 29.65, we recommend PB work with ADFG prior to any proposed development in the areas identified by ADFG in order to protect important riparian habitat.

Comments from the Department of Transportation & Public Facilities (DOT&PF):

DOT notes that existing DOT&PF properties, rights, highways, roads, and other facilities shall be specifically excluded from conveyance. To coordinate further discussion on these interests, please contact the Department's Southcoast Region Right-of-Way Group in Juneau.

DNR DMLW LCS Response to DOT&PF: LCS appreciates your review. All DOT&PF properties, highways, roads and ROWs will be excluded from the proposed conveyance.

Comments from DMLW Public Access Assertion and Defense (PAAD):

PAAD stated that this project does not contain any navigable waters per AS 38.04.062. All streams listed in the Anadromous Waters Catalog are Public Water per AS.05.126, .127, and .965(21).

DNR DMLW LCS Response to PAAD: LCS appreciates your review of the navigable and public waters. A public access easement will be imposed from the MHW upland 50 feet pursuant to AS 38.05.127 Access to Navigable or Public Water, on marine shores and on the bed and 50 feet upland on public waters.

Comments from DMLW Statewide Abatement of Impaired Lands (SAIL):

SAIL found no items of concern during their review of the parcels and has no further comments on the proposed conveyance.

DNR DMLW LCS Response to SAIL: LCS appreciates your review.

The following agencies or groups were included in the agency review, but no comment was received:

- Department of Natural Resources
 - DMLW, Resource Assessment and Development Section
 - Division of Geological and Geophysical Surveys
 - Alaska Mental Health Trust Land Office
 - Division of Parks and Outdoor Recreation
 - Office of History and Archaeology

VII. SUBMITTAL OF PUBLIC COMMENTS**See Attachment H: Public Notice for specific date and conditions**

Pursuant to AS 38.05.945 Notice, LCS is issuing public notice for comment on this Preliminary Decision.

Preliminary Decision

Petersburg Borough - ADL 108982, 108983, 108984

Page 13 of 17

In accordance with AS 38.05.946(a) Hearings, a municipality or corporation entitled to receive notice under AS 38.05.945(c) Notice, may hold a hearing within 30 days after receipt of the notice. If a hearing is held, the Commissioner (or representative) shall attend the hearing. The Commissioner has discretion whether or not to hold a public hearing.

LCS will consider all timely, written comments received. If analysis of such comments indicates the need for significant changes to the PD, additional public notice for the affected lands will be given. Reducing the amount of land offered and making minor changes to any of the proposals will not be considered significant changes requiring additional public notice.

If the proposal is approved and no significant change is required, the Preliminary Decision, including any deletions, minor changes, and summary of comments and LCS responses will be issued as a subsequent Final Finding and Decision without further notice.

Only persons from whom LCS receives timely, written comments during the identified comment period will be eligible to file an appeal of the Final Finding and Decision. Upon approval and issuance of a Final Finding and Decision, a copy of the decision will be made available online at <http://landsales.alaska.gov/> and <http://dnr.alaska.gov/mlw/muni/> and sent with an explanation of the appeal process to any party who provides timely written comment.

DNR is prepared to accommodate individuals with disabilities by providing auxiliary aids, services, or special modifications in order to participate in this review. Individuals who may need such assistance should contact DNR's Public Information Center. For more information, refer to the attached Public Notice.

**DEADLINE TO SUBMIT WRITTEN COMMENT IS
4:30 P.M., FRIDAY, MAY 24, 2024**

VIII. DISCUSSION AND ALTERNATIVES**A. Discussion**

This Preliminary Decision for the Petersburg Borough municipal entitlement land selections covers 1,758 acres, more or less, of state land. LCS proposes to approve conveyance and transfer equitable title and management authority on 1,758 acres, more or less, of state land, identified in *Table 4* below, and the reason listed below.

This decision determines that the municipal selections adjudicated in this decision for which the State currently has title are appropriate for conveyance to PB. These lands fall within conveyable classifications, and there is no indication that the State's interest in retaining these land selections outweighs the interest of the Petersburg Borough in obtaining them.

Management authority on lands approved for conveyance will be transferred to the PB once the FFD becomes effective.

This decision further determines that certain conditions and restrictions are appropriate and necessary to protect important resources and public access for those lands to be conveyed to PB. This decision, therefore, imposes restrictions and reservations that are to be part of the conveyance document to ensure adherence to state statutes and administrative code. Restrictions and reservations are listed in **Section IX. Recommendation and Preliminary Decision**.

Preliminary Decision

Petersburg Borough - ADL 108982, 108983, 108984

Page 14 of 17

B. Alternatives

The following alternatives exist:

1. Take no action to approve or reject PB land selections. This alternative would, in effect, preclude PB's ownership of lands considered to be important to their land base. This action would be inconsistent with the purpose of the Municipal Entitlement Act and inconsistent with the basis for the disapproval of a municipal entitlement selection. Such selections can only be rejected when the State's interests outweigh the interest of the Borough, and there is no basis for such a determination.
2. Reject PB's selections in their entirety. This alternative would have the same effect as Alternative #1 and would be inconsistent with the statutory basis for rejection of a municipal selection.
3. Approve all lands with management authority transferred, pursuant to AS 29.65 General Grant Lands. This alternative effectively meets the intent of the Municipal Entitlement Act to convey appropriately classified state general grant land to PB.

IX. RECOMMENDATION AND PRELIMINARY DECISION**A. Recommended Alternative**

This decision determines that Alternative 3 is the preferred action and best fits the intent of the Municipal Entitlement Act. The Petersburg Borough land selections in part, are approved for conveyance, subject to the conditions, restrictions, and reservations listed below.

B. Recommended Conditions, Restrictions, and Reservations**Conditions**

1. As required under AS 38.05.127 Access to Navigable or Public Water and 11 AAC 51 Public Easements, the location of the MHW of marine waters, including any waters determined to be navigable in fact, will be determined at the time of survey to determine the specific area to be retained by the State.
2. As required under AS 38.05.127 Access to Navigable or Public Water and 11 AAC 51 Public Easements, the location of the OHWM of public waters will be determined at the time of survey.
3. Management authority will transfer to PB on those lands approved for conveyance once the FFD becomes effective.
4. Management authority for public access easements is transferred to PB once the FFD becomes effective. No such easements may be vacated, abandoned, or otherwise extinguished or rendered incapable of reasonable use by the public without approval of the State of Alaska, unless an alternative means for reasonable public access is provided and approved by the State.
5. Administration of state leases and permits pertinent to the surface estate will be transferred to PB once the FFD becomes effective. Administration of issued state leases and permits, in the mineral estate will remain with the State.
6. Once the FFD is effective, PB may execute conditional leases and make conditional sales on lands approved for conveyance, prior to issuance of a state patent in accordance with AS 29.65.070(b) Selection and Conveyance Procedure.

