



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda Borough Assembly Regular Meeting

Monday, December 05, 2022

12:00 PM

Assembly Chambers

You are invited to a Zoom webinar.

When: Dec 5, 2022 12:00 PM Alaska

Topic: December 5, 2022 - Assembly Meeting

Please click the link below to join the webinar:

<https://petersburgak.gov.zoom.us/j/84066357497?pwd=VzFZWtNzc25mLy9FZE54cmsrMUJYQT09>
Passcode: 986359

Or Telephone: (253) 215-8782 or (720) 707-2699

Webinar ID: 840 6635 7497

Passcode: 986359

1. **Call To Order/Roll Call**
2. **Voluntary Pledge of Allegiance**
3. **Oath of Office for Robert Aikins, Jr.**

Robert Aikins will be sworn in as a Police Officer for the Petersburg Police Department.

4. **Approval of Minutes**
 - A. **Regular Assembly Meeting Minutes November 21, 2022**
5. **Amendment and Approval of Meeting Agenda**
6. **Public Hearings**
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. Early Childhood Education Task Force Report

11. Consent Agenda

12. Report of Other Officers

A. Petersburg Medical Center Update

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

13. Mayor's Report

A. December 5, 2022 Mayor's Report

14. Manager's Report

A. December 5, 2022 Manager's Report

15. Unfinished Business

16. New Business

A. Ordinance #2022-16: An Ordinance Repealing Chapters 4.26, 4.29, 4.31, and 4.32 of the Former City of Petersburg Code, and Amending Chapters 4.25 and 4.40 to Account for Borough Formation

If approved in 3 readings, City Code Chapters 4.26, 4.29, 4.31 and 4.32 will be repealed and Chapters 4.25 and 4.40 will be updated and moved to Borough Code.

B. Resolution #2022-20: A Resolution Approving the Use of Borough Parcel #01-014-600 for the Purpose of Constructing a Non-Motorized Bike Park Track for Public Use and Recreation

At the request of local citizens, the Parks and Recreation Advisory Board requests approval to use a portion of Borough Parcel #01-014-600 to construct and maintain a non-motorized bike park track for public use.

C. Resolution #2022-21: A Resolution Approving the Fees Associated with Creating Engineer Designed Biddable Documents for the Community Center Sewer Line Repairs for an Amount not to Exceed \$65,432

Manager Giesbrecht and Director Payne request approval to use \$65,432 of the Borough's Property Development Fund 260 to contract with RSA Engineering, Inc. for creation of biddable documents for the Community Center sewer line repair.

D. Resolution #2022-22: A Resolution Approving a Purchase Order for the Maintenance and Repair of the PMPL EMD 16 Generator for an Amount not to Exceed \$325,000

On November 7, 2022 the Assembly adopted supplemental budget Ordinance #2022-15, which approved the transfer of funds to cover the expense of \$325,000 to rebuild the PMPL EMD 16 generator.

17. Communications

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, November 21, 2022

6:00 PM

Assembly Chambers

1. Call To Order/Roll Call

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

PRESENT

Mayor Mark Jensen
Vice Mayor Bob Lynn
Assembly Member Thomas Fine-Walsh
Assembly Member Donna Marsh
Assembly Member Jeff Meucci
Assembly Member Scott Newman

EXCUSED

Assembly Member Dave Kensinger

2. Voluntary Pledge of Allegiance

The Pledge was recited.

3. Approval of Minutes

A. Regular Assembly Meeting Minutes November 7, 2022

Special Assembly Meeting Minutes November 11, 2022

The meeting minutes for November 7th and November 11th were unanimously approved.

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

4. Amendment and Approval of Meeting Agenda

The agenda was approved as submitted.

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

5. Public Hearings

There were no public hearings.

6. Bid Awards

There were no bid awards.

7. Persons to be Heard Related to Agenda

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

No views were shared.

8. Persons to be Heard Unrelated to Agenda

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

No views were shared.

9. Boards, Commission and Committee Reports

There were no reports.

10. Consent Agenda

A. Inga's Galley Liquor License Renewal

The Assembly unanimously supported the renewal of Inga's Galley Liquor License.

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

11. Report of Other Officers

A. Projects Report

Manager Giesbrecht provided a report regarding large projects that will be upcoming in the next five years.

12. Mayor's Report

A. November 21, 2022 Mayor's Report

Mayor Jensen read his report into the record.

13. Manager's Report

A. November 21, 2022 Manager's Report

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

14. Unfinished Business

There was no unfinished business.

15. New Business

A. Resolution #2022-19: A Resolution Approving a Purchase Order for the Maintenance and Repair of PMPL Caterpillar 398 Generator for an Amount Not to Exceed \$200,000

Resolution #2022-19 was unanimously approved.

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

B. 2022 SEAPA Board Appointments

Without objection, Mayor Jensen appointed Assembly Member Lynn and Utility Director Hagerman to the SEAPA Board Board of Directors.

C. Alaska Airlines Essential Air Service Letter of Support

The Assembly unanimously approved the letter in support of Alaska Airlines to provide Essential Air Service for Cordova, Gustavus, Petersburg, Wrangell and Yakutat from May 2023 through April 2025.

16. Communications

A. Correspondence Received Since November 3, 2022

17. Assembly Discussion Items

A. Assembly Member Comments

There were no comments.

B. Recognitions

There were no recognitions.

18. Adjourn

The meeting was adjourned at 6:16 p.m.

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

Education Incentive Program

This program is modeled after the Juneau HEARTS program with adjustments to fit Petersburg*. The objective is to improve the quality of care through encouraging educators to pursue degrees in the early childhood education field as well as enroll in continuing education credits related to the early childhood field.

1. Incentivize early childhood training – degree pursuing or continuing education credits – for childcare professionals.
2. Improve staff retention by increasing earnings with a bonus each six months.

This serves as a trial program to inform the longer-term approach toward decreasing the turnover rate of early childhood educators as well as increasing staff training to strengthen the quality of childcare in Petersburg. Bottom line, providing a monetary value for continuing education in the early childhood field serves strengthens the education for the 0-5 age group and 5-12 age group outside of school hours.

Tier 1: Current Child Development Associate (CDA) or current Childcare Associate (CCA) or Alaska Early Childhood Family Child Care Credential or 6 SEED early childhood (EC) credits. Similar to SEED levels 6-7.

\$2,000/year (A \$1,000 check 2x/year)

Tier 2: Associate's Degree related to Early Childhood Education or Montessori/Waldorf certificate or Bachelor's Degree in unrelated field AND 12 SEED early childhood credits. Similar to SEED levels 8-9.

\$3,500/year (A \$1,750 check 2x/year)

Tier 3: Bachelor's Degree or higher related to Early Childhood Education or Master's Degree or higher in unrelated field AND 24 SEED early childhood credits. Similar to SEED level 10+

\$5,000/year (A \$2,500 check 2x/year)

Bridge: This is a one-time only opportunity that provides a grace period for individuals who meet all requirements but who do not meet the Tier criteria. If the individual obtains the necessary education credentials prior to the one-year anniversary of the program, they would receive a retroactive bonus for the first period as well as the bonus for the second period at the appropriate Tier level.

