



# Petersburg Borough

12 South Nordic Drive  
Petersburg, AK 99833

## Meeting Agenda Borough Assembly Regular Meeting

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Monday, July 19, 2021

6:00 PM

Assembly Chambers

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You are invited to a Zoom webinar.  
When: July 19, 2021 06:00 PM Alaska  
Topic: July 19, 2021 Assembly Meeting

Please click the link below to join the webinar:  
<https://zoom.us/j/97733926760?pwd=VWRWbDFySk1oUzZLVUIVVjd6Tm5WQT09>  
Passcode: 806168

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1 346 248 7799 or +1 669 900 9128 or +1 253 215 8782 or +1 312 626 6799 or  
+1 646 558 8656 or +1 301 715 8592

Webinar ID: 977 3392 6760

Passcode: 806168

1. **Call To Order/Roll Call**
2. **Voluntary Pledge of Allegiance**
3. **Approval of Minutes**
  - A. October 5, 2020 Regular Assembly Meeting Minutes**
  - B. October 9, 2020 Certification of 2020 Municipal Election Minutes**
  - C. October 20, 2020 Special Assembly Meeting Minutes**
  - D. July 6, 2021 Regular Assembly Meeting Minutes**
4. **Amendment and Approval of Meeting Agenda**
5. **Public Hearings**
6. **Bid Awards**
7. **Persons to be Heard Related to Agenda**

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

## 8. Persons to be Heard Unrelated to Agenda

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

## 9. Executive Session

The Assembly will adjourn to Executive Session to discuss the status of the collective bargaining agreement with the International Brotherhood of Electrical Workers Local 1547.

## 10. Boards, Commission and Committee Reports

## 11. Consent Agenda

## 12. Report of Other Officers

## 13. Mayor's Report

### A. Mayor's Report July 19, 2021

## 14. Manager's Report

### A. Manager's Report July 19, 2021

## 15. Unfinished Business

## 16. New Business

### A. Ordinance #2021-12: An Ordinance Authorizing the Issuance of Electric Utility Revenue Bonds in an Aggregate Amount not to Exceed \$7.8 Million to Finance the Blind Slough Hydroelectric Refurbishment Project and the Scow Bay Standby Generation Project and Directing That This Matter be Submitted to the Voters for Consideration at the Next Regular Election to be Held on October 5, 2021 - First Reading

If adopted, Ordinance #2021-12 will add the Electric Utility Revenue Bond Issuance matter to the October 5<sup>th</sup> ballot.

### B. Award Recommendation-Scow Bay Generation Design Study

Utility Director Hagerman recommends that the Borough Assembly award a contract to Electric Power Systems, Inc. for completion of the Scow Bay Generation Design Study for a cost not to exceed \$32,163.00.

### C. IBEW Contract Renewal

The Borough Assembly will consider approval of the IBEW Collective Bargaining Agreement.

## 17. Communications

### A. Correspondence Received Since July 1, 2021

**B. Petersburg Borough Audit Planning Document**

The Borough's auditors have provided an audit plan for year ending June 30, 2021.

**18. Assembly Discussion Items**

**A. American Cruise Lines**

This discussion item was requested by Assembly Member Meucci.

**B. P&Z Code Revision**

This discussion item was requested by Assembly Member Meucci.

**C. Affordable Lots and Affordable Housing**

This discussion item was requested by Assembly Member Meucci.

**D. Assembly Member Comments**

**E. Recognitions**

**19. Adjourn**



# Petersburg Borough

12 South Nordic Drive  
Petersburg AK, 99833

## Meeting Minutes Borough Assembly

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Monday, October 5, 2020

12:00 PM

Assembly Chambers

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### 1. Call To Order/Roll Call

Mayor Jensen called the meeting to order at 12:00 p.m.

**Present:** 6 - Mayor Mark Jensen, Assembly Member Bob Lynn, Assembly Member Brandi Marohl, Assembly Member Jeffrey Meucci, Assembly Member Jeigh Stanton Gregor and Assembly Member Chelsea Tremblay

**Excused:** 1 - Assembly Member Taylor Norheim

### 2. Voluntary Pledge of Allegiance

The Pledge was recited.

### 3. Approval of Minutes

There were no minutes available for approval.

### 4. Amendment and Approval of Meeting Agenda

The agenda was unanimously approved as submitted.

### 5. Public Hearings

No public hearings.

### 6. Bid Awards

No bid awards.

### 7. Persons to be Heard Related to Agenda

No views were shared.

### 8. Persons to be Heard Unrelated to Agenda

Becky Knight spoke on her own behalf reading her commentary aired on KFSK last week regarding the Kake Access Road.

David Beebe spoke on his own behalf in response to the July 7, 2020 meeting with Senator Stedman and Congressman Young.

### 9. Board, Commission and Committee Reports

No reports were given.

## 10. Consent Agenda

No items.

## 11. Report of Other Officers

### A. Petersburg Medical Center Update

PMC CEO Phil Hofstetter gave an update on the Medical Center.

### B. SEAPA Update

Assembly Member and SEAPA Board Chair Lynn gave an update on the cable replacement; increase for Property & Risk insurance; a new evaluation process for the CEO; approval of next year's brushing contract and that the December meeting is to be held electronically.

### C. Current Mandates and Directives Related to COVID-19

IC Hagerman gave an update on mandates and directives.

## 12. Mayor's Report

### A. October 5, 2020 Mayor's Report

Attachments: [October 5, 2020 Mayor's Report](#)  
[Domestic Violence Awareness Month Proclamation](#)

Mayor Jensen read his report into the record.

## 13. Manager's Report

### A. October 5, 2020 Manager's Report

Attachments: [October 5, 2020 Manager's Report](#)

Manager Giesbrecht read his report into the record, a copy of which will be a permanent part of these minutes.

## 14. Unfinished Business

No items.

## 15. New Business

### A. Extension of Emergency Sheltering Agreement

Attachments: [IC Hagerman Memo re Non-Congregate Sheltering](#)

Extension of the Emergency Sheltering Agreement was unanimously approved.

**B. Public In-Person Attendance at Meetings**

**Attachments:**     [In-Person Assembly Meeting Mitigation Plan](#)  
[Assembly Chambers Diagram for Social Distancing and Public In-Person](#)

The Public In-Person Attendance at Meetings mitigation plan was amended to keep Assembly meeting times as normally scheduled (1st meeting of the month at Noon, 2nd meeting of the month at 6:00 p.m.) The mitigation plan, as amended, was unanimously approved.

**C. Approval of Additional Election Official**

The Assembly unanimously approved Cena Worhatch and Kacie Hammer as Election Officials.

**D. Certification of October 6, 2020 Election**

The meeting to certify the October 6, 2020 election will be held on Friday, October 9, 2020 at noon by unanimous roll call vote.

**E. Borough Manager's Evaluation**

The Assembly unanimously selected Mayor Jensen and Vice Mayor Stanton Gregor to review the Borough Manager's evaluation.

**16. Communications**

**A. Correspondence Received Since September 17, 2020**

**Attachments:** [N. Strand 9.17.2020](#)  
[M. & T. Curtis 9.18.2020](#)  
[K. Petersen 9.18.2020](#)  
[S. Hunter 9.18.2020](#)  
[K. Schwartz 9.18.2020](#)  
[G. Meucci 9.18.2020](#)  
[L. Stanton Gregor 9.18.2020](#)  
[M. Worhatch 9.18.2020](#)  
[J. Cariello 9.19.2020](#)  
[R. & S. Flint 9.19.2020](#)  
[B. Bracken 9.19.2020](#)  
[K. Bracken 9.19.2020](#)  
[B. Tremblay 9.19.2020](#)  
[K. Wood 9.19.2020](#)  
[S. Holmes 9.19.2020](#)  
[K. Wood 9.20.2020](#)  
[B. Knight 9.20.2020](#)  
[M.E. Anderson 9.20.2020](#)  
[C. Cronlund 9.20.2020](#)  
[K. Johnson 9.20.2020](#)  
[H. Wood 9.20.2020](#)  
[R. Braun 9.20.2020](#)  
[R. Stafford 9.20.2020](#)  
[B. Wittstock 9.21.2020](#)  
[M. Stainbrook & K. McCullough 9.21.2020](#)  
[B. Martin 9.21.2020](#)  
[M. Cushing 9.21.2020](#)  
[K. O'Connor Demko 9.21.2020](#)  
[S. Wood 9.21.2020](#)  
[G. Wood 9.21.2020](#)  
[D. & K. Cornelius 9.21.2020](#)  
[C. & J. McDonell 9.21.2020](#)  
[D. Berg 9.21.2020](#)  
[B. Walsh 9.21.2020](#)  
[S. Flint 9.21.2020](#)  
[S. Ohmer 9.21.2020](#)  
[K. Severson 9.21.2020](#)  
[C. Fry 9.21.2020](#)

[T. Thain 9.21.2020](#)  
[L. Bacom 9.21.2020](#)  
[C. Lagoudakis 9.21.2020](#)  
[R. & J. Dormer 9.21.2020](#)  
[J. Kito 9.22.2020](#)  
[J. Thynes 9.23.2020](#)  
[K. Schramek 9.24.2020](#)  
[L. Luczak 9.26.2020](#)  
[G. Kowalski 9.28.2020](#)  
[R. Knight 9.28.2020](#)