Preliminary Decision

Petersburg Borough - ADL 108982, 108983, 108984
Page 15 of 17

7. The net chargeable acreage approved for conveyance shall be credited towards partial fulfillment of PB municipal land entitlement pursuant to AS 29.65.010 Determination of Entitlement for Boroughs and Unified Municipalities.
8. Notification to the Alaska State Historic Preservation Office in accordance with AS 41.35.070(d) Preservation of Historic, Prehistoric, and Archeological Resources Threatened by Public Construction is required upon discovery of historic, prehistoric, or archaeological sites, locations, remains, or objects.

Restrictions and Reservations

Conveyance document will be issued subject to the following restrictions and reservations:

1. Valid existing rights, including reservations, easements, and exceptions in the U.S. Patent, or other state or federal conveyance, and in acts authorizing the issue thereof; easements, rights-of-way, covenants, conditions, reservations, notes on the plat, and restrictions of record, if any.
2. Reservation of a 50-foot-wide easement on each side of all surveyed and unsurveyed section lines in accordance with AS 19.10.010 Dedication of Land for Public Highways and 11 AAC 51.025 Section-Line Easements.
3. Reservation of a continuous public access easement, 50 feet wide, upland of and adjacent to the MHW of marine waters pursuant to AS 38.05.127 Access to Navigable or Public Water and 11 AAC 51 Public Easements.
4. Reservation of a continuous public access easement, 50 feet wide, upland of and adjacent to the OHWM of all navigable waters determined to be navigable in fact, and on the bed and 50 feet upland along public waters pursuant to AS 38.05.127 Access to Navigable or Public Water and 11 AAC 51 Public Easements.
5. Reservation of the mineral estate pursuant to Section 6(i) of the Alaska Statehood Act and AS 38.05.125 Reservation; and reservation of reasonably necessary access to the mineral estate in accordance with AS 38.05.130 Damages and Posting of Bond.
6. Subject to Forest Development Roads (6204, 6206, 6245, 6283, 40083), rights-of-way, 66 feet wide.
7. Subject to Mitkof Highway (FH 7) right-of-way, 132 feet wide.
8. Reservation of a transmission line right-of-way, pursuant to Sec. 24 of the Federal Power Act of June 10, 1920, 41 Stat. 1063, 1075, as amended, as to the Tyee Lake Hydroelectric Project Transmission Line Right-of-Way for Power Project No. 3015, 300 feet wide.

C. Recommended Action on Municipal Selections

This decision recommends conveying certain state-owned vacant, unappropriated, unreserved general grant land to PB, all located in the Copper River Meridian of Southeast Alaska.

Preliminary Decision

Petersburg Borough - ADL 108982, 108983, 108984

Page 16 of 17

Lands Proposed for Conveyance

Table 4 lists those lands proposed to be approved for conveyance in this decision. The estimated acreages for conveyance do not account for any exclusions, and exact acreages will be determined by survey. The final acreage amount will be credited towards partial fulfillment of PB's municipal land entitlement.

Table 4

Map Name ADL file #	MTR	Section and Legal Description	Acres
NE Mitkof (ADL 108983)	C059S080E	<p>Sec. 4: Lot 1A of ASLS 91-84, located northeasterly of Cabin Creek Road Right of Way according to ASLS 95-66 and Lot 1A of ASLS 91-84, located southwesterly of Cabin Creek Road Right of Way according to ASLS 95-66 (36 ac.)</p> <p>Lot 2, excluding Cabin Creek Road Right of Way according to ASLS 95-66 (42 ac.)</p> <p>Lot 3A of ASLS 91-84, located northeasterly of Cabin Creek Road Right of Way according to ASLS 95-66 and Lot 3A of ASLS 91-84, located southwesterly of Cabin Creek Road Right of Way according to ASLS 95-66 (41 ac.)</p> <p>Lot 4 located northeasterly of Cabin Creek Road Right of Way according to ASLS 95-66 (21 ac.)</p> <p>Lot 5 located easterly of Cabin Creek Road Right of Way according to ASLS 95-66 (17 ac.)</p> <p>S1/2NW1/4, excluding Cabin Creek Road Right of Way according to ASLS 95-66 (80 ac.)</p> <p>W1/2SE1/4 located easterly of Cabin Creek Road Right of Way according to ASLS 95-66 (3 ac.)</p> <p>Sec. 9: E1/2 located easterly of Cabin Creek Road Right of Way according to ASLS 95-66 (91 ac.)</p> <p>Sec. 10: W1/2SW1/4, SE1/4SW1/4 (120 ac.)</p> <p>Sec. 14: All, excluding ASLS 83-32, Frederick Point East Subdivision, and excluding islands, islets, and rocks (136 ac.)</p> <p>Sec. 15: SE1/4NE1/4, E1/2SE1/4 (120 ac.)</p> <p>Sec. 23: Lot 2, Lot 3, Lot 4, W1/2NE1/4, E1/2NW1/4, E1/2SW1/4, W1/2SE1/4 inclusive, excluding ASLS 83-32, Frederick Point East Subdivision, and excluding islands, islets, and rocks (304 ac.)</p>	1011
Blind Point (ADL 108984)	C060S079E	Sec. 24: S1/2SE1/4 (80 ac.)	80
Summit Island (ADL 108982)	C061S082E	Sec. 12: Tract B (Summit Island)....10.09 ac.	10.09
Wilson Islands (ADL 108982)	C061S082E	Sec. 27: Tracts E, F, G, H, and I (Wilson Islands)....20.06 ac.	20.06
FDR Parcel (ADL 108982)	C062S081E	Sec. 03: Lots 1 and 2 (77.02 ac.), NW1/4 excluding Lots 1 and 2 and excluding the southerly 80 ac. (80 ac.)	157.02
Blind Slough (ADL 108982)	C061S081E	<p>Sec. 25: W1/2SW1/4 (80 ac.)</p> <p>Sec. 26: SE1/4 (160 ac.)</p> <p>Sec. 35: N1/2NE1/4, SE1/4NE1/4 (120 ac.)</p> <p>Sec. 36: NW1/4NW1/4, S1/2NW1/4 (120 ac.)</p>	480

Preliminary Decision

Petersburg Borough - ADL 108982, 108983, 108984

Page 17 of 17

Map Name ADL file #	MTR	Section and Legal Description	Acres
APPROXIMATE TOTAL PROPOSED APPROVED ACRES:			1758.17

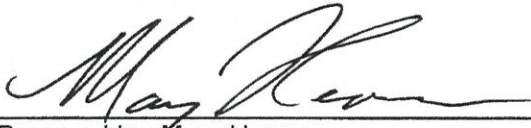
D. Preliminary Decision

The following is the finding of this Preliminary Decision:


It is appropriate to convey 1,758.17 acres, more or less, of state-owned land to PB. This decision determines that the State's interest in retaining this land does not outweigh PB's interest in obtaining it.

This Preliminary Decision, described above, represents the preferred alternative that has been reviewed and considered. After review and consideration of materials in this PD, LCS finds that the recommended action may be in the best interest of the State and that it is hereby approved to proceed to Public Notice in accordance with AS 38.05.945 Notice.

After public notice, the subsequent review process may result in changes to the preferred alternative(s) or disapproval of the proposed action altogether. A Final Finding and Decision will address any significant issues or concerns raised during the public review process.