Requirements:

1. All childcare professionals must have a high school diploma, GED or equivalent.
2. Employment in the childcare profession for a minimum of six months, working at least 15 hours a week. Full-time employees will receive the full bonus; employees working a reduced schedule will be prorated (e.g. 20 hours/week = 50%).
3. The year is calculated from the date of hire.
4. Own or be employed by a licensed childcare facility that operates at least 30 hours a week.
5. If caring for fewer than six full-time children the incentive will be prorated.

Administration:

Petersburg Medical Center will administer the program. Thread has a career ladder established as a State of Alaska standard and the Tiers are attached to the ladder. (Thread Alaska vets the courses for appropriate content and tracks the educator's training for SEED classification).

* One key difference: the Juneau HEARTS program provides a wage increase for the three tiers. The Petersburg program requests ARPA funds to provide a bonus based on the tiers, with the hope that a long-term program can be implemented. This program serves as a trial run (recognizing that many variables influence staff retention).

Rough cost: \$40,000/year

**Mayor's Report
December 5, 2022 Assembly Meeting**

- 1. Seeking Letters of Interest:** The Petersburg Borough is seeking letters of interest to serve on the Petersburg Economic Development Council as the Assembly's Appointed Public Member At-Large. Appointees will serve a 3-year term (until December 31, 2025). Residents who wish to serve the community are encouraged to submit a letter of interest no later than Monday, December 12, 2022, to Clerk Thompson at the borough municipal building located at 12 S. Nordic Drive; by sending to PO Box 329, Petersburg, AK 99833; or by emailing to dthompson@petersburgak.gov.



**Borough Manager's Report
Assembly Meeting 5 December 2022**

- ❖ Com. Dev. held the first monthly meeting with DNR entitlement land staff. Discussion focused on timing of future decisions.
- ❖ Working on response to Div. of Forestry's latest comments regarding the borough's appeal of the state's decision to retain waterfront parcels at Woodpecker Cove and Blind Slough.
- ❖ DNR notified the borough that it is unable to convey the upland parcel at Papke's Landing through the entitlement process because the parcels were not obtained through the statehood land grant. The borough may still pursue conveyance through the Public & Charitable Use process.
- ❖ Submitted a letter to DNR Commissioner requesting he release the stay on selected lands that are not part of the borough's appeal so these lands, which have already been approved for conveyance, can continue to move forward in that process. DNR is considering the request.
- ❖ Three new dispatchers have started training.
- ❖ Sgt Ayriss has been conducting ALICE training for Borough staff.
- ❖ The Petersburg Police Department is hosting S'mores with the Cops on December 23rd from 4-6 pm at Sandy Beach Park. Santa will be in attendance and there will be hot chocolate.
- ❖ The water department would like to remind the public to protect their water pipes from freezing. Install insulation around any pipes and water meters if they are exposed to cold temperatures. Repair any house skirting that may be damaged or loose and allows cold air to enter crawl spaces were water pipes might exist. Running a minimal amount of water in a faucet during the colder weather will keep water moving and prevent it from freezing.
- ❖ HDR Engineering is under contract to provide expertise and technical support during the effort to achieve the renewal of the wastewater discharge permit and 301(h) waiver. It is expected that their work will be complete in early January insofar as the initial discharge mixing zone study and form submittals to ADEC.
- ❖ The utility encourages all customers that utilize electric space heaters to be safe and keep them away from any combustibles in their homes.
- ❖ McMillen Jacobs is considering extending the bid date for the Blind Slough project to December 12th. Many questions are coming in from prospective bidders and there is a desire to allow them the time needed to fine tune all aspects of their bids.

- ❖ The line crew will be placing snow flags on various junction boxes and transformers around town to make sure they are seen under the snow this winter.
- ❖ The line crew will be assisting the elementary school with decorating their Christmas tree again this year.
- ❖ The wet weather around the Thanksgiving holiday filled up Crystal Lake to spill conditions. The lake is now completely full heading into the freeze.
- ❖ A reminder to boat owners harbor staff will be monitoring floats of clutter to make way for winter snow removal. Extension cords should be tucked tight against bull rail or risk getting caught by snow removal equipment. Also, boat owners should call the Harbor Office with boat watching information as vessel owners start to travel out of town.
- ❖ Harbor staff continues to meet with the USACE and Contractor weekly meetings. Western Marine is mobilized with their barges and tug and in the process of setting up equipment. They expect to start dredging by the end of the first full week of December. The USACE Construction leader plans on arriving to oversee set up 5-9th.
- ❖ Tamico is scheduled to install a couple broken piles at the Crane Dock and replace one on D Float that rotted off at the mudline.
- ❖ Aaron continues to finish all Job Certification requirements, estimated completion of all certifications is the end of February. He is also working with some Emergency planning folks on the update for the Disaster recovery plan.
- ❖ We have a current online Emergency Trauma Technician Certification open. This course is free to members or persons who apply to be members of the PVFD, if you wish to take the course but not join, the price is \$250. This is a self-paced course that you can complete in your own time with a completion deadline on Feb 28th, 2023. The Enrollment deadline is Feb 1st, 2023.
- ❖ The EMT-1 bridge course will start Jan 8th, the prerequisites for the course are a current ETT or Wilderness First Responder certification. If you take the current ETT course and finish before the start of the EMT-1 bridge, you may join the class. Enrollment deadline is Jan 3rd.
- ❖ The Modified FF-1 course will start on Jan 7th. This is our introduction class for firefighting, if you are looking to join the fire branch, there is no better time. Contact the station for details.
- ❖ Ryan is working on preparations for the new Fire Apparatus, and planning the equipment swap for when the truck arrives. The build date for our new engine is set for January with an estimated delivery to Petersburg sometime in May.
- ❖ Our maintenance staff are working on a more comprehensive preventative maintenance program for Borough buildings.
- ❖ Parks and Recreation will be hosting the Winter Wonderland event on Saturday, Dec. 17th from 4p-6p. Any businesses or entities that wish to sponsor a tree, please contact Julie Anderson at Parks and Rec.
- ❖ The Ice Skate Pond lights are up and functioning! Thank you to Fred Haltner, Petersburg Municipal Power and Light, Mattingly Electric, Tamico, and the State of Alaska for their assistance with this project!