- B. J. Ohmer 9.21.2020 re Ordinance #2020-19 with Gathered Signatures

**Attachments:** [J. Ohmer Cover Letter with articles 9.21.2020](#)  
[Signature Pages #1](#)  
[Signature Pages #2](#)

- C. The Bush Caucus 9.29.2020 Letter to ADF&G Commissioner Vincent-Lang re Pacific Halibut Bycatch

**Attachments:** [The Bush Caucus 9.29.2020](#)

- D. SE Lawmakers to Governor Dunleavy 10.1.2020 re SE Salmon Disaster Declaration

**Attachments:** [SE Lawmakers 10.1.2020](#)

## 17. Assembly Discussion Items

- A. Assembly Member Comments

**Member Stanton-Gregor encouraged everyone to get out and vote!**

**Member Tremblay spoke on the issue she attended with Mayor Jensen, Assembly Member Lynn, Congressman Young and Senator Stedman; she was unaware that the press would not be present nor that Senator Stedman would be in attendance.**

**Member Meucci spoke to the need to respond to Mr. Beebe's concerns.**

**Mayor Jensen shared that he did not set up the meeting.**

- B. Recognitions

**Member Tremblay reminded folks of KFSK's membership drive and encouraged people to contribute.**

## 18. Adjourn

**The meeting was adjourned at 1:39 p.m.**



Debra K. Thompson

Date Approved \_\_\_\_\_



# Petersburg Borough

12 South Nordic Drive  
Petersburg AK, 99833

## Meeting Minutes Borough Assembly

Friday, October 9, 2020

12:00 PM

Assembly Chambers

### Certification of 2020 Municipal Election

#### 1. Call To Order/Roll Call

Vice Mayor Stanton Gregor called the meeting to order at 12:00 p.m.

In Attendance: Vice Mayor Stanton Gregor, Assembly Member Lynn, Assembly Member Meucci, and Assembly Member Tremblay

Excused: Mayor Jensen, Assembly Member Marohl and Assembly Member Norheim

#### 2. Questioned and Pending Absentee Ballots

Clerk Thompson reported there were four ballots that could not be counted. Three submitted by non-registered voters, one submitted by a voter that had not registered in time for this election but will be eligible for the November election.

#### 3. Certification of Election Results

Draft 2020 Certificate of Election

Attachments: [Certificate of Election 2020](#)

The Certification of Election Results was unanimously approved.

#### 18. Adjourn

The meeting was adjourned at 12:10 p.m.

\_\_\_\_\_  
Debra Thompson

Date Approved \_\_\_\_\_



# Petersburg Borough

12 South Nordic Drive  
Petersburg AK, 99833

## Meeting Minutes Borough Assembly

Tuesday, October 20, 2020

5:00 PM

Assembly Chambers

### Appeal Hearing for Notice and Order of Abatement at 410 Mitkof Highway to be held via Zoom Videoconferencing Service - Meeting ID 922-0819-5202; Passcode 353149

#### 1. Call To Order/Roll Call

Mayor Jensen called the hearing to order at 5:00 p.m.

**Present:** 7 - Mayor Mark Jensen, Assembly Member David Kensinger, Assembly Member Bob Lynn, Assembly Member Jeffrey Meucci, Assembly Member Taylor Norheim, Assembly Member Jeigh Stanton Gregor and Assembly Member Chelsea Tremblay

#### 2. Hearing on Appeal from a Notice and Order of Abatement at 410 Mitkof Highway

##### A. Public Hearing on an Appeal by Courtney Johnson from a Notice and Order of Abatement at 410 Mitkof Highway

**Attachments:** [Process for Appeal Hearing](#)  
[Borough Utility Director Documents for Appeal Hearing](#)  
[C. Johnson Appeal of Notice and Order of Abatement](#)  
[Notice of Appeal Hearing 10.9.2020](#)  
[Affidavit of Hand Delivery of Notice of Appeal Hearing](#)  
[Email Delivery of Borough Appeal Documents to C. Johnson 10.16.2020](#)

Utility Director Hagerman, on behalf of the Borough, and property owner Courtney Johnson presented their testimony and witnesses regarding the appeal of the Notice and Order of Abatement at 410 Mitkof Highway.

#### 3. Assembly Deliberation and Decision

The Assembly unanimously upheld the abatement order within 30 days of an approved decision and Mayor Jensen directed Utility Director Hagerman to draft a written decision for the Assembly's consideration at the November 2, 2020 Assembly meeting.

#### 4. Adjourn

The hearing was adjourned at 6:04 p.m.

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Debra K. Thompson, Borough Clerk

\_\_\_\_\_  
Date Approved



# Petersburg Borough

12 South Nordic Drive  
Petersburg, AK 99833

## Meeting Minutes Borough Assembly Regular Meeting

Tuesday, July 06, 2021

12:00 PM

Assembly Chambers

### 1. Call To Order/Roll Call

Vice Mayor Stanton Gregor called the meeting to order at 12:00 pm.

#### PRESENT

Assembly Member Bob Lynn  
Assembly Member Chelsea Tremblay  
Assembly Member David Kensinger  
Vice Mayor Jeigh Stanton Gregor  
Assembly Member Jeff Meucci

#### ABSENT

Mayor Mark Jensen  
Assembly Member Taylor Norheim

### 2. Voluntary Pledge of Allegiance

The Pledge was recited.

### 3. Approval of Minutes

- A. August 3, 2020 Regular Assembly Meeting
- B. August 17, 2020 Regular Assembly Meeting Minutes
- C. August 31, 2020 Special Assembly Meeting Minutes
- D. September 8, 2020 Regular Assembly Meeting Minutes
- E. September 21, 2020 Regular Assembly Meeting Minutes
- F. June 21, 2021 Regular Assembly Meeting Minutes

All minutes were approved as submitted.

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

Voting Yea: Assembly Member Lynn, Assembly Member Tremblay, Assembly Member

Kensinger, Vice Mayor Stanton Gregor, Assembly Member Meucci

**4. Amendment and Approval of Meeting Agenda**

The agenda was approved as submitted.

Motion made by Assembly Member Meucci, Seconded by Assembly Member Kensinger. Voting Yea: Assembly Member Lynn, Assembly Member Tremblay, Assembly Member Kensinger, Vice Mayor Stanton Gregor, Assembly Member Meucci

**5. Public Hearings**

There was no public hearing.

**6. Bid Awards**

There were no bid awards.

**7. Persons to be Heard Related to Agenda**

John Fortna requested that the Assembly consider selling property using the sealed bid method.

Eric Lee requested that the Assembly ask for more information from Senator Murkowski's office regarding the Alaska Landless Natives bill.

Cynthia Wallesz spoke about the UFA membership and suggested that the Borough could support the organization in other ways.

**8. Persons to be Heard Unrelated to Agenda**

No testimony was given.

**9. Boards, Commission and Committee Reports**

No reports were given.

**10. Consent Agenda**

There were no consent agenda items.

**11. Report of Other Officers**

**A. PMC CEO Hofstetter will provide a report.**

CEO Phil Hofstetter spoke to the Assembly about the status of COVID mitigation. Vaccines are still available and testing continues. He also discussed the environmental impact study that is underway for a new facility.

## 12. Mayor's Report

### A. July 6, 2021 Mayor's Report

Vice Mayor Stanton Gregor read the Mayor's report into the record.

## 13. Manager's Report

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

Assembly Member Meucci asked Manager Geisbrecht if someone would give a timeline at the next meeting for sewer connection to the house at 410 Mitkof Highway.

## 14. Unfinished Business

### A. Ordinance #2021-11: An Ordinance Amending Chapter 4.30, "Alaska Remote Seller Sales Tax Code", of the Borough Code, Third and Final Reading

Ordinance #2021-11 was adopted in its third and final reading by a vote of 5-0.

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

Voting Yea: Assembly Member Lynn, Assembly Member Tremblay, Assembly Member Kensinger, Vice Mayor Stanton Gregor, Assembly Member Meucci

### B. UFA Membership

A motion to join the United Fisherman's Association failed unanimously.

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

Voting Nay: Assembly Member Lynn, Assembly Member Tremblay, Assembly Member Kensinger, Vice Mayor Stanton Gregor, Assembly Member Meucci

## 15. New Business

### A. Resolution #2021-09 A Resolution Authorizing the Public Sale of Parcel #01-003-521 Located at 306 Sandy Beach Road by Public Auction

Resolution #2021-09 was amended to change the land sale from Public Auction to Sealed Bid. The resolution, as amended, was unanimously approved.

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

Voting Yea: Assembly Member Lynn, Assembly Member Tremblay, Assembly Member Kensinger, Vice Mayor Stanton Gregor, Assembly Member Meucci

**B. Resolution #2021-10 A Resolution Authorizing the Public Sale of Parcels #03-210-310 and #03-213-040 on Kupreanof Island by Public Auction**

Resolution #2021-10 was amended to change the land sale from Public Auction to Sealed Bid. The resolution, as amended, was unanimously approved.

Motion made by Assembly Member Meucci, Seconded by Assembly Member Lynn. Voting Yea: Assembly Member Lynn, Assembly Member Tremblay, Assembly Member Kensinger, Vice Mayor Stanton Gregor, Assembly Member Meucci

**C. Traveler Testing Contract Amendment #4**

The Assembly unanimously approved continuation of traveler testing services at the Petersburg Medical Center to September 30, 2021 for a total payment to the Borough of \$1,276,425.00; and to amend the MOA with the Petersburg Medical Center to reflect the extension and setting a not-to-exceed value of the MOA at \$1,101,600.00.