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

4-18-2024
 Date


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

4/18/2024
 Date

ATTACHMENT A

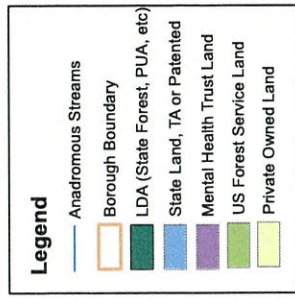
PETERSBURG BOROUGH

Municipal Selections

Vicinity

Preliminary Decision

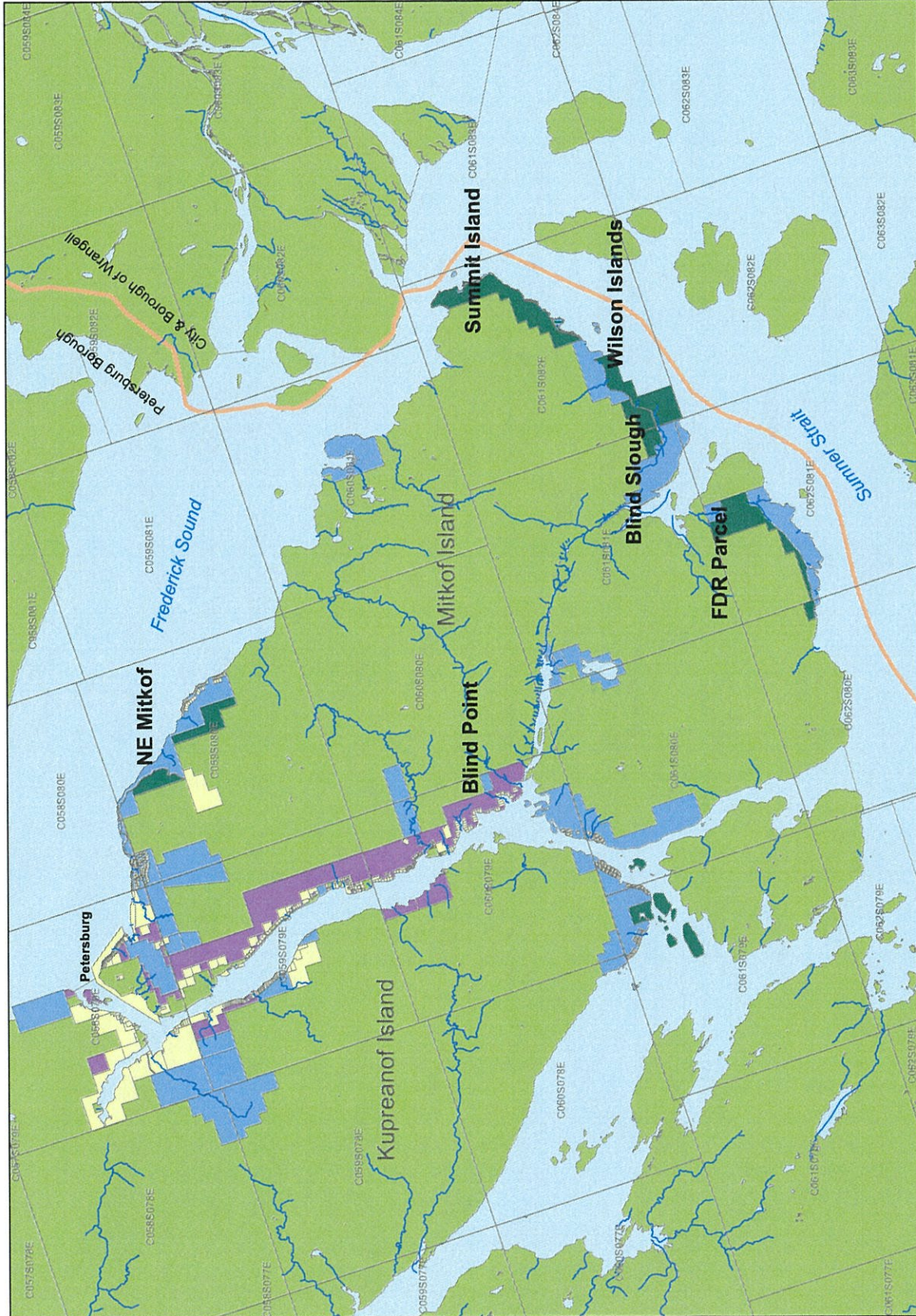
ADLs 108982, 108983, 108984



April 2024

DNR-DMLW-LCS-ME

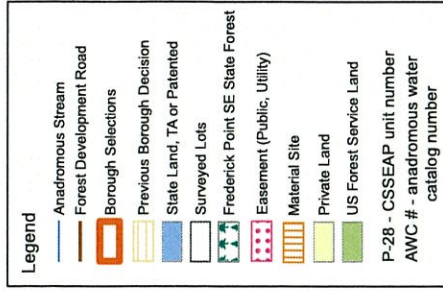
Item 17A.