**PETERSBURG BOROUGH
ORDINANCE #2022-16**

**AN ORDINANCE REPEALING CHAPTERS 4.26, 4.29, 4.31, AND 4.32 OF THE FORMER
CITY OF PETERSBURG CODE, AND AMENDING CHAPTERS 4.25 AND 4.40 TO
ACCOUNT FOR BOROUGH FORMATION**

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

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

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

WHEREAS, Chapter 4.26 of the former City of Petersburg Code, addressing deferred payments for special assessments, has not been used for many years, and payment terms for assessments can be addressed under section 4.12.110 of the existing Borough Code (Local Improvement Districts, Terms for payment of assessments; assessment statements); and

WHEREAS, Chapters 4.29 (*Self-Insured Retention Trust Fund*), 4.31 (*Facilities Construction Fund*) and 4.32 (*Port Authority Replacement Reserve Fund*) of the former City of Petersburg Code address non-existent funds and are no longer required; if specific funds need to be established in the future under the terms of bonding or grants, they can be created at that time; and

WHEREAS, Chapter 4.25 (*Annual Motor Vehicle Registration Tax*) requires updating in order to move into the current municipal code, and to delete the word 'annual', in accordance with state law; and

WHEREAS, Chapter 4.40 (*Economic Fund*) requires updating in order to move its provisions into the current municipal code and to incorporate the recommendations of the Borough's financial advisor.

THEREFORE, THE PETERSBURG BOROUGH ORDAINS, Chapters 4.26, 4.29, 4.31 and 4.32 of the former City of Petersburg Code are hereby repealed in their entirety, and Chapters 4.25 and 4.40, as set out below, are hereby adopted as borough ordinances.

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

Section 2. Purpose: The purpose of this ordinance is to update the language of the municipal code.

Section 3. Substantive Provisions:

A. Chapter 4.26, Deferred Payments for Special Assessments, of the former City of Petersburg Code is hereby repealed in its entirety:

~~4.26.010 – Applicability.~~

~~This chapter shall provide for a property owner, meeting certain requirements as set forth in this chapter, to defer payment of special assessments, including principal and interest, levied under Chapter 4.12, 4.13, 4.16 or 4.20 of this code or by line extension policies as provided in Chapter 14.04, 14.08 or 14.16 of this code, under the conditions set out in this chapter.~~

~~4.26.020 – Criteria for eligibility.~~

~~The property owner must:~~

~~A. Have an annual family income that would qualify under the United States Department of Housing and Urban Development designation of lower income families adjusted for Alaska and the Petersburg/Wrangell region;~~

~~B. Actually reside within the boundaries of the property assessed on which is located only his/her permanent abode which is a single family residence;~~

~~C. Own or have a life tenancy in the assessed real estate;~~

~~D. No payment may be deferred which the city determines, after notice and hearing to the parties concerned, has been conveyed to the applicant primarily for the purpose of obtaining the exemption.~~

~~4.26.030 – Availability of funds.~~

~~Deferred payments shall be funded by specific appropriation made by the city council from available city funds. To determine availability of funds, the city treasurer shall provide the city council a financial report as to the availability of funds for appropriation in accordance with criteria outlined in this section. This report will accompany the application for deferment:~~

~~A. Water, sewer and electric deferred payments shall be funded by the appropriate utility operating fund.~~

~~B. Road improvement deferred payments shall be funded from the general fund.~~

~~C. In the event that funds are not available in the appropriate utility fund, funds from the general fund may be used to cover the applicable deferred assessments.~~

~~4.26.040 – Application for deferment.~~

~~A person seeking a deferment of payment shall file an application with the city treasurer and furnish suitable proof that the applicant meets the criteria set forth~~

~~in Section 4.26.020. Based upon the availability of funds, the city council shall approve or disapprove the application at a regular council meeting. A claimant receiving the exemption must file with the city by March 15th of each subsequent year a separate application providing proof of eligibility as of January 1st in order to retain the exemption. Within the same year the city, for good cause shown, may waive the claimant's failure to make timely application and approve the application as if timely filed.~~

~~4.26.050 – Security required.~~

~~Every property owner who qualifies and obtains a deferment of payment of special assessments under this chapter shall execute a mortgage, deed of trust or other appropriate security agreement in favor of the city, together with a promissory note payable on demand, to secure the eventual payment of any payment deferred hereby.~~

~~4.26.060 – Immediate payment in case of sale or other transfer.~~

~~If any property or interest therein, given as security under Section 4.26.050 is sold, leased or otherwise transferred or conveyed, then the balance of any deferred payment for special assessment including principal and interest shall become due and payable within thirty days from the date of such sale, lease or transfer.~~

~~4.26.070 – Probate proceedings.~~

~~Upon the decease of any person whose payment of special assessment has been deferred, the deferral will remain in effect in the event that there is a surviving spouse. Otherwise, the entire balance of any assessment including principal and interest shall immediately become due and payable from the decedent's estate. The deferred assessment shall be preferred against any other lien against the assessed real estate. This preference shall exist whether or not probate or intestacy proceedings are opened.~~

~~4.26.080 - Preemption by state law.~~

~~If at some future date legislation is passed by the state to exempt persons meeting some or all of the criteria set forth in Section 4.26.020, from assessments for water, sewer and electric utilities, and the state agrees therein to reimburse municipalities for such assessments, then any mortgage or other security agreement required under Section 4.26.050 shall become null and void and of no further effect.~~

B. Chapter 4.29, Self-Insured Retention Trust Fund, of the former City of Petersburg Code is hereby repealed in its entirety:

~~4.29.010 – Authorization.~~

~~There is hereby created a city of Petersburg self-insured retention trust fund.~~

~~4.29.020 – Annual assessment.~~

~~The self-insured retention trust fund shall be financed by a one percent assessment annually against the July 1st appropriations levels for the following city operational funds:~~

~~General fund~~

~~Sales tax fund~~

~~Electric utility fund~~

~~Water utility fund~~

~~Wastewater utility fund~~

~~Sanitation utility fund~~

~~Small boat harbor fund~~

~~Port facility fund~~

~~Motor pool fund~~

~~Elderly housing fund~~

~~-~~

~~4.29.030 – Accumulated funds.~~

~~The self-insured retention trust fund shall accumulate funds at this rate until an adequate level of funds are available to supplement existing commercial coverage. The city council shall determine if an adequate level of funding has been reached during the annual budget process.~~

~~4.29.040 – Settlement of uninsured claims.~~

~~Appropriations from the self-insured retention fund shall be for the purpose of settling uninsured claims against the city including legal costs, and claims adjusting.~~

C. Chapter 4.31, Facilities Construction Fund, of the former City of Petersburg Code is hereby repealed in its entirety:

~~**4.31.010 – Creation of facilities construction fund.**~~

~~There is created a facilities construction fund.~~

4.31.020 – Purpose.

~~The purpose of this chapter is to create the facilities construction fund for the purpose of segregating funds for facilities construction from the general operational funds of the city.~~

4.31.030 – Accounting of funds.

~~Grant funds from the state of Alaska designated for municipal construction projects shall be accounted for in this fund.~~

D. Chapter 4.32, Port Authority Replacement Reserve Fund, of the former City of Petersburg Code is hereby repealed in its entirety:

~~4.32.010 – Authorization.~~

~~There is created a city of Petersburg port authority enterprise fund and the port authority reserve replacement fund.~~

~~4.32.020 – Purpose.~~

~~The port authority enterprise fund is created to account for revenues and expenditures within the department of harbors and ports. Harbor and port revenues and expenditures will be accounted for separately within the enterprise fund. The port authority reserve replacement fund is created for the purpose of accumulating reserve funds to finance scheduled harbor and port facility replacement needs.~~

E. Chapter 4.25 of the former City of Petersburg Code is hereby amended as follows, with the obsolete language struck through, and the new language in red, bolded and underlined:

Chapter 4.25 - **BIENNIAL**ANNUAL MOTOR VEHICLE REGISTRATION TAX

4.25.010 - **Biennial**Annual motor vehicle registration tax.