Motion made by Assembly Member Lynn, Seconded by Assembly Member Tremblay. Voting Yea: Assembly Member Lynn, Assembly Member Tremblay, Assembly Member Kensinger, Vice Mayor Stanton Gregor, Assembly Member Meucci

**16. Communications**

**A. Correspondence Received Since June 17, 2021**

**17. Assembly Discussion Items**

**A. Assembly Member Comments**

Assembly Member Meucci encouraged the public to read the letter from the PMC Hospital Board in the communications section of the meeting packet.

Assembly Member Stanton Gregor thanked the PMC Hospital Board for the letter.

Assembly Member Tremblay said she'll be in Anchorage for the Conference of Young Alaskans during the August 2nd Assembly meeting, but will attend via Zoom if she is able.

**B. Recognitions**

Assembly Member Kensinger thanked the Petersburg Chamber of Commerce and Parks and Recreation for their work on the Fourth of July activities over the weekend.

Assembly Member Meucci thanked Nathan and Mindy Lopez for their hard work throughout the weekend during the Fourth of July community celebration.

Assembly Member Tremblay reminded people that they can comment on new and existing Forest Service projects by going to [usfs.maps.arcgis.com](https://usfs.maps.arcgis.com).

Assembly Member Tremblay thanked Carrie Martinsen for starting her Tongass Botanicals composting business in Petersburg.

**18. Adjourn**

The meeting was adjourned at 12:45 pm.



**Mayor's Report  
For  
July 19, 2021 Assembly Meeting**

- 1. Hospital Input:** We are encouraging people to contact our hospital board or Hospital CEO Phil Hofstetter for questions regarding the future hospital plans. Community engagement is a very important part of the process.
- 2. Seeking Letters of Interest:** The Assembly is seeking letters of interest from Borough residents who wish to serve the community by filling a vacant seat on the following Boards/Commissions until the October 2021 Municipal Election:

Planning Commission – 1 vacant seat  
Public Safety Advisory Board – 2 vacant seats

Letters of interest should be submitted to Clerk Thompson at the Borough office located at 12 S. Nordic Drive; by mailing to PO Box 329, Petersburg, AK 99833; or by emailing to [dthompson@petersburgak.gov](mailto:dthompson@petersburgak.gov).



**Borough Manager's Report  
Assembly Meeting 19 July 2021**

- ❖ Local churches have restarted their rotation for “Wednesday Devotions” and communion is every Thursday for residents of the Manor.
- ❖ Pilings are in place for the new deck, beams are going in and then decking will be put on. The residents are excited and are enjoying watching the process take place. The workers have many supervisors.
- ❖ AHFC desk review is complete, and all found to be excellent. No issues at all. Preparing for our State inspection on July 19<sup>th</sup>.
- ❖ PMC Doctors continue to see residents for routine appointments at Assisted Living. Mindy and Shelyn continue to meet with Dr. Hyer as Physician Liaison between the facilities monthly. Going very well.
- ❖ The streets crew has been making some much-needed storm drainage improvements at the south Parks-N-Rec entrance next to the high school. This is a significant project that needed to get done while school was out and foot traffic in the area was at a minimum.
- ❖ Work is progressing on the Motor Pool Shop repairs. The new roof and siding have been installed and the building is being insulated at present. The project is currently on schedule to meet the September 30<sup>th</sup> substantial completion date.
- ❖ The sanitation dept’s two new 14-yard roll off containers have arrived and are in service. These will help address the need for larger dumpsters to service bigger construction and cleanup projects.
- ❖ Sam working with the museum to address some longstanding maintenance needs at that building and attending to regular work orders as time permits.
- ❖ Congratulations to Ray who passed the ICC Residential Building Inspector exam.
- ❖ The Petersburg Visitor Industry Management Plan was recognized with the 2020 Alaska Planning Award for “Best Community Plan.” Congratulations to the Visitor Industry Working Group for their great work.
- ❖ DNR issued a Final Finding and Decision recommending conveyance of 616 acres of state land at Thomas Bay. This is consistent with the preliminary decision reviewed by the Assembly on May 3<sup>rd</sup>. The decision has a 20-day appeal period. Barring any appeals, the decision goes into effect on August 6<sup>th</sup>. Since the Thomas Bay property is already surveyed, the next step is for the state to request a title report and draft a patent deed for borough review and approval. Once approved, the state will issue a patent deed. No idea how long this will take.

- ❖ Alaska Rural Water has completed the Sanitary Survey report and staff is reviewing the recommendations.
- ❖ Rock N Road achieved substantial completion on the Scow Bay Pump Station project on July 7<sup>th</sup>. Various punch list items remain to be completed, but the pumpstation is working very well and the site is looking good.
- ❖ Staff worked with PW on a sewer issue on Gjoa Street. Further repairs will likely be needed for a main that is unsupported and floating in muskeg and has settled in various areas due to driveway installations.
- ❖ SEAPA's submarine cable project achieved a major milestone on the 4<sup>th</sup> of July. The failed cable was recovered, and the new cable was laid during the holiday weekend. There is a need for temporary outages on July 21 and 22<sup>nd</sup> (6 hours each day) to perform final terminations at the shore landing sites and then one more in August for final commissioning of the new cable. The diesel plant and Blind Slough will be used to power the community while SEAPA power is unavailable to Petersburg.
- ❖ Sam Caulum has completed is training, testing and required apprentice hours and is now a journeyman Lineman. Congratulations to Sam for all of his hard work to achieve his journeyman's card!
- ❖ The mechanic has been organizing work at Crystal Lake to work on the lake level transducer, move logs and debris away from the dam and air lift a new reel of armored fiber cable to the top of the penstock later this week.
- ❖ Petersburg PD received all the equipment for the new E911 system. Currently waiting on an installation date.
- ❖ USCG LT J.J. Cestero, who is the new Sector Juneau Enforcement (Law Enforcement activity) met with Petersburg Command Staff. Talked about joint training and their ability to assist Petersburg PD.
- ❖ Last week the Harbor had a series of incidents that included a large vessel try to sink at the float and then a large pleasure vessel roll on the SH grid. Harbor crew worked overtime and was able to save both vessels.
- ❖ Harbor stalls are full and there is a waiting list for permanent stalls.
- ❖ Sandy is working on cleanup of EOC related work and continuing her support of the pandemic response as the Borough's Emergency Manager.
- ❖ We have formed an adhoc committee to start looking at specifications for new Fire Engine.
- ❖ Thanks to the Volunteers who participated in 4<sup>th</sup> of July activities and assisted with the Community Fireworks Show.
- ❖ Summer STREAM and Bookworms, the library's two summer reading programs for kids, ended July 12. Participants logged over 1,300 hours of reading and completed 900 learning challenges. Thank to you to First Bank and the many other local businesses and individuals who make this program possible.
- ❖ The library's Helmi Jensen Community Room will open up for public reservations later this month.
- ❖ The Friends of Petersburg Libraries had a successful book sale on July 3. Proceeds from book sales support programs at both the public and school libraries.

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**MEMORANDUM**

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**TO:** MAYOR JENSEN AND BOROUGH ASSEMBLY  
**FROM:** KARL HAGERMAN, UTILITY DIRECTOR   
**SUBJECT:** PMPL CAPITAL PROJECT BOND ISSUANCE – ORDINANCE #2021-12  
**DATE:** 7/13/2021  
**CC:** STEVE GIESBRECHT, BOROUGH MANAGER

Please find in the Assembly packet, Ordinance #2021-12, an ordinance that proposes to place the approval of \$7.8 million in Revenue Bonds on the October ballot for voter approval.

The ordinance directly addresses the needs of the power and light department to incur debt in order to complete two very important projects for the community – Blind Slough Hydro and Scow Bay Generation. A rundown of the projects is presented here:

**Blind Slough Hydro Refurbishment**

This project has been in development for approximately three years. It started with a condition assessment and a report from McMillen Jacobs and Associates that detailed the state of the various equipment in the powerhouse at the facility and recommended moving forward on a project to refurbish or replace much of the equipment for the first time since its last major update in 1957. What followed was a design contract that sought to fine tune the direction of the project and develop equipment procurement plans and specifications so that proposals for equipment could be considered by the Assembly. Proposals were received and the Assembly approved a conditional award to Gilkes Hydro for supply of equipment, contingent upon an approval of project financing. The ordinance before the Assembly is the next step in securing that financing for the equipment and for procuring the final construction plans, permitting and construction contractor. The project in total is estimated to cost up to \$9 million. The utility has planned to fund up to 30% of the project with electric fund reserves and that amount of contribution to the capital project fund has funded all professional services up to this point. The project itself will see replacements for virtually all equipment and switchgear in the powerhouse. The turbine and generator will be replaced, along with the governor system, lubrication system, all controls and other mechanical systems. To move forward with a Notice to Proceed to the equipment supplier and continue on with procurement of permitting and a construction contractor, the ordinance must be approved by the Assembly and subsequently approved by a majority of all voters in the Borough. The project will support the legacy of affordable local hydro power and stable rates that was begun by our local forefathers almost 100 years ago. Their vision of providing access to low-cost hydro power all those years ago has continued to pay dividends to our population and will continue this legacy far into the future.