ATTACHMENT B
Petersburg Borough
 Municipal Selections

Preliminary Decision

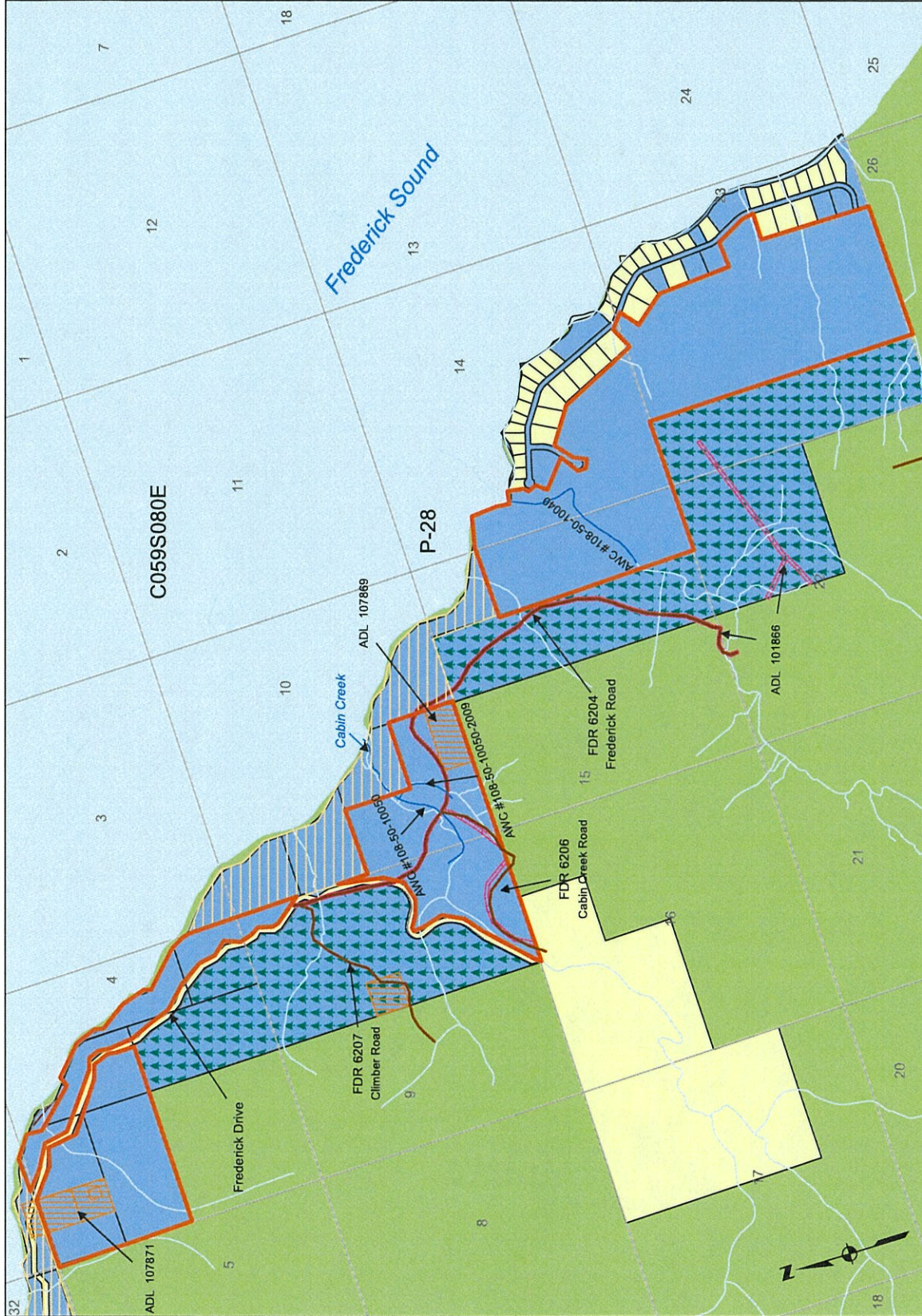
ADL 108983
 NE Mitkof



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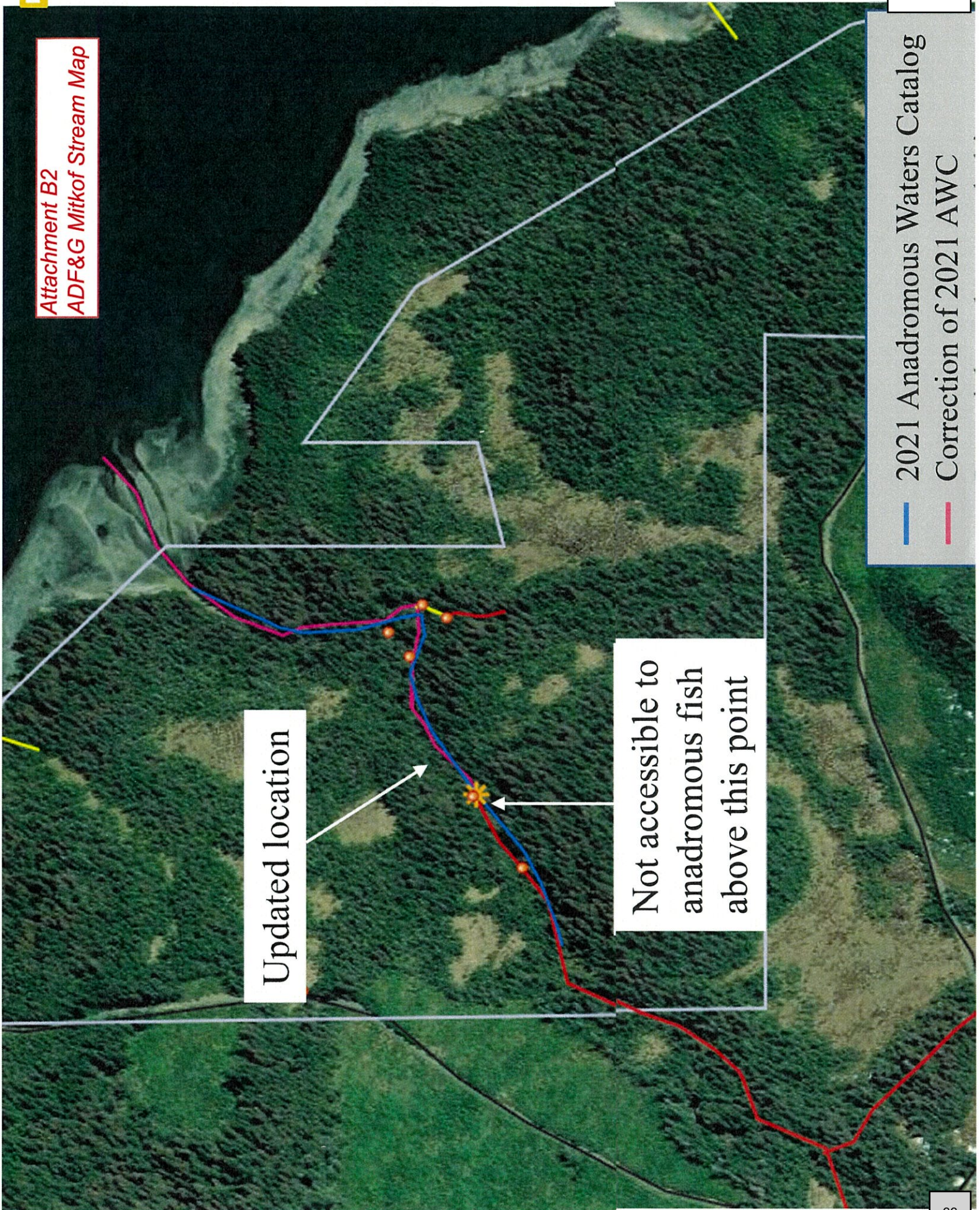
Item 17A.