There is levied an **biennial**annual motor vehicle registration tax within the **borough**city pursuant to the provisions of AS 28.10.431 and as such statute may be hereafter amended, revised or replaced.

F. Chapter 4.40 of the former City of Petersburg Code is hereby amended as follows, with the obsolete language struck through, and the new language in red, bolded and underlined:

Chapter 4.40 - ECONOMIC FUND

4.40.010 - ~~Creation of an e~~**E**conomic fund.

The former City of Petersburg economic fund shall hereafter be designated as the Petersburg Borough economic fund. ~~There is created the city of Petersburg economic fund.~~

4.40.020 - Objective.

The intent of the economic fund is to provide a long-term source of funds to engender economic development and job creation within and surrounding the **borough**city. The economic fund shall segregate funds received from the Southeast Alaska Economic Fund established by Congress in the FY 1996 Appropriations Act from the city's general fund and ~~to~~ account separately for the receipt and expenditure of the funds. Growth and income is the investment objective of this fund. Investment transactions shall be made to insure long-term growth and future income recognizing that short-term market losses may result. All participants in the investment process shall seek to act responsibly as custodians of the public trust. Investment officials shall avoid any transaction that might impair public confidence in the **borough**city, within the investment objective of this fund.

4.40.030 - Use of funds.

The primary purpose of the economic fund is to fund projects which have economic development potential and long-term economic viability. Annually the **borough assembly**city council may determine the amount of funding to be made available from the proceeds earned from investment of the principal of the economic fund. The **borough assembly**city council may set priority funding areas to be considered each year. In the event that a funding proposal would exceed five percent of the market value of the economic fund, such expenditure shall require ratification by the **qualified voters of the borough**electorate.

4.40.040 - Permissible investments.

Proceeds of the economic fund may be invested in:

A. Investments listed in Section 4.36.040 of this code;

B. Up to sixty percent in domestic equity mutual stock funds with a minimum of a five-year track record and at least five hundred million dollars in asset value;

C. Bond mutual funds investing in high grade corporate government bonds with a minimum of a five-year track record and at least five hundred million dollars in asset value or high grade corporate debt obligations of U.S. domiciled corporations with a minimum credit rating of AA- or AA3 from Standard and Poor's or Moodys.

D. Investment Portfolio.

Asset Class Benchmark(s)	Allocation	Acceptable Range	Benchmark
Cash	1%	0%—10%	Citygroup 3-Month Treasury
Fixed Income	28% 50%	0%—30% 30%—60%	Barclays Capital Gov Bond
<u>Fixed Income</u>	<u>22%</u>	<u>0%—30%</u>	<u>Bloomberg US Agg Bond Index</u>
Large Growth	17%	12%—22%	Russell 1000 Growth
Large Value	16%	12%—22%	Russell 1000 Value
Mid-Cap	11%	5% - 17%	Russell Mid-Cap
Small-Cap	0%	0%—0%	Russell 2000
International	5%	0%—13%	MSCI EAFE
TOTAL	100%		

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 3rd day of January, 2023.

ATTEST:

Mark Jensen, Mayor

Debra K. Thompson, Clerk

Adopted:
Noticed:
Effective:

**PETERSBURG BOROUGH
RESOLUTION #2022-20**

**A RESOLUTION APPROVING THE USE OF BOROUGH PARCEL #01-014-600 FOR
THE PURPOSE OF CONSTRUCTING A NON-MOTORIZED BIKE PARK TRACK FOR
PUBLIC USE AND RECREATION**

WHEREAS, parcel #01-014-600 was granted to the City of Petersburg by the State of Alaska on February 6, 1974 for the sole purpose of Public Recreation use; and

WHEREAS, our community members and tax payers have expressed interest in having the non-motorized bike park track built for the enjoyment and recreational opportunities of our older and younger population; and

WHEREAS, a small southeast portion of the suggested parcel is proposed to be utilized for the construction of the bike park track. This location is ideal for its natural topography and close proximity to parking, restrooms, shelters, and the playground at Sandy Beach Park; and

WHEREAS, a local road building business, Rock-N-Road Construction, is willing to donate the time, materials, equipment, and expertise to construct the bike park track, along with volunteer and fundraising assistance from Wheelhouse Bike Repair, and other volunteering local businesses and community members; and

WHEREAS, if approved by the Assembly, Rock-N-Road Construction will acquire a dig permit to locate the utilities once access has been granted; and

WHEREAS, access for track construction will occur on Sandy Beach Rd to avoid crossing utilities. Rock-N-Road Construction also intends to use low-impact equipment to eliminate the possibility of water and sewer line damage; and

WHEREAS, the Alaska Department of Fish and Game has been consulted to ensure that our local salmon populations will not be hindered by the building of the bike park track, nor will any wildlife habitat; and

WHEREAS, the current Parks and Recreation Advisory Board unanimously supports the addition of the bike park track to our Parks and Recreation facilities for community use; and

WHEREAS, local volunteer work parties will be the primary maintenance and upkeep for the track in future years, with minimal Parks and Recreation labor involved. Any major maintenance will be performed or overseen by Rock-N-Road Construction at no cost to the Borough; and

WHEREAS, Parks and Recreation Advisory Board and community members have researched and brought forth bike park track general safety guidelines for use in safe track construction; and

WHEREAS, Borough liability insurance carriers have encouraged the addition of the bike park track with ample signage for "Use at your own risk" as well as signage for general track awareness, along with annual track inspections to be conducted by Rock-N-Road Construction; and

WHEREAS, Rock-N-Road Construction is hoping that this track will be rideable beginning Summer 2023.