**Scow Bay Generation**

This project is just beginning, but it is also very important to the utility and the community. As mentioned recently in a report to the Assembly, PMPL has seen winter peak loading on our system that is approaching our maximum rated standby power capacity. If additional generation is not procured, impacts to the community could be serious in the event of a SEAPA outage during the cold weather months. The best situation for citizens and businesses in the community is for PMPL to restore any outages with our diesel plant and Blind Slough, if SEAPA is unavailable for any reason. If our standby capacity cannot cover the peaks of our system, the utility must employ load shedding strategies to reduce the restoration load. This means that some customers will be without power for extended periods of time. To address this problem, PMPL has requested a proposal from Electric Power Systems (EPS) a firm that has been doing business with the utility for over 20 years. They

know Petersburg's system very well and provide exceptional service when called upon for professional services in the electrical supply field. EPS's proposal is included in this packet as the utility is seeking to award the work of completion of a design study to this firm. The design study will provide a road map to the utility insofar as developing load projections, strategies for increasing standby generation, strategies for retiring older generation units to maintain a high standard of reliability and costing information to help with budgeting and planning for major capital improvements that will be needed to satisfy standby system demands for the next 10 years. After the design study is complete, and financing is in place to move forward with the initial project to increase local generation, the utility will solicit for project design and then move to bidding for equipment and contractors to complete the work.

### **Ordinance #2021-12**

This ordinance, if approved by the Assembly, will be placed on the October ballot for Borough-wide voter consideration. The principal amount of the bond issuance will be approximately \$7.8 million. This amount represents 70% of the costs of both projects under consideration as well as approximately \$100,000 in bond issuance costs and the establishment of a debt service reserve fund that will equal one year's value of debt service payments or approximately \$420,000. The ordinance has been developed with input from the Borough's bond counsel (Stradling), the Alaska Bond Bank, D.Hittle and Associates (rate consultant) and Sara Heideman (Borough Attorney).

### **Electric Rates**

As a result of this proposed debt and the need to fully fund repayment of the debt service with power and light revenues, the utility has been working with a rate consultant since before the onset of the pandemic to understand the impacts to local rates. Presently, the final completion of the rate study and the recommendations for rate design is contingent upon the outcome of consideration of the bond issue. If the bond issue is not approved, local electric rates will look much different than if the utility is able to move forward to project completion. At present, if the bond issue is approved by the Assembly and public, rates will need to increase by 9.5% in FY22 and 9.5% in FY23 in order to generate the additional revenue required to repay the annual debt service. I will have additional information regarding the rate study and impacts to rates during the subsequent readings of ordinance #2021-12.

### **Project Importance**

As mentioned above, both of these projects are vital to Petersburg. The cost of power produced from Blind Slough has consistently been much less than purchasing wholesale power from SEAPA. The expense of completing a replacement project does increase that cost but we still retain a lesser cost per kilowatt-hour produced when compared to the wholesale rate from SEAPA. Standby generation capacity to meet peak loads is a fact of life for utilities that have limited power supply resources to draw from. A failure to address adequate standby power needs would put citizens and businesses at risk during the winter, when heat is most important to Petersburg's health and safety.

All infrastructure of the Borough must be renewed from time to time. Major improvements to Blind Slough have not occurred for 65 years and it is time to rebuild this facility so that it can continue to provide low-cost, dependable power to our local grid for many more decades. The last update to the standby generation stable was accomplished in 2013 and load peaks have continued to grow since that time. Both projects need to be completed and it is my hope that the Assembly and community will agree with this assertion.

Thank you for your consideration.

**PETERSBURG BOROUGH  
ORDINANCE #2021-12**

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF ELECTRIC UTILITY  
REVENUE BONDS IN AN AGGREGATE AMOUNT NOT TO EXCEED \$7.8  
MILLION TO FINANCE THE BLIND SLOUGH HYDROELECTRIC  
REFURBISHMENT PROJECT AND THE SCOW BAY STANDBY GENERATION  
PROJECT AND DIRECTING THAT THIS MATTER BE SUBMITTED TO THE  
VOTERS FOR CONSIDERATION AT THE NEXT REGULAR ELECTION TO BE  
HELD ON OCTOBER 5, 2021.**

**WHEREAS**, the Borough dba Petersburg Municipal Power and Light (the "Utility") provides electric service to the residents and businesses of Petersburg and desires to complete the Blind Slough Hydroelectric Refurbishment and the Scow Bay Standby Generation project (cumulatively, the "Project") following all required approvals and for the benefit of all Petersburg residents and businesses;

**WHEREAS**, the Utility has operated the Blind Slough plant for almost 100 years, and at present it provides almost twenty-five percent (25%) of the power to the community;

**WHEREAS**, the power provided by the Blind Slough plant is available to the community at a lower cost than the power obtained from the Southeast Alaska Power Agency (SEAPA), and thus continued operation of the plant is substantially beneficial to the community;

**WHEREAS**, the equipment and machinery of the Blind Slough plant was last updated in 1957, and is in need of repair and replacement;

**WHEREAS**, repairing and replacing the Blind Slough equipment and machinery now, prior to plant failure, would prevent the community from being solely dependent upon SEAPA for its power during an extended shutdown of the plant;

**WHEREAS**, the Utility has, through a competitive proposals process, obtained bids for purchasing the new equipment, consisting of a generator, turbine, switchgear and related machinery for the Blind Slough plant, and entered into a contract with a supplier for the approximate amount of \$2.3 million, which is contingent upon voter approval of this proposition;

**WHEREAS**, the Utility estimates that the engineering, inspection, permitting, labor and additional costs of installing the new Blind Slough equipment and completing the Project would total approximately \$6.7 million, for a total estimated Project cost of \$9.0 million, of which the Utility wishes to finance up to \$6.3 million with approval of this proposition;

**WHEREAS**, the Utility has tracked a rise in peak system demand during winter months that is within 5% of total local generation capacity that would impact restoration to all customers in the event of a loss of the SEAPA-transmitted power supply;

**WHEREAS**, the Utility desires to contract for design, equipment procurement, installation and commissioning of adequate standby generation to meet peak power demands and provide a power generation safeguard in the event of a loss of hydroelectric power, known as the Scow Bay Standby Generation project, at a total estimated cost of \$1.4 million, and wishes to finance up to \$980,000 for this purpose with approval of this proposition;

**WHEREAS**, upon completion of the Project, the newly refurbished Blind Slough plant is anticipated to not require substantial upgrades for over thirty years, and the new Scow Bay 2 generation would add diesel generation to cover peak loading of the Petersburg system for the next 10 years, which would be beneficial to both the residents and businesses of the Petersburg community;

**WHEREAS**, the Utility has planned to fund up to 30% of the cost of the Project with electric fund reserves;

**WHEREAS**, the estimated costs of issuance of the bonds, including bond counsel fees, Bond Bank fees and associated professional services, are expected to be approximately \$100,000;

**WHEREAS**, the issuance of revenue bonds requires that a dedicated debt service reserve account be established to provide security to the annual bond debt service and must hold an amount equal to the estimated annual debt service on the bond, estimated to be approximately \$420,000;

**WHEREAS**, the issuance costs and the debt service reserve account will be included in the principal of the bond issuance amount;

**WHEREAS**, the Assembly wishes to authorize the issuance of bonds, payable only from the revenue of the electric utility, in an amount not to exceed \$7.8 million in aggregate principal amount (the "Bonds") to pay the Project costs, including making a deposit to a debt service reserve and paying the costs of issuance of the Bonds;

**WHEREAS**, it is anticipated that an increase in electric billing rates will be adopted to generate adequate funds to pay the indebtedness, consistent with the D. Hittle and Associates 2021 rate study conducted by Mr. John Heberling; and

**WHEREAS**, the Assembly finds that it is vital to the long-term economic interests of the Petersburg Borough to incur long-term debt in order to maintain the safe and efficient functionality of the Blind Slough plant and to ensure adequate standby diesel generation in the event of a loss of hydroelectric power, and, pursuant to the provisions of Section 13.04, it wishes to submit this matter to the qualified voters of the Borough for their consideration.

**THEREFORE, THE PETERSBURG BOROUGH ORDAINS**, as follows:

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

**SECTION 2. Purpose:** The purpose of this ordinance is to submit the question to the Borough voters at the next regular election to authorize long-term indebtedness, through issuance of Bonds, to finance: (i) improvements to the Borough electric utility system's Blind Slough plant and the Scow Bay Standby Generation project, and to pay incidental costs incurred in connection with carrying out such improvements (the "Project"); and (ii) to pay the costs incident to financing the Project, including providing for a debt service reserve, if necessary, and paying the costs of issuance of the Bonds.

### **SECTION 3. Substantive Provisions:**

**A.** The Borough Assembly hereby (i) determines that it is in the best interests of the Borough to undertake the Project, consisting of capital improvements in the form of refurbishment of the Blind Slough hydroelectric plant (including without limitation replacement of the generator, turbine and switchgear) and construction of the Scow Bay Standby Generation project, and (ii) authorizes long-term indebtedness for the purpose of financing the Project, in the form of issuance of Bonds that shall be a revenue obligation of the electric utility only, payable solely from the gross revenues of the Utility after payment of maintenance and operations expenses, in an amount not to exceed the total principal sum of \$7.8 million.