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



Attachment B2
ADF&G Mitkof Stream Map



Updated location

Not accessible to
anadromous fish
above this point

2021 Anadromous Waters Catalog
Correction of 2021 AWC

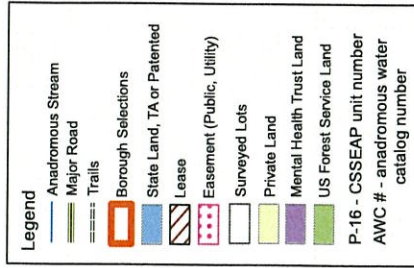
ATTACHMENT C

Petersburg Borough
Municipal Selections

Preliminary Decision

ADL 108984

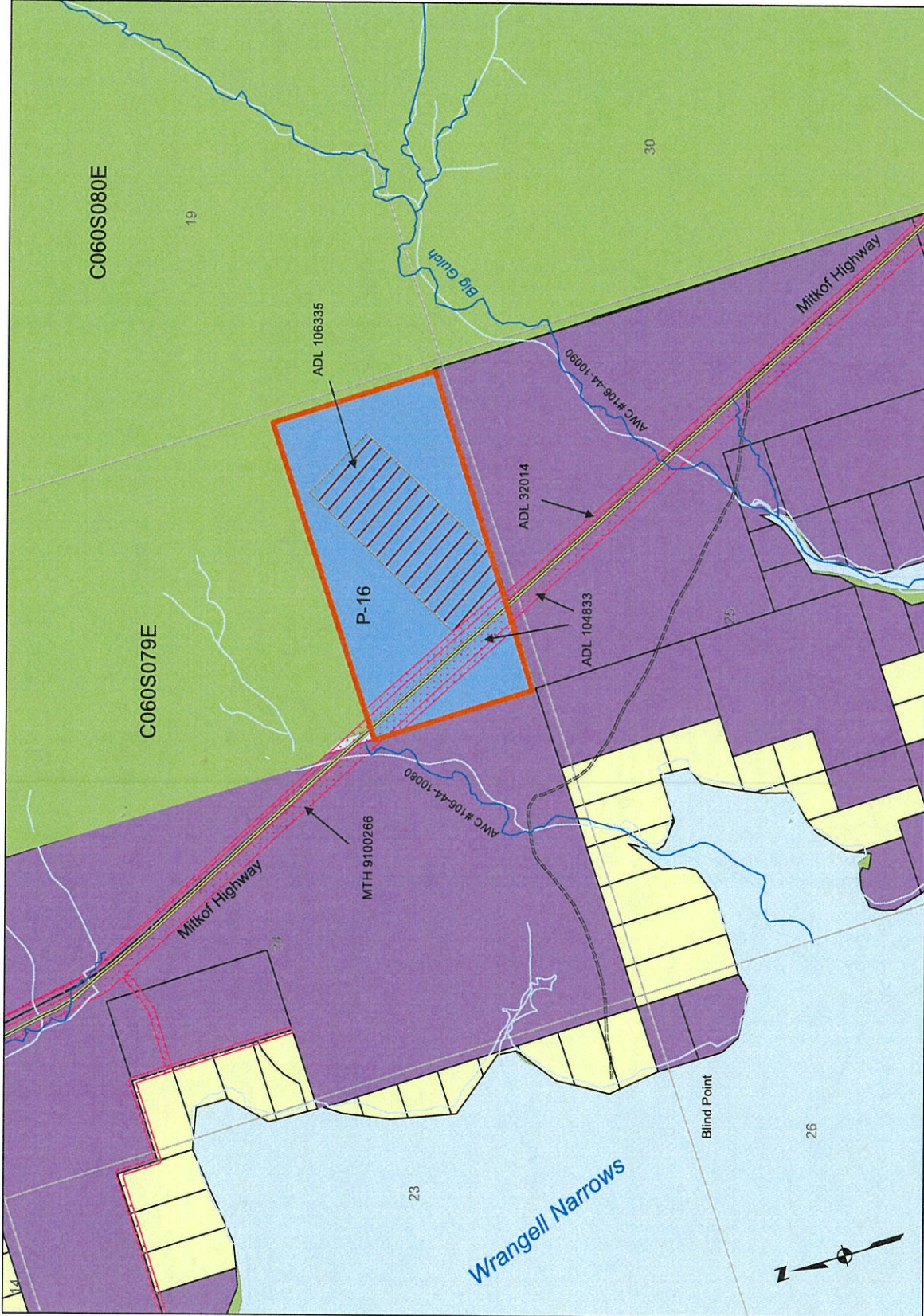
Blind Point



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April 2024

Item 17A.



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ATTACHMENT D








Petersburg Borough Municipal Selections

Preliminary Decision

ADL 108982

Summit Island

Legend

-  Major Road
-  Forest Development Road
-  Borough Selections
-  Previous Borough Decision
-  Borough Boundary
-  State Land, TA or Patented
-  South Millkof SE State Forest

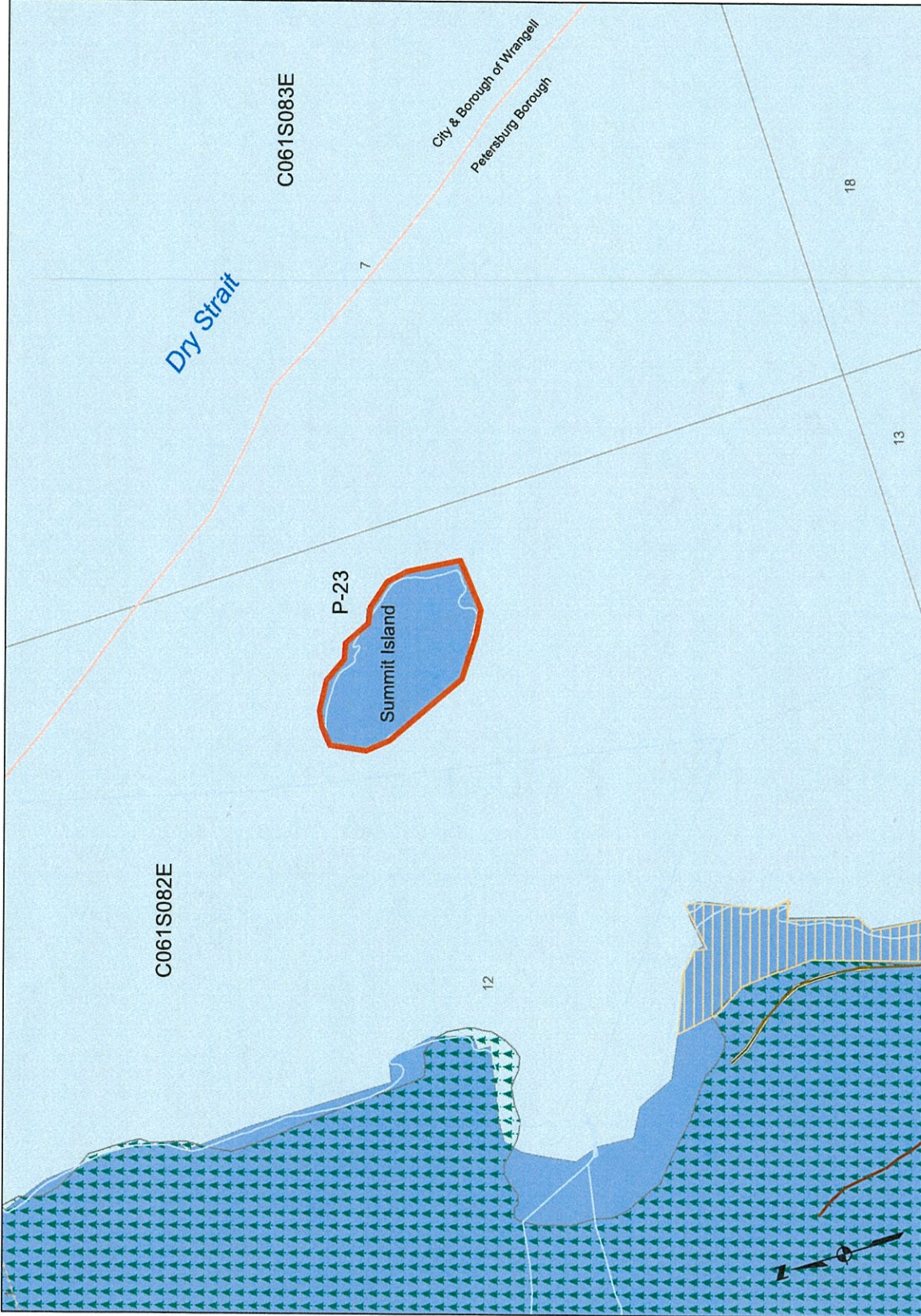
P-23 - CSSEAP unit number



Created by DNR-DMLW-LCS-ME

April 2024

Item 17A.