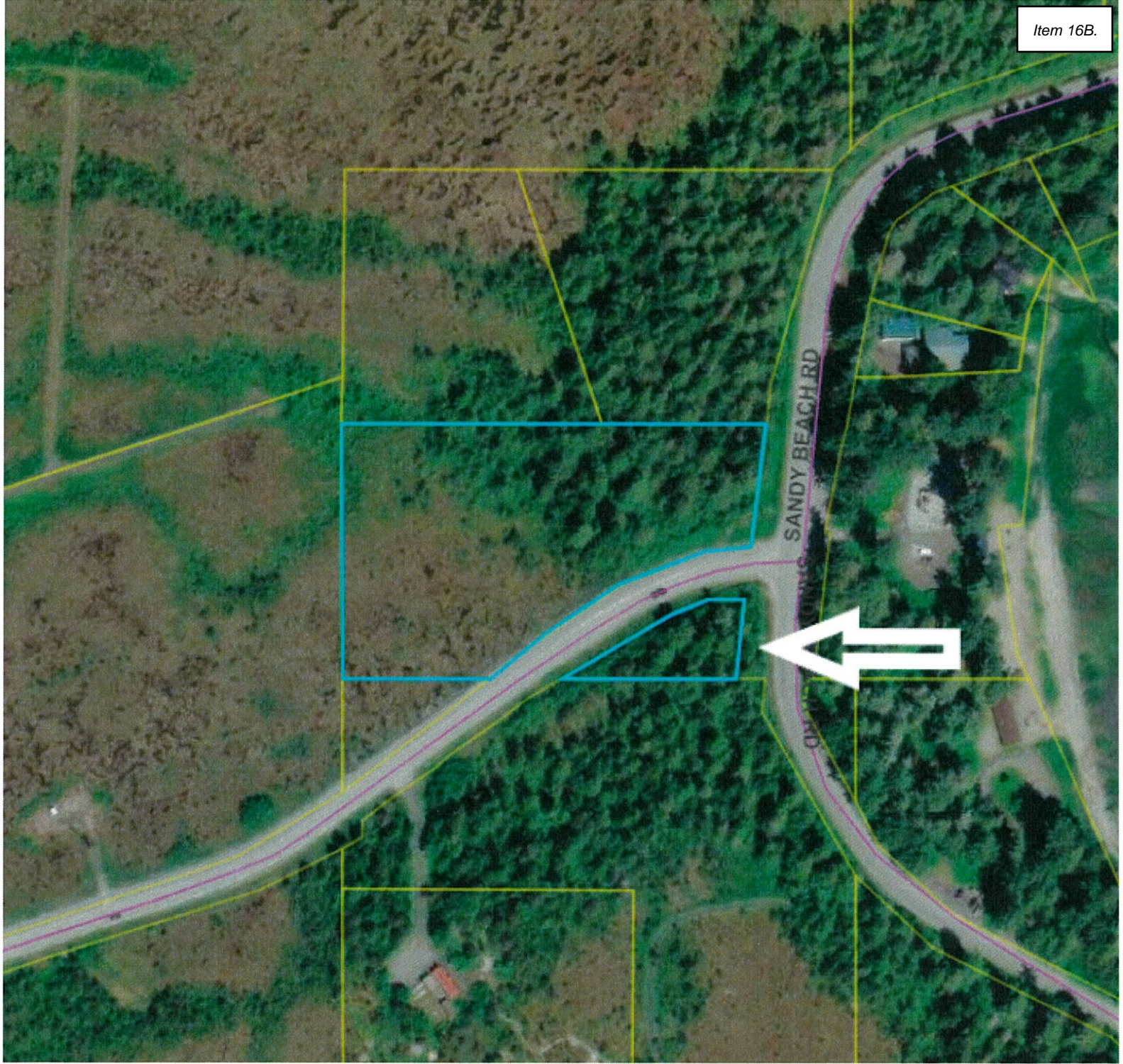
THEREFORE BE IT RESOLVED that the Petersburg Borough Assembly recognize the will of the community to bring forward another opportunity for outdoor recreation and hereby approve the portion of parcel #01-014-600 for the building of a public use non-motorized bike park track.

PASSED AND APPROVED by the Petersburg Borough Assembly on December 5, 2022.

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, Borough Clerk



October 27, 2022

Petersburg Borough Assembly

assembly@petersburgak.gov

Re: Bike Skills Park Project Support

Dear Assembly:

We, the Parks & Rec Advisory Board, hereby voice our unanimous support for the Bike Skills Park Project planned for recreation parcel #01-014-600 at the corner of Haugen Drive and Sandy Beach Road to begin as soon as possible. Our support for this project is based upon the widespread enthusiasm from the community received by our Advisory Board via comments made on the record in person at three recent meetings, in emails to the Advisory Board and to our Assembly, and in Facebook comments and in-person conversations.

During our regular meeting on September 29, 2022, the Advisory Board was introduced to the idea of a Bike Skills Park across the road from Sandy Beach Park with a presentation from Pat Blair of Wheelhouse Bikes. After this meeting, our Parks & Rec Director Stephanie Payne solicited public comments about the project through the Assembly and Advisory Board Member Malena Marvin solicited public comments through Facebook. During this process we received both enthusiastic comments in support of a Bike Skills Park and a few follow-up questions about certain aspects of the project.

To further address these comments and questions about the Bike Skills Park Project, Parks & Rec held a work session on October 20, 2022, where we received a presentation from Sig Burrell of Rock-N-Road Construction, who has volunteered to help construct and maintain this park as a donation to the community free of charge. The feedback from the community at this work session was quite enthusiastic; we received multiple requests to begin as soon as possible.

On October 27, 2022 we held a Special Meeting to discuss the result of the work session and to vote on whether the Parks & Rec Advisory Board would write a letter in support of the Bike Skills Park Project to the assembly. In this meeting, we the Parks & Rec Advisory Board voted in unanimous support of this Bike Skills Park Project planned for recreation parcel #01-014-600. We further show our support for the project with this letter for the Assembly's consideration.

Sincerely yours,

Parks & Rec Advisory Board

**PETERSBURG BOROUGH
RESOLUTION 2022-21**

**A RESOLUTION APPROVING THE FEES ASSOCIATED WITH CREATING
ENGINEER DESIGNED BIDDABLE DOCUMENTS FOR THE COMMUNITY CENTER
SEWER LINE REPAIRS FOR AN AMOUNT NOT TO EXCEED \$65,432**

WHEREAS, the Petersburg Community Center Gym has been experiencing small sewer line drainage problems over the past 2 years with more recent failures; and

WHEREAS, these failures include slow drains and completely clogged drains, resulting in shutdowns of restroom facilities and redirection to other facilities in the building for patron usage; and

WHEREAS, general maintenance and attempted pipe clearing was not sufficient enough to improve drain functioning; and

WHEREAS, a recent scope and camera inspection by the Petersburg Waste Water Department revealed multiple areas of failure throughout the main sewer line that extends down the hallway through the gymnasium portion of the Community Center, additionally in the lateral lines serving individual rooms, restrooms, and locker rooms; and

WHEREAS, scoping the lines revealed separation of vertical lines, drain blockage, off-set drains, water in unused lines indicating groundwater seeping into sewer lines, mud and rocks in sewer lines, and the main sewer line is no longer level with portions of it sagging lower than the rest indicating support failure from above concrete slab; and

WHEREAS, three engineering firms were contacted to create biddable documents in order for the project to be presented for contractor bidding; and

WHEREAS, the original mechanical engineering firm used during construction of the Community Center, RSA Engineering, Inc. of Anchorage, was able and available to create such documents; and

WHEREAS, RSA proposes a fee of \$41,216 for Site Investigation, 95% Construction Documents, and 100% Construction Documents created by Mechanical, Structural, and Architectural Engineers; and

WHEREAS, RSA also proposes a fee of \$24,216 for additional Bidding and Permitting, Contract Administration, and Inspection work on a time and expense basis, not included in above bidding documents; and

WHEREAS, these expenses were not included in the Parks and Recreation FY2023 budget; and

WHEREAS, the nature of the sewer line failures urges prompt action as to not experience more system failures resulting in a decline of services and further degradation of a Borough asset used by much of the Petersburg population; and

WHEREAS, Borough Assembly approval of document purchase will begin the process of repairs by initiating document preparation and distribution amongst contractors; and

WHEREAS, the Borough's Property Development Fund 260 currently has an available balance of \$847,502.80 and is an appropriate method of payment for this maintenance expense.