The cost of all necessary architectural, engineering, legal and other consulting services; site acquisition or improvement (e.g., clearing and demolition); on and off-site utilities and related improvements; payments for fiscal and legal expenses; printing, advertising, establishing and funding accounts; necessary and related planning, consulting, inspection and testing costs; administrative expenses; and other similar activities or purposes incurred in connection with the Project shall be deemed a part of the costs of such capital improvements. The Borough may modify details of the Project as it may find necessary or advisable. The Project, or any portion or portions thereof, shall be made insofar as is practicable with available money and in such order of time as shall be deemed necessary or advisable by the Borough. The economic life of the Project is expected to exceed the life of the Bonds.

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

**B.** The Bonds will be issued and sold in the amounts and at the time or times as they Assembly finds necessary and advisable and as permitted by law. The Bonds may be issued in one or more series and shall mature in the amounts and at the times within a maximum term of 25 years from the date of issuance of the Bonds, all as authorized by the Assembly and as provided by law. The date, form, interest rates, terms, redemption provisions, maturities, covenants and manner of sale of the Bonds shall be as hereafter provided by the Assembly. After voter approval of the Bond proposition set forth in Paragraph C of this ordinance, and in anticipation of the issuance of the Bonds, the Borough may issue short-term bond anticipation notes as authorized by the laws of the State of Alaska and the Borough Charter.

**C.** The question of whether to authorize this indebtedness shall be submitted to the qualified voters of the Petersburg Borough at the regular municipal election to be held on October 5, 2021. The ballot proposition to be submitted to the voters shall read substantially as follows:



PROPOSITION NO. \_\_\_\_\_  
 NOT TO EXCEED \$7,800,000 REVENUE BONDS  
 BLIND SLOUGH HYDROELECTRIC PLANT REFURBISHMENT AND SCOW BAY  
 STANDBY GENERATION  
 (Assembly Ordinance #2021-12)

Shall the Petersburg Borough incur long-term indebtedness, in a total principal amount not to exceed Seven Million Eight Hundred Thousand dollars (\$7,800,000) for the purpose of refurbishment of the Blind Slough hydroelectric plant and construction of the Scow Bay Standby Generation project, including paying incidental costs incurred in connection with carrying out and financing such improvements? The indebtedness would be in the form of electric utility revenue bonds, payable solely from the gross revenues of the electric utility after payment of costs of operation and maintenance, with a term not to exceed 25 years, and be a revenue obligation of the electric utility only.

- Yes
- No

**D.** The Borough Manager and Utility Director are authorized to provide informational documents to the voters regarding this proposition and are directed to cause notice of the election to be published in accordance with Section 13.02 of the Borough Charter.

**SECTION 4. General Authorization; Ratification:** The proper Borough officials are authorized to perform such duties as are necessary or required by law to the end that the question of whether or not the Bonds shall be issued as provided in this ordinance, shall be submitted to the voters of the Borough at the October 5, 2021 election. Any action taken consistent with the authority and prior to the effective date of this ordinance is hereby ratified, approved and confirmed.

**SECTION 5. Intent to Reimburse:** The Borough Assembly declares that to the extent that the Borough makes capital expenditures for the Project prior to the date the Bonds or other short term obligations are issued to finance the Project from funds that are not (and are not reasonably expected to be) reserved, allocated on a long-term basis or otherwise set aside by the Borough under its existing and reasonably foreseeable budgetary and financial circumstances to finance the Project, those capital expenditures are intended to be reimbursed out of proceeds of the Bonds or other short term obligations issued in an amount not to exceed the principal amount of the Bonds provided by this ordinance.

**SECTION 6. 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 7. Effective Date:** This ordinance is effective upon passage. The indebtedness contemplated by this ordinance shall be considered approved by the voters upon certification of the October 5, 2021 election results reflecting approval of the proposition. If such proposition is approved by the requisite number of voters, the Borough shall be authorized to issue the Bonds in the manner described in this ordinance, to spend the proceeds thereof to pay the costs of the Project and the costs of issuance and sale of such Bonds within ten years as provided by Section 13.08 of the Borough Charter.

**Passed and approved by the Petersburg Borough Assembly, Petersburg, Alaska,  
this 16<sup>th</sup> day of August, 2021.**

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

**ATTEST:**

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

Adopted:  
Published:  
Effective:

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**MEMORANDUM**

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**TO:** MAYOR JENSEN AND BOROUGH ASSEMBLY  
**FROM:** KARL HAGERMAN, UTILITY DIRECTOR   
**SUBJECT:** AWARD RECOMMENDATION – SCOW BAY GENERATION DESIGN STUDY  
**DATE:** 7/13/2021  
**CC:** STEVE GIESBRECHT, BOROUGH MANAGER

Please find in the Assembly packet, a proposal from Electric Power Systems, Inc. (EPS) to complete a design study that addresses a 10-year plan for standby generation infrastructure.

EPS is a highly experienced and trusted electrical engineering firm, based out of Anchorage with an office in Juneau. David Buss, P.E. manages the EPS Juneau office and has been invaluable to PMPL for many years and knows our local electrical system and infrastructure very well through previously supplied design services, supply and commissioning of electrical protective relays and troubleshooting of various SCADA issues and PMPL power plant control components. It was a natural decision to reach out to this firm when considering these professional services and to continue the successful relationship between the Borough and EPS.

This proposal will provide PMPL with a solid plan for our standby generation future, including a projection of loads over the next 10 years and a plan for additions and retirements of diesel generation units in order to meet peak demands of our system and provide for the most reliable standby plant possible. This plan will provide the basis for the next steps in meeting the goals of the Scow Bay Generation project. EPS will be able to commence work on this design study in late summer and plans to achieve completion by October 8, 2021. EPS has proposed to perform the work requested for a fee, not to exceed \$31,163.00. PMPL budgeted \$50,000 in the capital project fund for Scow Bay Generation to accomplish this work.

As this work is strictly a professional services effort, Borough code does allow for the elimination of a competitive procurement for such services. See below:

***4.04.080 - Professional service contracts.***

***“A. Contracts for professional services may be entered into without soliciting requests for sealed competitive bids or competitive proposals when the borough manager determines... ..that one person or firm can clearly perform the required task more satisfactorily because of the person's or firm's prior work experience with the borough, ...”***

Therefore, I recommend, with the Borough Manager's support, that the Borough Assembly award a contract to Electric Power Systems, Inc. for completion of the Scow Bay Generation Design Study for a cost not to exceed \$31,163.00.

Thank you for your consideration.



## Electric Power Systems, Inc.

3305 Arctic Blvd Suite 201 ▪ Anchorage, Alaska 99503 ▪ Tel: (907) 552-1953

**July 9, 2021**

Mr. Karl Hagerman  
Utility Director  
Petersburg Borough  
PO Box 326  
Petersburg, AK 99833

### **Subject: PMPL Scow Bay Generation Design Study Request for Proposal**

We are pleased to provide a cost proposal for professional services necessary for the development of a generation 10 year plan for Petersburg Municipal Power and Light (PMPL). The emphasis of the study will be to develop a long term generation plan that can be used for expansion of the existing power generation capabilities and long term planning for retirement of existing units, future expansion and generation infrastructure.

The borough owns and maintains their own backup diesel generation for planned and unplanned SEAPA outages. The existing backup power generation capability is at or near the system load peak. With the loss of a unit or future system growth, PMPL could be in a restoration situation that would put them short on generation, requiring rotating outages.

The purpose of this study is to evaluate the existing load, projected load growth, and existing diesel generation's ability to meet the City's requirements. Based on the evaluation, EPS will make recommendations for near and long term backup generation infrastructure. Below is the planned scope of work.

### **Scope of Work**

- Site visit
  - Gather historical load growth and future load growth data
  - Document and evaluate existing diesel generation
- Develop a 10 year load growth projection for Petersburg based on the information gathered
- Develop a retirement plan for existing diesel generation
- Evaluate options for providing stand alone restoration of T62
- Make recommendations for near and long term generation needs
  - Conceptual one-line(s) for near and long term recommendations
  - 10 year plan for generation retirement and replacement
  - Rough order of magnitude (ROM) estimates for replacement recommendations
- Recommend path forward and construction options for near term generation additions as recommended in the study
- Final report detailing above findings and recommendations



## Electric Power Systems, Inc.

3305 Arctic Blvd Suite 201 ▪ Anchorage, Alaska 99503 ▪ Tel: (907) 552-1953

### Assumptions and Exclusions

- Historical load data will be provided by PMPL
- Anticipated load growth, future connections, etc will be provided by PMPL

### Cost Estimate

PMPL Scow Bay Generation Design Study Request for Proposal		
Item	Description	Cost
1	Site Visit and Data Collection	\$ 6,664
2	Analysis and Report	\$ 22,794
3	Expenses	\$ 1,705
<b>Total</b>		<b>\$ 31,163</b>

### Proposed Deliverable Schedule

No.	Task	Duration	Start Date	Finish Date
1	Site Visit	1 week	8/16/21	8/23/21
2	Review of findings with PMPL	1 day	8/30/21	8/30/21
3	Evaluation and Study	4 weeks	8/30/21	9/27/21
4	Draft report presentation to PMPL for review	1 week	9/27/21	10/1/21
5	Final report	1 week	10/4/21	10/8/21



## Electric Power Systems, Inc.

3305 Arctic Blvd Suite 201 ▪ Anchorage, Alaska 99503 ▪ Tel: (907) 552-1953

EPS has extensive experience providing engineering and construction services to Alaskan utilities. We have recently provided engineering services for the Naknek power plant expansion. This work included evaluation of existing power generation infrastructure, recommendations for expansion, unit selection and evaluation and engineering services for a bid ready project for expansion of their existing diesel generation plant. EPS provided construction management and engineering support for the construction of the projects. EPS has also provided engineering and construction services to Nushagak Cooperative in Dillingham Alaska. This work included expansion options with different cost options, unit selection and evaluation, design build services as the new plant had to be operational in nine months from notice to proceed. The existing power plant had aging infrastructure, which was evaluated with different replacement options for switchgear and station auxiliaries. EPS also provided construction management and commissioning services for the existing facility and new facility. The project schedule and budget was maintained throughout the project and the project was completed on time.