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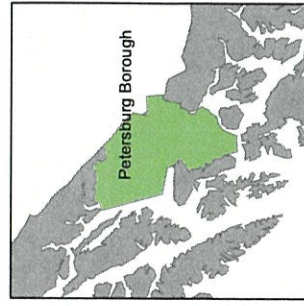
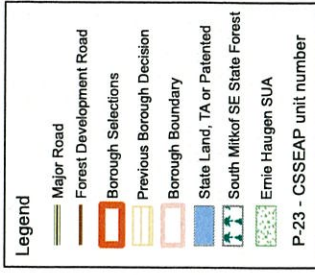
ATTACHMENT E

Petersburg Borough
Municipal Selections

Preliminary Decision

ADL 108982

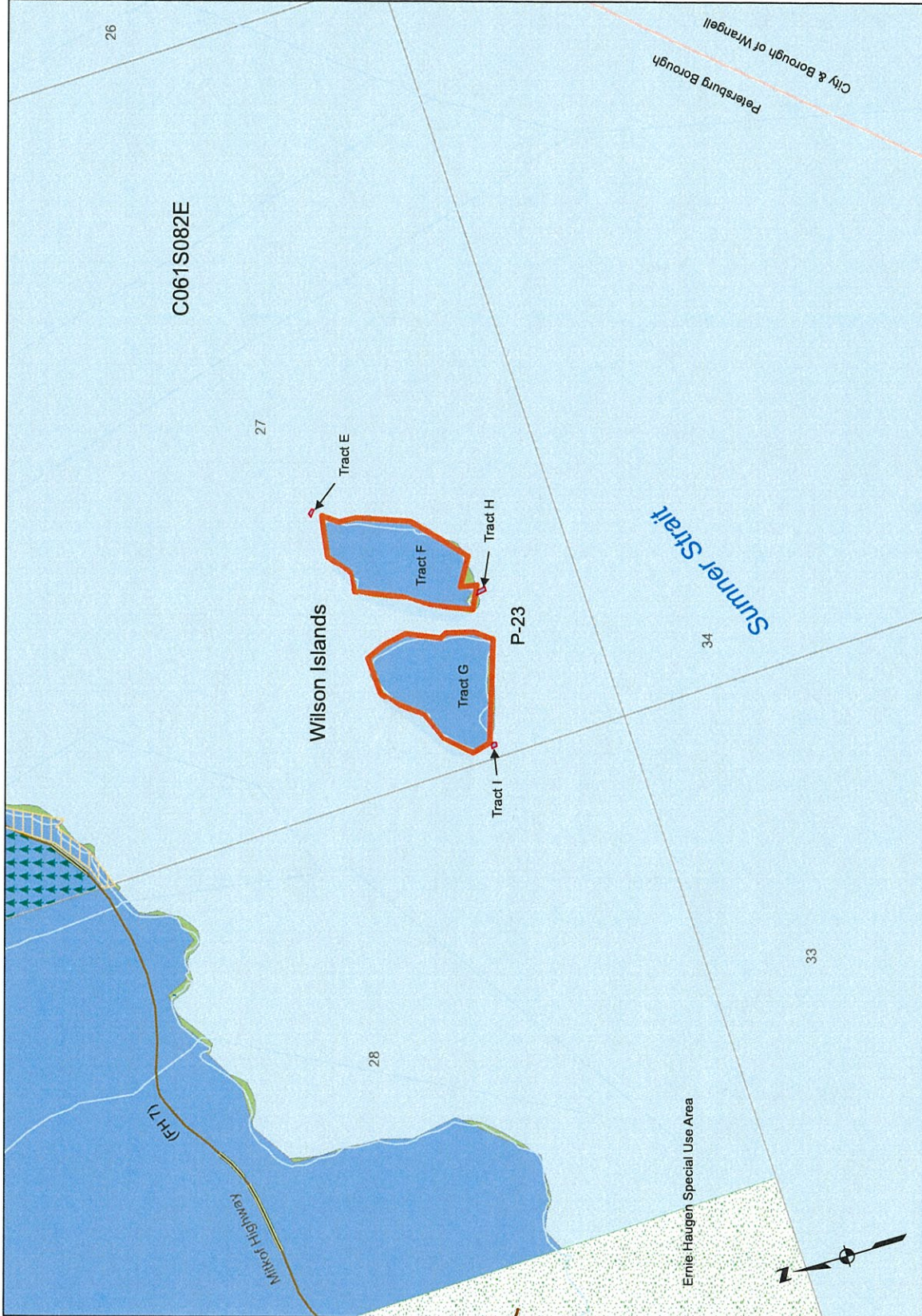
Wilson Islands



Created by DNR-DMLW-LCS-ME

April 2024

Item 17A.



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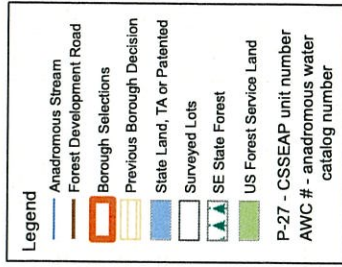
ATTACHMENT F