THEREFORE BE IT RESOLVED that the Petersburg Borough Assembly approves the expenditure from the Property Development Fund 260, not to exceed \$65,432, for the creation of biddable documents by RSA Engineering, Inc. in an effort to begin repairing the Community Center sewer line.

PASSED AND APPROVED by the Petersburg Borough Assembly on December 5, 2022.

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, Borough Clerk



Engineering, Inc.

Mechanical & Electrical Engineers

November 18, 2022

Petersburg Parks and Recreation
500 North 3rd Street
Petersburg, AK 99833

ATTENTION: Stephanie Payne

Dear Stephanie,

**REFERENCE: Petersburg Recreation Center Sewer Line Repair
Fee Proposal**

RSA Engineering is pleased to offer a fee proposal for architectural and engineering services for the referenced project. We have based our scope of work on our teleconference on 2 November 2022, and the drawings and photos received via email on 2 November 2022, along with the following assumptions:

- We understand the project is to replace the failed main sewer line at the Recreation Center. The line apparently has bellies, restrictions, and ground water incursion. This likely will require full replacement of the line.
- We will attend a site investigation of the facility to determine what information is available and to understand the disruption of the aboveground areas. We do not have a drain line camera, but if you arrange for a camera investigation while we are on site it would be helpful.
- We have included PND structural engineers to specify cutting and replacement of the floor slab since it is a pile-supported structural slab.
- We have included Hildie Cain for specifying architectural replacement of the finishes and for local assistance in monitoring construction.
- We have included HMS Alaska for cost estimating. They will provide one cost estimate of the 95% set of plans.
- We will provide 95% plans for your review and comment and signed 100% plans for bidding and permitting. We will include sheet specifications located on the drawings in lieu of bound type specifications that form a project manual.
- Design services are included on a lump sum basis. Permitting, bidding, and construction services will be provided on a time and expenses basis.
- This proposal anticipates that submission of plans to the state fire marshal is not required. This proposal further anticipates that you will submit the plans to the local jurisdiction for any local permitting. We will respond to comments from any plan review and adjust the plans if required.
- This proposal anticipates you will conduct the advertising and bidding of this project. We will assist with answers to bidders' questions as necessary.
- Construction phase services include submittal review, DCVR review/response, one construction inspection of the pipe prior to covering, review of operation and maintenance manuals and preparation of record drawings based upon contractor generated redline mark-ups.
- Architectural and structural will each conduct a completion inspection after the trench is filled in and the slab is repaired.

November 18, 2022

Exclusions:

- We have assumed the area is free of hazardous materials and have not included a hazardous materials consultant.
- Travel delays are not included in our fee for site visits outside of Anchorage. Travel delays will be billed up to 8 hours per day of actual time including reimbursable expenses incurred.
- Any permitting or plan review fees are not included.

RSA proposes the following lump sum design fees for this project:

<u>Project Deliverables</u>	<u>Mechanical</u>	<u>Structural</u>	<u>Architectural</u>	<u>Cost Estimate</u>
Site Investigation	\$4,686.00	\$1,500.00	\$900.00	
95% Construction Documents	\$9,400.00	\$6,800.00	\$7,900.00	\$4,470.00
100% Construction Documents	\$3,960.00	\$445.00	\$1,155.00	
Design Subtotal:	\$18,046.00	\$8,745.00	\$9,955.00	\$4,470.00
Design Grand Total (Fixed Fee):	\$41,216.00			

RSA proposes the following estimate of time and expenses fees for this project:

<u>Project Deliverables</u>	<u>Mechanical</u>	<u>Structural</u>	<u>Architectural</u>
Bidding & Permitting	\$ 2,100.00	\$ -	\$ 200.00
C/A	\$ 8,650.00	\$ 5,686.00	\$ 664.00
Inspection	\$ 4,916.00	\$ 1,500.00	\$ 500.00
C/A Subtotal:	\$ 15,666.00	\$ 7,186.00	\$ 1,364.00
CA Grand Total (T&E):	\$ 24,216.00		

Please review and advise if this proposal is acceptable by signing below and returning a copy to our office as our notice to proceed. We have attached a copy of our Standard Terms and Conditions to provide guidelines for contractual issues in the absence of a formal contract for this project. We look forward to working with you on this project.

Sincerely,



Mark R. Frischkorn, P.E.
Vice President

mrf/hhm
22-0554/P22-378
Attachment

Accepted for Petersburg Parks and Recreation

November 18, 2022

RSA Engineering, Inc – Standard Terms and Conditions

This document is intended to provide guidelines for contractual issues in the absence of a contract supplied by our client.

Performance:

RSA Engineering, Inc., herein known as RSA and its employees will exercise the degree of skill and care expected by customarily accepted practices and procedures. No warranties, expressed or implied, are made with respect to RSA's performance, unless agreed in writing. RSA is not a guarantor of the project to which its services are directed, and responsibility is limited to work performed for the client. RSA is not responsible for acts and omissions of the client, nor for third parties not under its direct control. RSA shall not be liable for any reason for any special, indirect or consequential damages including loss of use and/or loss of profit. RSA may rely upon information supplied by the client engaging RSA and its contractors or its consultants without independent verifications.

Ownership of Documents:

Documents prepared under this agreement are Instruments of Service for the sole use and benefit of the Owner. RSA retains a property interest in the work products including rights to copy and reuse. RSA grants the Owner a perpetual and non-transferrable license to reproduce the Instruments of Service for their intended use, including the right to reproduce for construction, upkeep, operation and maintenance. RSA will incur no liability from the unauthorized use or modification of the Instruments of Service for other than their original purpose without RSA's written permission. RSA's signatures, professional seals and dates shall be removed from the Instruments of Service when these documents are used for other than their intended purposes.

Governing Law:

This contract shall be governed by the laws of the State of Alaska, and any lawsuits brought thereon shall be filed at the Judicial District Court in Anchorage, Alaska.

Insurance:

RSA maintains errors and omission insurance (claims made basis), commercial general liability insurance, automobile liability insurance and workers compensation and employer's liability insurance for employees performing work under this contract.