EPS has provided engineering support to PMPL for over 20 years. EPS has provided distribution design, generation upgrades, troubleshooting, arc flash studies, coordination studies and other miscellaneous tasks as required. We look forward to working on this and other projects in the future.

Please contact me if you have any questions or concerns.

Sincerely,

David Buss, P.E.

dbuss@epsinc.com

(907) 523-3101

# CITY OF TENAKEE SPRINGS

Item 17A.

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

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

June 30, 2021

Petersburg Borough  
Attn: City Council  
P.O. Box 329  
Petersburg, AK 99833

Dear City Council Members,

The City of Tenakee Springs would like to share with you our recent resolution regarding stewardship of the land and waters of Tenakee Inlet, and are interested in hearing how your communities are addressing the proposed Landless Native bill – which will request reconveyance of public lands surrounding our communities to private native corporations.

Sincerely,



Dan Kennedy, Mayor

CC: City Council – City of Haines  
City Council – City of Hoonah  
City Council – City of Gustavus  
City Council – City of Ketchikan  
City Council – City of Wrangell



Resolution 2021-17

**City of Tenakee Springs  
RESOLUTION 2021-17**

In the Council  
May 27, 2021

Introduced by  
Craig Mapes

**A RESOLUTION FOR THE CITY OF TENAKEE SPRINGS, ALASKA, OF  
RECOMMENDATIONS REGARDING STEWARDSHIP OF THE LAND AND WATERS  
OF TENAKEE INLET**

- WHEREAS, The Common Council of Tenakee Springs, Alaska, recognizes the privileges we enjoy through proximity to the richly productive watersheds, marine waters, and forest ecosystems of Tenakee Inlet; and
- WHEREAS, the best way to show respect for the people who lived here before us and concern for future generations is to protect the intact forest ecosystems and wild salmon watersheds of Tenakee Inlet; and
- WHEREAS, Tenakee Springs is a rural subsistence community in which many people engage in a mixed subsistence and cash economy that depends upon abundant fish (salmon and marine species), game (venison), plants (firewood, home-milled lumber, seaweed, berries), fungi (mushrooms), and grown produce (potatoes, vegetables, fruit); and
- WHEREAS, the economy of the area is characterized by businesses and activities that depend on productive forest ecosystems and watersheds include commercial fishing, guided charter fishing, guided hunting, local small-scale selective timber harvest and milling, arts and crafts, independent travel and small tour vessels, retired and seasonal living, municipal jobs and construction and services, and farming; and
- WHEREAS, the accelerating pace of climate change is impacting this abundance and creating uncertainty and concern for future community stability due to: increasing marine and fresh water temperatures that impact fish populations directly; changes in precipitation that alter the flow patterns of rivers and streams and increase the frequency of extreme conditions such as floods and low flow, high temperature, low dissolved oxygen events that are lethal to salmon, increasing acidity of marine waters that impairs productivity of plankton and other animals that are food for salmon and other species of fish and marine wildlife; and changes in forest conditions that render some species of trees vulnerable to extreme temperatures, forest insects, and diseases; and
- WHEREAS, the Tongass National Forest is the nation's largest national forest and plays a crucial role in mitigating the impacts of climate change; the Tongass stores the equivalent of 44% of the total ecosystem carbon for the entire national forest system, and an effective climate strategy would be to protect its carbon dense older forests while allowing younger forests time to sequester more carbon; and
- WHEREAS, the land and waters of Tenakee Inlet comprise a single integrated ecosystem region yet are managed by a mix of land owners who do not coordinate their activities effectively, including the US Forest Service (Tongass National Forest),



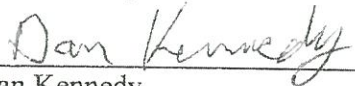
Resolution 2021-17

the State of Alaska (fish, wildlife, tidelands, and state marine waters), the City of Tenakee Springs, and private land owners; coordination and cooperation among land owners and governments is essential in order to achieve long-term stewardship and community viability;

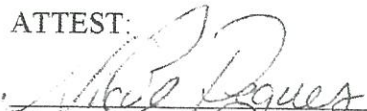
THEREFORE BE IT RESOLVED that the Common Council of Tenakee Springs recommends:

1. The conservation of intact wild salmon watersheds of Tenakee Inlet through:
  - a. Continued protection of the Trap Bay and Kadashan watersheds as Legislative LUD II roadless areas, and
  - b. Whole watershed protection for additional watersheds including Saltry Bay, Seal Bay, Long Bay, Goose Flats, and Tenakee Head, and
  - c. Ensuring that all salmon streams and rivers are managed to provide minimum one hundred foot buffers of unlogged forest alongside salmon spawning and rearing streams and that the riparian management standards in the Tongass Forest plan are adhered to on all streams and lakes.
2. The protection of sufficient old-growth winter habitat to ensure abundant Sitka black-tailed deer populations, which support resident harvests that provide venison for local households.
3. The maintenance of critical wildlife corridors, especially the narrow connection between the Northeast section and the remainder of Chichagof Island.
4. Management of the forest ecosystem to mitigate climate change and promote resilience of local ecosystems and communities by ending clear-cut logging on the Tongass and favoring the protection of old-growth forests and allowing younger forests time to sequester more carbon, provided that selective harvest of dead and living old-growth trees, and the cutting of some younger trees and groups of trees, should be allowed in order to support local businesses that mill local wood products for local uses.
5. Addressing climate change mitigation on private lands by providing meaningful and effective economic incentives for managing forest areas for carbon storage and sequestration.
6. Promoting and welcoming independent travelers and cruises of 20 people or less that provide intimate experiences and support local economy without the degradation of natural landscapes, local lifestyle, or the overwhelming of local infrastructure.
7. Commitment by all land owner-managers and governments to coordinate and cooperate together in the stewardship of the land and waters of Tenakee Inlet, including but not limited to annual meetings to share information and plans, collaborative restoration projects, and ecosystem monitoring and scientific research projects that include indigenous knowledge and local experience.

**ADOPTED** 6 ayes, 1 absent **THIS** 27<sup>th</sup> **DAY OF** May **2021**

  
 Dan Kennedy  
 City Council President  
 Ex officio MAYOR

ATTEST:

  
 Nicole Pegues, City Clerk

**Debra Thompson**

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**From:** Leo Luczak <luczak@ak.net>  
**Sent:** Tuesday, July 6, 2021 9:45 AM  
**To:** Assembly; Debra Thompson  
**Subject:** Sale of Sandy Beach Road Property

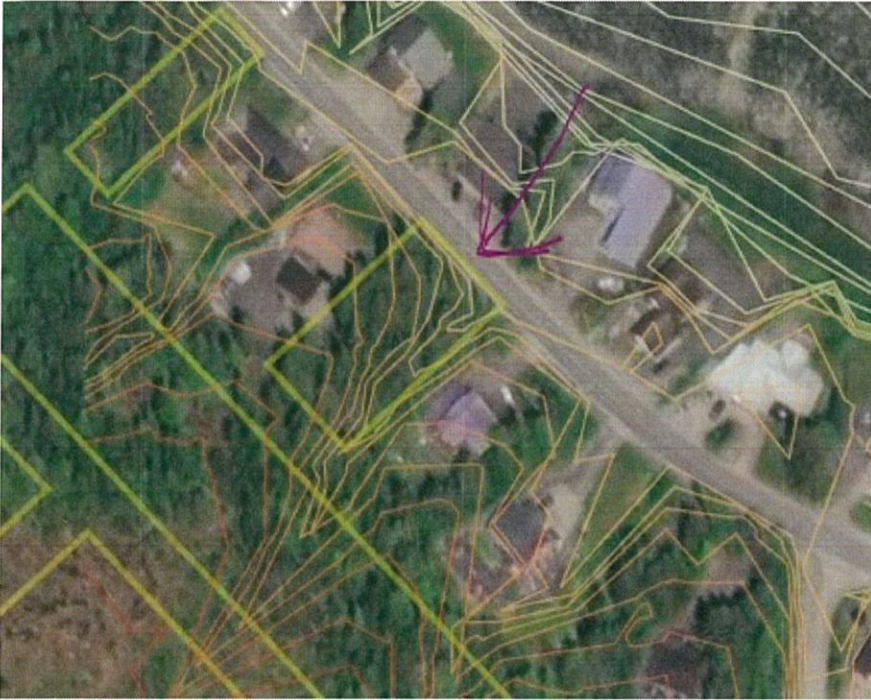
Dear Mayor Jensen and Assembly Members,

RE: 15A. Resolution #2021-09 A Resolution Authorizing the Public Sale of Parcel #01-003-521 Located at 306 Sandy Beach Road by Public Auction

I notice that the minutes of the last Planning and Zoning Commission meeting were not included in today's Assembly packet, so I would like to summarize the testimony I provided during the June 8th P&Z meeting. While the members were considering whether to recommend the sale of the property to the assembly, I made the following comments for the benefit of anyone wishing to purchase and develop the property. For the record adjacent property owners Becky Fortna is my daughter and John Fortna is my son-in-law.