Petersburg Borough
Municipal Selections

Preliminary Decision

ADL 108982

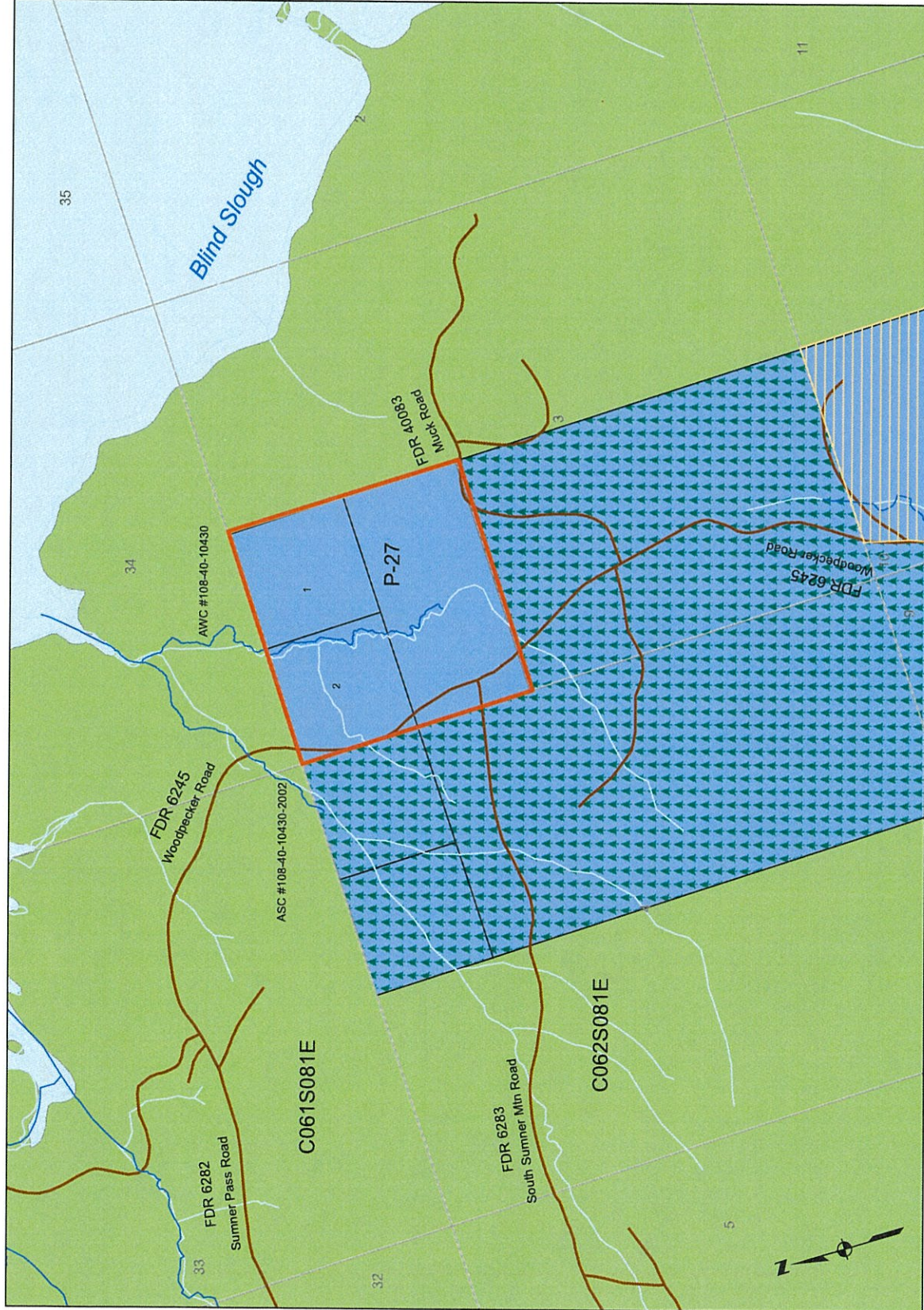
FDR Parcel



Created by DNR-DMLW-LCS-ME

April 2024

Item 17A.



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ATTACHMENT G

Petersburg Borough
Municipal Selections

Preliminary Decision

ADL 108982

Blind Slough

Legend

- Anadromous Stream
- Major Road
- Forest Development Road
- Borough Selections
- Previous Borough Decision
- State Land, TA or Patented
- Surveyed Lots
- Easement (Public, Utility)
- SE State Forest
- US Forest Service Land

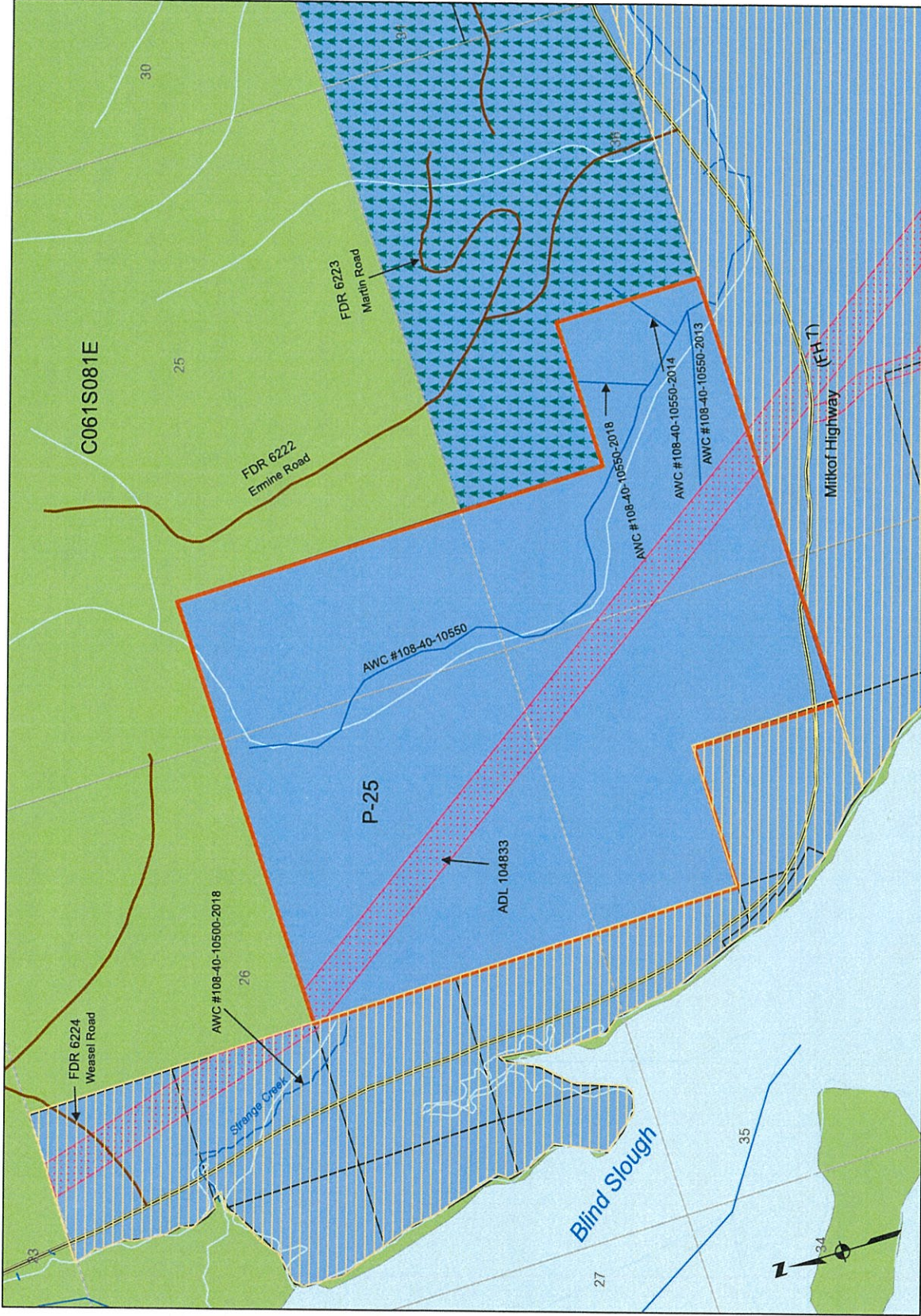
P-25 - CSSEAP unit number
AWC # - anadromous water catalog number



Created by DNR-DMLW-LCS-ME

April 2024

Item 17A.



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

Attachment H: PUBLIC NOTICE

Requesting Input for a Proposed Conveyance Under AS 29.65
Petersburg Borough Municipal Land Entitlement Selections – ADL 108982, 108983, and 108984

COMMENT PERIOD ENDS: 4:30 PM, FRIDAY, MAY 24, 2024

The Department of Natural Resource (DNR), Division of Mining, Land and Water (DMLW), Land Conveyance Section (LCS) has prepared a Preliminary Decision (PD) for a proposal to convey approximately 1,758 acres of state owned vacant, unappropriated, unreserved (VUU) general grant land to Petersburg Borough (Borough), in order to partially fulfill their municipal land entitlement under AS 29.65.010. Located within DNR's Southeast Region, these land selections are in two geographical regions of the Central Southern Southeast Area Plan (Region 3. Petersburg). LCS finds that the proposed conveyance is consistent with the requirements of AS 29.65, and that the Borough's interest in obtaining these state lands outweigh the State's interest in retaining them.