Indemnity:

RSA shall indemnify, defend and hold the client, agents and employees harmless from and against any and all claims, demands, suits, liability of any nature under this agreement resulting from negligent acts, errors or omissions of RSA, RSA's officers, agents, and subconsultants who are directly responsible to RSA. RSA is not required to indemnify, defend or hold harmless the client for a claim of, or liability for, independent negligent acts, errors, or omissions of the

client. If there is a claim of, or liability for, a joint negligent act, error or omission of RSA and the Client, the indemnification, defense and hold harmless obligation of this agreement shall be apportioned on a comparative fault basis.

Dispute Resolution:

Prior to initiating court action, RSA and the client shall in good faith seek to settle or resolve the controversy by submitting the matter to mediation in Anchorage, Alaska. Such notice shall be within the statutory time limit for commencing a legal action involving the controversy. The independent third-party Mediator will be selected by mutual consent of both Parties from a list of available members of the American Arbitration Association.

If the parties do not resolve a dispute through mediation, binding dispute resolution shall be through litigation in a court of competent jurisdiction in Anchorage, AK.

Proposals:

Proposals expire 90 days after submission to a client unless a different expiration limit is included in the proposal. RSA may withdraw or modify a proposal at any time prior to acceptance by the client.

Payments:

Payments for RSA Services shall be made after client's approval of RSA submission and invoice. Client shall review and approve each submission and invoice and shall pay the invoice amount within 30 days (or other agreed upon timetable) of approval. If the owner does not approve a submission, it shall be returned to RSA for revision.

Invoicing:

RSA will invoice on a monthly basis. All invoices shall be due and payable upon receipt. Interest charges of 1.5% per month may be assessed for unpaid balances beyond 120 days past due unless other arrangements are made. In the event billing is on a pay when paid basis, RSA and the client agree to six months past due prior to assessing interest charges unless other arrangements are made. It is agreed that in the event of failure of the client to make payments in compliance with this agreement, RSA, at its option, may terminate all services in connection with this agreement.

Termination:

This contract may be terminated by either party upon 30 days written notice, should the other party fail to substantially perform in accordance with the terms and conditions herein. In the event of termination, the consultant shall be paid compensation for services actually performed and for reimbursable expenses actually incurred. RSA reserves the right to complete analysis and records as are necessary to put files in order and were considered by us necessary to protect our professional reputation.

**PETERSBURG BOROUGH
RESOLUTION #2022-22**

**A RESOLUTION APPROVING A PURCHASE ORDER FOR THE MAINTENANCE
AND REPAIR OF THE PMPL EMD 16 GENERATOR FOR AN AMOUNT NOT TO
EXCEED \$325,000**

WHEREAS, Petersburg Municipal Power and Light must rebuild the EMD 16 generator to provide standby power generation during times of SEAPA or local power outages; and

WHEREAS, a quote has been received from Marine Systems, Inc. (MSI), the Pacific Northwest regional EMD dealer and maintenance representative for EMD equipment, in the amount of \$315,605.22 to provide generator disassembly, inspection, replacement of power assemblies, replacement of water, oil and fuel pumps and other operations associated with a complete rebuild of the engine, including parts and materials; and

WHEREAS, it is prudent to include a project contingency of \$10,000 above the quoted price to account for unforeseen issues and accompanying service needs that may be encountered during the machine inspection; and

WHEREAS, the FY 2023 Borough budget was amended by Assembly approval of Ordinance #2022-15, which increased the Electric fund budget by \$163,000 and diverted 162,000 from the 20-2 overhaul project in order to complete the higher priority EMD 16 generator rebuild; and

WHEREAS, MSI has been a long standing EMD factory representative and service vendor to the Petersburg Borough and is highly qualified to perform the inspection and rebuild of the EMD engine; and

WHEREAS, Petersburg Municipal Code, Title 4.04 Exceptions to Bidding, states:

“Competitive bidding shall not be required for the following:”

Further, Chapter 4.04.040.D, states:

“D. Contracts for equipment maintenance and repair. Contracts for the maintenance, repair or overhaul of borough equipment do not require the public bid process when the furnishing of parts or materials is incidental to furnishing of services or labor. The term "equipment" for these purposes shall mean a single unit whether or not attached as a fixture”; and

WHEREAS, the disassembly, inspection and rebuild of the EMD 16 generator is work whereby the furnishing of parts and materials is incidental to the furnishing of services and labor by MSI; and

WHEREAS, time is of the essence in order to restore the dependability and full generation capacity of the EMD 16 generator and it is in the Borough’s best interest to hire MSI to complete the rebuild as soon as possible.

THEREFORE BE IT RESOLVED the Assembly for the Petersburg Borough approves of a purchase order to MSI of Seattle, Washington to procure service and parts for the inspection and rebuild of the PMPL EMD 16 generator for a price not to exceed \$325,000.00.

PASSED AND APPROVED by the Petersburg Borough Assembly on December 5, 2022.

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, Borough Clerk



MARINE SYSTEMS, INC.

801 NW 42nd St., Suite 211, Seattle, WA 98107 Phone (260) 784-3302 Fax (260) 784-3358



To: Petersburg Municipal Power and Light
 P.O. Box 329
 11 South Nordic Drive
 Petersburg, AK. 99833
 United States
 Email: aday@petersburgak.gov

Customer Account # 10142/ Quote #6240992

Dear Adam Day,

Marine Systems, Inc. appreciates the opportunity to provide you with the following estimate of repairs to the Gen Unit at Petersburg Power Plant in Petersburg AK.

As an authorized EMD distributor, Marine Systems, Inc. provides genuine OEM parts. All rebuilt components will conform to OEM dimensions, tolerances, and specifications

GENERATOR ENGINE OVERHAUL

- Disassemble and remove (16) power assemblies and related engine components.
- Inspect crankcase
- Replace water, fuel and oil pumps
- Change thermostats.
- Inspect main bearings, turbo screen, and OST Trip Assembly. **Note: Any deficiencies with camshafts, will require a CFR for repairs**
- Clean and inspect reusable engine components for power assemblies
- install 16 power assemblies with Viton head seat rings, install injectors and valve bridges
- Reassemble engine including new and remanufactured material. Torque all fasteners to specifications. Check "P" pipe alignment; verify rod thrust.

Quality Performance with Pride

MSI.F.720-018
 03/01/2017



- Wash down top deck area and oil pans, hand wipe oil pan and ensure cleanliness before oil is installed.
- Check camshaft timing, verify flywheel timing pointer, adjust injector and valve timing; adjust fuel racks.
- Measure and record cylinder head to piston clearance.
- Fill engines with cooling water and fuel. Check for fuel and water leaks.
- Test run engines for 1, 3, and 7minute bearing checks.
- Load Test engine.