I thought it was prudent to note that this parcel has been available for sale since the early 1960's. First from the State and now from the Borough. In my opinion the parcel never sold because it contains a major drainage from the upper muskeg areas to the southwest of the property. The lots on both sides of the drainage have been filled and this funnels the drainage onto the parcel. This drainage flows through the parcel and crosses Sandy Beach Road in a substantial culvert (approximately in the location of the red arrow). In my experience a Corps of Engineers 404 permit would be required to develop the property, and this could be difficult to obtain with the drainage issue. When I last checked during the recent sunny weather the creek still had water flowing through the culvert, and during our usual periods of rain I would expect a heavy flow through this parcel.





I wanted to share this information with any prospective buyers as developing the lot could present serious complications due to having to deal with the drainage and permitting issues. I am told that if the parcel was to be purchased by the two adjoining property owners (Fortna and Cushing) they plan to leave the drainage undeveloped.

I was hoping this would be reflected in the P&Z minutes but since they weren't in your packet I am summarizing my comments now.

I apologize for the lateness of my comments and I thank you for your consideration.

Sincerely - Leon Luczak 901 Wrangell Avenue Petersburg

**Debra Thompson**

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**From:** Ron Ware <rware63@gmail.com>  
**Sent:** Friday, July 9, 2021 3:02 PM  
**To:** Assembly  
**Subject:** Searhc

Listening to the last assembly meeting I noted that Searhc was barely mentioned, it is my strong opinion that the community needs to hear both sides, have an open community meeting it seems that some assembly members have already made up their mind, if members of the assembly drive through the community, the neighborhoods you we'll see all the searhc. Signs I think it would be appropriate to reach out to searhc invite them back to Petersburg. and let the citizens of Petersburg. decide what's best for their health. If we have to take it to a vote to change the charter so be it. I think the residents of Petersburg. deserve to have a choice in decisions regarding their health thank you Ron Ware

Sent from my iPhone



Report to Borough Assembly

# PETERSBURG BOROUGH

Audit Planning:  
Year Ended June 30, 2021

# Contents

QUICK ACCESS TO THE FULL REPORT

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<a href="#">EXECUTIVE SUMMARY</a>	4
<a href="#">APPENDIX</a>	12

The following communication was prepared as part of our audit, has consequential limitations, and is intended solely for the information and use of those charged with governance (e.g., Borough Assembly) and, if appropriate, management of the Company and is not intended and should not be used by anyone other than these specified parties.

# Welcome

July 1, 2021

Borough Assembly  
Petersburg Borough

Professional standards require us to communicate with you regarding matters related to the financial statement audit that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. This document provides an overview of our plan for the audit of the financial statements and schedule of expenditures of federal awards of Petersburg Borough, the Borough, as of and for the year ended June 30, 2021, including a summary of the nature, scope, and timing of the planned audit work.

We are pleased to be of service to the Borough and look forward to discussing our audit plan, as well as other matters that may be of interest to you.

Respectfully,

*BDO USA, LLP*

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms.

# Executive Summary



# Responsibilities

BDO USA, LLP, as your auditor, is responsible for forming and expressing an opinion(s) about whether the financial statements and the schedule of expenditures of federal awards that have been prepared by management, with your oversight, are prepared, in all material respects, in conformity with accounting principles generally accepted in the United States of America. In addition, our audit will be conducted in accordance with standards for financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States, Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). The audit of the financial statements does not relieve you of your responsibilities and does not relieve management of their responsibilities. The engagement letter, a copy of which has been provided to you, includes specific details regarding the auditor's and management's responsibilities.



# Audit Strategy

Overall, our audit strategy is to assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design further audit procedures responsive to assessed risks. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. In connection with our audit, we will obtain a sufficient understanding of the Borough's internal control to plan the audit of the financial statements. However, such understanding is required for the purposes of determining our audit procedures and not to provide any assurance concerning such internal control. In addition, Government Auditing Standards require that we also plan and perform the audit to obtain reasonable assurance about whether the Borough has complied with applicable laws, regulations and the terms and conditions of the federal awards that may have a direct and material effect on each of Borough's major federal programs.

We focus on areas with higher risk of material misstatement (whether due to error or fraud). Our audit strategy includes consideration of:

- ▶ prior year audit results together with current year preliminary analytical review, including discussions with management and those charged with governance regarding the Borough's operations,
- ▶ inherent risk within the Borough,
- ▶ recent developments within the industry, regulatory environment, and general economic conditions,
- ▶ recently issued and effective accounting and financial reporting guidance,
- ▶ the Borough's significant accounting policies and procedures, including those requiring significant management judgments and estimates and those related to significant unusual transactions,
- ▶ the control environment and the possibility that the control system and procedures may fail to prevent or detect a material error or fraud,
- ▶ Information about systems and the computer environment in which the related systems operate,
- ▶ a continual assessment of materiality thresholds based upon qualitative and quantitative factors affecting the Borough, and
- ▶ internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures.

# Planned Scope

Based upon our initial assessment, our planned scope for the audit is described below:

- ▶ The areas indicated below relate to significant risks identified during our risk assessment procedures and include a brief description of how we propose to address them:
  - Management Override of Controls
  - Revenue Recognition
  - Fraud Risk
  - Other Matters, including Significant Unusual Transactions
  
- ▶ Overview of the nature of the audit of group financial statements:
  - The audit of the Borough requires financial presentation for all components of the reporting entity. The reporting entity is comprised of the Borough, itself (its funds and accounts) as well as its “component units” as defined by GAAP. This collection of individual reporting entities comprises the “Group”. The Borough audit is considered the “Group Audit”.
  - Included within the reporting entity are Petersburg School District and Petersburg Medical Center. Petersburg School District will also be audited by BDO USA, LLP (Anchorage Office); however, this audit involves other partners and audit team members. Petersburg Medical Center will also be audited by a separate accounting firm. As part of our planned audit strategy, we will initiate required communications with those audit teams to include confirmation of their independence with respect to the entire group, identification of related parties of those component entities, identification of audit risks, and other required communication.
  
- ▶ We will plan and perform the audit of the financial statements for the year ended June 30, 2021, in accordance with *Government Auditing Standards* (GAS).



# Planned Scope

- ▶ We will consider the Borough's internal control over financial reporting as a basis for designing audit procedures for the purpose of expressing our opinion(s) on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control.
- ▶ We will perform tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions is not an objective of our audit.
- ▶ We will plan and perform the audit of the Schedule of Expenditures of Federal Awards (SEFA) for the year ended June 30, 2021, in accordance with GAS, and the Uniform Guidance and will issue an in relation to opinion.
- ▶ We will consider internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing an opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.



# Overall Audit Timeline

The following represents our anticipated schedule with regard to our audit of the financial statements of the Borough:

	Jul	Aug	Sep	Oct	Nov	Dec
Planning	✓	✓				
Interim Fieldwork	✓	✓				
Year-End Fieldwork			✓	✓		
Release Reports on Financial Statements					✓	✓



# Independence

Our engagement letter to you dated July 9, 2021, describes our responsibilities in accordance with professional standards and certain regulatory authorities with regard to independence and the performance of our services. This letter also stipulates the responsibilities of the Borough with respect to independence as agreed to by the Borough. Please refer to that letter for further information.



Item 17B.

# Client Service Team

As a matter of policy, we attempt to provide continuity of service to our clients to the greatest extent possible. Where engagement team rotation is necessary, we will discuss this matter with you and determine the appropriate individual to be assigned to the engagement based on particular experience, expertise, and engagement needs.

We are pleased to be of service to the Borough and look forward to answering questions you may have regarding our audit plan as well as other matters that may be of interest to you.



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# Appendix



# Implementation of New GASB Standards

# New GASB Standards

In light of the COVID-19 Pandemic, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, to provide relief to governments. This Statement, which was effective upon the issuance date of May 8, 2020, postponed the effective dates of certain provisions in Statements that were first effective for reporting periods beginning after June 15, 2018. The effective dates of certain provisions contained in the following pronouncements were postponed by one year:

- ▶ Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- ▶ Statement No. 91, *Conduit Debt Obligations*
- ▶ Statement No. 92, *Omnibus 2020*
- ▶ Statement No. 93, *Replacement of Interbank Offered Rates*

The effective date of Statement No. 87, *Leases*, has been postponed by 18 months.

Earlier application of the standards is encouraged and is permitted to the extent specified in each pronouncement as originally issued.