Pursuant to AS 38.05.945 Notice, the public is invited to comment on this PD which proposes to transfer ownership of state land to the Petersburg Borough. **The deadline for submitting public comment is 4:30 PM, Friday, May 24, 2024.** Only persons from whom LCS receives timely written comment during the identified comment period will be eligible to file an appeal of the Final Finding and Decision (FFD). Comments must be received in writing to the Division of Mining, Land and Water, Attention: Mary Hermon, at 550 West 7th Avenue, Suite 640, Anchorage, Alaska 99501, by fax at (907) 269-8916, or by email at mary.hermon@alaska.gov. If you have questions, call Mary Hermon at (907) 269-6546.

The public notice is available on the Alaska Online Public Notice System at: <http://dnr.alaska.gov/commis/pic/pubnotfrm.htm>. The Preliminary Decision is available on the DMLW Municipal Entitlement web site at: <http://dnr.alaska.gov/mlw/muni/> and on the DMLW Land Sales website at: <http://landsales.alaska.gov>.

Following the comment deadline, those written responses received will be considered and the decision may be modified to incorporate public comments in a Final Finding and Decision (FFD). Only persons who comment during this public comment period will be eligible to file an administrative appeal of the FFD. A copy of the FFD will be sent to any person who comments on the PD. The FFD will include the appeal instructions. Please direct all inquiries or questions to Mary Hermon, at the above address, electronic mail, phone or by fax.

DNR is prepared to accommodate individuals with disabilities by providing auxiliary aids or services when requested. Individuals with audio impairments who wish to respond to this decision by telephone may call the DNR, Public Information Center in Anchorage between the hours of operation: 10:00 AM to 5:00 PM, Monday through Friday at TTY: 711 for Alaska relay or 800-770-8973 or go to <http://dnr.alaska.gov/commis/pic/>

If no significant change is required, the PD, including any minor changes and a summary of comments and responses, will be issued as the FFD, without further notice. A copy of the FFD will be sent to any persons who commented timely on the PD.

DNR reserves the right to waive technical defects in this notice.

Debra Thompson

From: Stephen Giesbrecht
Sent: Monday, April 22, 2024 7:48 AM
To: Assembly
Cc: Liz Cabrera
Subject: FW: Potential for negotiated timbersales on patented borough lands

fyi

From: Brett Martin <brett@peakengineeringllc.com>
Sent: Friday, April 19, 2024 10:46 AM
To: Mark Jensen <mayorjensen@petersburgak.gov>; Stephen Giesbrecht <sgiesbrecht@petersburgak.gov>
Cc: Liz Cabrera <lcabrera@petersburgak.gov>; Mike Duman <mike@peakengineeringllc.com>
Subject: Potential for negotiated timbersales on patented borough lands

Mark and Stephen,

I am one of the two owners of Alaska Timber & Truss, formerly known as the Falls Creek Lumber Mill. I'm writing to request the opportunity to purchase standing timber from the borough on lands that have been patented or in process to be patented from the State of Alaska. In the past year, the borough received patent on the Thomas Bay lands selected through which there are some roads fronting the lots but not very many. I have spoken with Liz Cabrera about potentially developing roads through the subdivision in potential trade for a lot or two. Our goal is to develop access to the lots while also establishing a location from which we can operate our logging/milling operation in Thomas Bay. With the upcoming timbersale being offered by the USDA Forest Service this 3rd or 4th quarter of 2024 (400+ acres), we are hoping to be the winning bidder and begin operations out there as soon as next year. The Alaska State Forest has also identified slightly over 900 acres that they have put into their most recent 5-year Schedule for timber harvest in hopes of making an economic sale due to economies of scale.

The establishment of roads likely sounds familiar to you since we are also the company that proposed to do the same for the Alaska Mental Health Land Trust in the proposed South Mitkof Subdivision. This proposal to the Trust is now over a year old and gives the Trust the best return on investment for their lands. This is also a proposal where we proposed to build roads in trade for lands from which we could both develop for residential housing and also establish a location from which we could operate adjacent to the Mitkof Highway. I attended the Assembly Meeting where this was discussed and found it a good topic that the Assembly grilled them on. If you haven't seen our proposal, I would be happy to share it with you and do the same for any borough lands that you wish to develop for future industrial/commercial and residential purposes. While we are primarily interested in standing timber at this time, we also recognize that land is finite and would be a good long-term investment for our company.

Currently we have purchased a, 250,000 board-foot (250 MBF) timbersale from the Alaska State Forest on Frederick Point this last fall, a 258 MBF sale from the USDA Forest Service on 12-mile creek on Kupreanof north of town, and have purchased 150 MBF from the USDA Forest Service on the Falls Creek Loop Road. Combined with what we have in the yard, we have roughly 700-750 MBF available to start milling cabin kits, house framing kits, specialty lumber for operators, and general public requests for lumber. While we have only sold about \$30,000 in lumber this year, we anticipate our sales to be well over \$500,000 next year and hope to be selling north of \$2,000,000 annually the year after that. We have markets in several places in south-central Alaska, but our first and foremost priority is to make affordable lumber available to our community in which we operate. I checked our prices against Hammer & Wikan and found that our retail prices for 1x materials are anywhere from 33% - 45% less expensive. We currently have an agreement to donate lumber to the high school and middle school shop program in Petersburg and are also donating our slab wood for firewood to the High School Wrestling program and the

Petersburg Indian Association. We have previously donated lumber to the Sitka Middle school shop program as well and continue to do so today. With these donations, we hope to foster a positive growing relationship with the community and those around Petersburg.

As a business we hope to grow this industry and be a stable part of the local economy. Our desire is to hire up to 24 people that will be full-time employees within the next 2 years. Our biggest struggle to date has been obtaining standing volumes of timber. If we can develop relationships and contracts that cover a long period of time (10 – 25 years) we can obtain bank financing from which to operate and improve our operations.

In this letter, what Alaska Timber & Truss is asking for, is to develop a 10-25 year contract to harvest timber on borough lands that both develop a steady income stream to the borough and also to develop access to lands that the borough wishes to sell for increased housing or commercial opportunities. If you wish to discuss this further, please let me know. My business partner, Mike Duman, is CC'd in this email and we are interested in any opportunities that the borough would wish to explore. We are both headed into a meeting after lunch at 1 pm today to meet with the DNR commissioner, a couple of State Representatives and the Alaska State Forestry & Fire Protection representatives to discuss our timbersale options on Mitkof, Kupreanof, some smaller islands and the mainland. We would like to include potential borough land selections in that discussion, but will await your response to this email as to whether or not the borough would be interested in pursuing any timbersales to our company.

Sincerely,

Brett C Martin, PE
President
Alaska Timber & Truss, LLC
907.401.0777