Scope of Supplies

8	UTEX, STD POWER ASM, FORK, 14.5:1, 645ET/EB	(ETA 90- 120 Days ARO)
8	UTEX, STD POWER ASM, BLADE, 14.5:1, 645ET/EB	(ETA 90 – 170 Day ARO)
16	INJECTOR, UTEX, MUI, 645ET, 3N	
16	INSERT, LOWER LINER	
32	VALVE BRIDGE ASM, REBUILT	
16	SET, ROCKER ARM, HD	
8	BEARING-CON ROD-LOWER	
8	BEARING-CON ROD-UPPER	
16	RING, HEAD SEAT (VITON)	
16	KIT, CYL. TEST VALVE	
1	BOLT KIT, 16 CYL POWER PACK INSTALLATION	
9	ELEMENT, THERMOSTAT	
1	GASKET, 9 ELEMENT	
9	O-RING	
9	SEAT	
9	SLEEVE	
1	PUMP, FRESH WATER, LHLB	
1	PUMP, FRESH WATER, LHRB	
2	KIT-GASKET	
4	SEAL, COUPLING, 4" PIPE ID	
2	BOLT KIT, FRESHWATER PUMP	
8	BOLT, 5/8-18 X 2 1/2	
2	GASKET	



1	GASKET
2	GASKET, 2" BYPASS VALVE MTG
1	GASKET
60	WASHER, FLAT 1/2
32	WASHER, FLAT 5/8
16	NUT, SEALASTIC 1/2-20
16	NUT, SEALASTIC 5/8-18
1	PUMP, PISTON COOLING/PRESSURE (16 CYL) EB
1	KIT-GASKET
1	BOLT KIT, L/O PUMPS WITH "BOX" STRAINER
1	PUMP, SCAVENGING (16/20-645ET/EB/EC)
1	KIT, GASKET, LO SCAV PUMP
2	GASKET
1	KIT, GASKET, FO MANIFOLD
1	BOLT KIT, L/O PUMPS WITH "BOX" STRAINER
1	PUMP, FUEL, FLANGED, 3.6 GPM AT 1200 R.P.M.
1	COUPLING
1	KEY, 3/16 X 3/4
1	KEY, WOODRUFF #1 - 1/16 X 1/2
2	GASKET, FUEL PUMP FLANGE
4	BOLT, 3/8-16 X 1 1/4
4	WASHER, FLAT 3/8 SAE
2	RAGS, COTTON, 25LB
60	GLOVE, WORK, KNIT
24	BRAKE CLEANER
6	FORM-A-GASKET, NO.2, 3.0OZ TUBE(RPLS PERMATEX-2)
1	SPRAY, ADHESIVE
1	GASKET, JOINT, TURBO SCREEN
1	GASKET, CHAMBER, TURBO SCREEN
24	BOLT, MANIFOLD, 1/2-20 X 2
24	NUT, EXHAUST MANIFOLD, 1/2-20
1	KIT, GASKET, STRAINER ELEMENT
1	KIT, OST GASKET



ESTIMATED COST OF PARTS.....	\$150,278.22
ESTIMATED LABOR COST.....	\$120,400.00
ESTIMATED COST OF EXPENSES.....	\$44,927.00

Total Estimated cost to make outlined repairs on Unit \$ 315,605.22

- Estimate based on 2 MSI Techs working at Petersburg Power Plant, Petersburg, AK.
- Performing out lined repairs with the assistance of plant personnel Tecs, 20 ,12-hour days
- 1 Day travel from Seattle.
- 1 Day Travel to Seattle.
- Parts will be invoiced once shipped from Marine Systems Inc. to the job site, labor and expenses will be invoiced following job completion

CUSTOMER RESPONSIBILITIES

The Customer is responsible for the following:

1. Providing a safe work environment for our service personnel.
2. Providing crane services and/or services to facilitate material movement at the job site.
3. Providing adequate space and working conditions to effectively execute the scope of work.
4. Delays not the fault of Marine Systems, Inc.
5. Delays due to plant orientation and safety classes.
6. Providing adequate ventilation, compressed air for tooling, and lighting.
7. Providing diesel fuel oil for cleaning.
8. Removing and disposing of waste material and fluids associated with the engine services.
9. Removing and replacing any interferences.

NOTE: Marine Systems will not be responsible for removal or replacement of any fluids (oil or coolant)



COMMENTS

1. * Prices are based on the return of useable like-cores for unit exchange items. Core charges would apply for items that are non-rebuildable.
2. Non-exchange items deemed missing or non-rebuildable will be charged as additional.
3. Environmental charges, waiting time, mileage, freight, conversions, **are not** included in the above cost and will be additional.
4. ***All items cleaned, inspected, and reused are not covered by warranty**
5. The customer is responsible for all applicable sales and use taxes related to this order.

CORE CHARGE TERMS

- The following materials (cores) are to be returned to Marine Systems, Inc. Seattle, WA, within 30 Days of the completion of the project. Upon evaluation, core charges will be assessed and applied. All cores must be like in kind, complete, and rebuildable.
- Cores returned after 30 days from the date of sale may result in no credit given, unless prior written authorization is established.
- Cores will be evaluated and may have additional charges for any deficiencies to return the core to a like in kind core.
- MSI EMD power pack pricing is for like in kind Diamond <5> heads or better. Diamond <4> or less heads are subject to upgrade charges.

***All items cleaned, inspected, and reused are not covered by warranty**

Qty	Part No.	Item Description	Unit Price	Extended Price
8	40122753	FORK PACK UTEX CORE (UTEX)	\$ 2,100.00	\$ 16,800.00
8	40122754	BLADE PACK UTEX CORE (UTEX)	\$ 2,100.00	\$ 16,800.00
32	40145929	VALVE BRIDGE ASSEMBLY (UTEX)	\$ 101.25	\$ 3,240.00
16	099125HD	SET, ROCKER ARM ASSEMBLY (MSI EXCHANGE)	\$ 565.00	\$ 9,040.00
16	8478046	INJECTOR, (MODEL 645E,UTEX)	\$ 450.00	\$ 7,200.00
1	9530407	PUMP, FRESH WATER, LHLB- (MSI EXCHANGE)	\$ 1800.00	\$ 1800.00
1	9530406	PUMP, FRESH WATER, LHRB, (MSI EXCHANGE)	\$ 1800.00	\$ 1800.00
1	9330012	PUMP, PRESSURE - (MSI EXCHANGE)	\$ 2500.00	\$ 2500.00
1	8417074	PUMP, SCAVENGING, (16,20-645, E4, E4B) - (MSI EXCHANGE)	\$ 2500.00	\$ 2500.00
1	8410219-mp	FUEL PUMP (MSI EXCHANGE)	\$ 175.00	\$ 175.00
			TOTAL	\$ 61,855.00

Quality Performance with Pride

MSI.F.720-018
03/01/2017



PAYMENT TERMS

Upon establishment of an account with acceptable credit limits, payment is due thirty (30) days after receipt of invoice unless otherwise mutually agreeable payment terms are negotiated.

Marine Systems, Inc. Standard Terms and Conditions are an integral part of this quote. They are included herein by reference and are available at <https://kirbycorp.com/wp-content/uploads/2021/12/MSI-Terms-12.06.21.pdf>

This quote is valid for a period of thirty (30) days.

Thank you for giving us the opportunity to serve you. Should you have any questions or require further information, please contact me at your convenience.

Sincerely,

Chris Strahan

MSI West Coast - Service
(206) 788-2132