# GASB Statement No. 87, *Leases*

Effective Dates	Date per Pronouncement (as amended)	Date as amended per GASB Statement No. 95
	Fiscal Years Beginning After 12/15/2019	Fiscal Years Beginning After 6/15/2021

- ▶ Requires recognition of certain lease assets and liabilities for leases that are currently classified as operating leases.
- ▶ New definition of a lease - a contract that conveys the right to use another entity's nonfinancial asset for a period in an exchange or exchange-like transaction.
- ▶ Eliminates the distinction between operating and capital leases.
- ▶ Excludes short-term leases, leases that transfer ownership and service concession arrangements that are covered by GASB Statement No. 60.
- ▶ Lessees would recognize a lease liability and an intangible right-to-use lease asset which would be amortized in a systematic and reasonable manner over the shorter of the lease term or the useful life of the underlying asset.
- ▶ Lessors would recognize a lease receivable and deferred inflow of resources which would be recognized as revenue in a systematic and rational manner over the term of the lease.

# GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*

Effective Dates	Date per Pronouncement	Date as amended per GASB Statement No. 95
	Reporting Periods Beginning After 12/15/2019	Reporting Periods Beginning After 12/15/2020

- ▶ Upon implementation, in financial statements using the economic resources measurement focus (business-type activities and enterprise funds) interest incurred during construction should be recognized as an expense of the period.
- ▶ Interest costs on construction-in-progress will be capitalized only to the implementation date of this Statement. The provisions of this Statement are to be applied prospectively and will therefore not require a restatement of any balances.
- ▶ In financial statements using the current financial resources measurement focus (governmental funds), interest incurred during construction should be recognized as an expenditure (no change).
- ▶ If a government has regulated operations as defined by paragraph 476 of GASB Statement No. 62, this Statement does not eliminate or remove the requirement to capitalize qualifying interest costs as a regulatory asset.

# GASB Statement No. 91, *Conduit Debt Obligations*

Effective Dates	Date per Pronouncement	Date as amended per GASB Statement No. 95
	Reporting Periods Beginning After 12/15/2020	Reporting Periods Beginning After 12/15/2021

- ▶ Clearly defines the characteristics of a conduit debt obligation and establishes that a conduit debt obligation is not a liability of the issuer.
- ▶ An issuer should recognize a liability associated with an additional commitment or voluntary commitment to support debt service if certain recognition criteria are met.
- ▶ As long as a conduit debt obligation is outstanding, an issuer that has made an additional commitment should evaluate at least annually whether the recognition criteria are met. An issuer that has only made a limited commitment should evaluate whether those recognition criteria are met when an event occurs that cause the issuer to evaluate its willingness or ability to support the obligor’s debt service through a voluntary commitment.
- ▶ Standard addresses accounting for arrangements where capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities.
- ▶ Standard enhances note disclosures related to conduit debt.

# GASB Statement No. 92, Omnibus 2020

Effective Dates	Date per Pronouncement	Date as amended per GASB Statement No. 95
	Key Provisions Effective as Noted Below	Except for Provisions Effective upon Statement Issuance, all other Provisions are Delayed One Year

Key Provisions of the Statement are as follows:

- ▶ Effective Upon Statement Issuance- February 5, 2020:
  - The effective date for interim financial reporting of Statement No. 87, Leases, and Implementation Guide No. 2019-3, Leases, is for fiscal years beginning after December 15, 2019.
  - Clarifies that for public entity risk pools, amounts recoverable from reinsurers or excess insurers related to paid claims and claims adjustment expenses may be reported as a reduction of expenses.
  - The terms derivative and derivatives should be replaced with derivative instrument and derivative instruments, respectively.
- ▶ Effective for Fiscal Years Beginning After June 15, 2020:
  - Clarification of the reporting of intra-entity transfers of assets between a government employer or noncontributing entity to a defined benefit pension or other postemployment (OPEB) plan that are within the same reporting entity.
- ▶ Effective for Reporting Periods Beginning After June 15, 2020:
  - Clarification that a government that reports a fiduciary activity for assets that are accumulated for purposes of providing pension or OPEB through certain defined benefit plans should recognize liabilities in accordance with Statement No. 84.
- ▶ Effective for Government Acquisitions Occurring in Reporting Periods Beginning After June 15, 2020:
  - In a government acquisition, liabilities and assets related to the acquired entity’s asset retirement obligations (AROs) should be measured using the accounting and financial reporting requirements of Statement No. 83, when the AROs fall within the scope of that standard.

# GASB Statement No. 93, *Replacement of Interbank Offered Rates*

Effective Dates	Date per Pronouncement	Date as amended per GASB Statement No. 95
	Effective as Noted Below	Paragraphs 13 and 14 are Effective for Fiscal Years Beginning After June 15, 2021

- ▶ Effective for Reporting Periods Beginning After June 15, 2020:
  - Provides exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument’s variable payment.
  - Clarifies the hedge accounting termination provisions when a hedged item is amended to replace the reference rate.
  - Clarifies that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable.
  - Identifies a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap.
  - Clarifies the definition of reference rate, as it is used in Statement 53, as amended.
  - Provides an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend. (paragraphs 13 and 14)
- ▶ Effective for Reporting Periods Ending After December 31, 2021:
  - Removes LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap (paragraph 11b).

# GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

Effective Dates	Date per Pronouncement
	Fiscal Years Beginning After June 15, 2022

- ▶ For the Public-Private and Public-Public Partnerships (P3s) that meet the definition of a service concession arrangement (SCA), this Statement carries forward the financial reporting requirements for SCAs that were included in Statement 60, with modifications to apply the more extensive requirements related to recognition and measurement of leases to SCAs.
- ▶ For P3s that meet the definition of a lease, the guidance in Statement No. 87 should be applied, if existing assets of the transferor that are not required to be improved by the operator as part of the P3 arrangement are the only underlying P3 assets and the P3s do not meet the definition of an SCA.
- ▶ This Statement provides specific guidance for all other P3s from the perspective of both a government that transfers rights to another party and governmental operators that receive those rights.
- ▶ The Statement requires governments to account for Availability Payment Arrangement (APAs) in which ownership of the asset transfers by the end of the contract as a financed purchase of the underlying infrastructure or other nonfinancial asset. It also requires a government to report an APA that is related to operating or maintaining a nonfinancial asset as an outflow of resources (for example, expense) in the period to which payments relate



# GASB Statement No. 96, *Subscription Based Information Technology Arrangements*

Effective Dates	Date per Pronouncement
	Fiscal Years Beginning After June 15, 2022

- ▶ Addresses accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. Standard is based on the standards established in Statement No. 87, Leases.
- ▶ Defines a SBITA as a contract that conveys control of the right to use a SBITA vendor's IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.
- ▶ Requires governments with SBITAs to recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability (with an exception for short-term SBITAs—those with a maximum possible term of 12 months).
- ▶ Provides guidance related to outlays other than subscription payments, including implementation costs, and requirements for note disclosures related to a SBITA.

# GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Plans Deferred Compensation Plans*

Effective Dates	Date per Pronouncement
	Effective as Noted Below

- ▶ Effective Upon Statement Issuance - June 23, 2020:
  - Requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution OPEB plan, or an other employee benefit plan (for example, certain Section 457 plans), the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically performs.
  - Requires that the financial benefit burden criteria in Statement No. 84, Fiduciary Activities, be applicable to only defined benefit pension and OPEB plans administered through a trust.
- ▶ Effective for Fiscal Years Beginning After June 15, 2021
  - Requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan depending on whether the plan meets the definition of a pension plan.
  - Requires that a Section 457 plan that meets the definition of a pension apply all accounting and financial reporting requirements relevant to pensions.
  - Clarifies that Statement 84, as amended, should be applied to all Section 457 plans to determine whether those arrangements should be reported as fiduciary activities.

# Industry Resources

# Industry Risk and Resources

- ▶ BDO's industry focus is part of who we are and how we serve our clients and has been for over a century. We demonstrate our experience through knowledgeable professionals, relevant client work and participation in the industries we serve.
- ▶ Our industry practices bring perspective on trends, opportunities, issues and regulations that frame our services and approach to address your needs and your industry.

Home > Industries > Public Sector > Overview

**Public Sector**

BDO leverages an independent viewpoint to help clients navigate complex, government-wide challenges.


**OVERVIEW**      FEDERAL GOVERNMENT

**Challenging times call for a new perspective.**

The public sector is facing many challenges. In addition to political gridlock, the federal deficit has caused many agencies' budgets to shrink over the last several years, meaning that government leaders are under pressure to accomplish more with reduced funding.

BDO's Public Sector Practice serves a wide variety of clients across many levels of government. In addition to our Federal Government clients, we also serve Regional, State, and Local Governments, drawing on deep experience to provide strategic, innovative solutions. Offering a unique depth of capabilities and resources, BDO helps government leaders develop tailored strategies and implement practical solutions that make the most of their limited resources.

**KEY CONTACTS**

  
**MARK ELLENBOGEN** ▶  
 President/CEO of BDO Public Sector

# Accounting, Audit and Other Compliance Considerations for Public Sector Entities Related to COVID-19

The global pandemic is having unprecedented impacts on federal, state, local, tribal and territory governments. Our [COVID-19 resource center](#) helps organizations stay abreast of the latest developments and mitigate risk during this time of uncertainty. For government organizations, the stakes are high as agencies and elected officials work overtime to flatten the curve, save lives and ensure the safety of the American people.

While circumstances are changing daily, our FAQs for the Public Sector answer the most frequently asked questions by government organizations, along with resources to help them respond and plan around each on.

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