



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda Borough Assembly Regular Meeting

Monday, July 07, 2025

12:00 PM

Assembly Chambers

You are invited to a Zoom webinar!
When: July 7, 2025 12:00 PM Alaska
Topic: 7.7.2025 Regular Assembly Meeting

Join from PC, Mac, iPad, or Android:

<https://petersburgak.gov.zoom.us/j/85194182446?pwd=kXb2hSorskzvFs6sH583oNAH7gA48U.1> Passcode: 795346

Join via audio: (720) 707-2699 or (253) 215-8782
Webinar ID: 851 9418 2446
Passcode: 795346

1. **Call To Order/Roll Call**
2. **Voluntary Pledge of Allegiance**
3. **Approval of Minutes**

A. Regular Assembly Meeting Minutes June 16, 2025

4. **Amendment and Approval of Meeting Agenda**
5. **Public Hearings**

A. Ordinance #2025-11: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough to Rezone Government Lot 12, Section 35, Township 58 South, Range 79 East, Copper River Meridian (Parcel #01-014-010 Located At 1016 Sandy Beach Road) From Rural Residential (R-R) to Single-Family Residential (S-F)

Any public testimony regarding Ordinance #2025-11 should be given during this public hearing. A copy of Ordinance #2025-11 may be found under agenda item 14A.

B. Ordinance #2025-12: An Ordinance of the Petersburg Borough Adjusting the FY 2026 Budget for Known Changes

Any public testimony regarding Ordinance #2025-12 should be given during this public hearing. A copy of Ordinance #2025-12 may be found under agenda item 14B.

6. Bid Awards

A. Award Recommendation - Scow Bay Storage Building Addition

Utility Director Hagerman requests approval to award the Scow Bay Storage Building Addition Project to Steelhead Enterprises for an amount not to exceed \$100,000.00. A memo from Director Hagerman with the bidder information for the June 11, 2025 bid opening is attached to this meeting packet.

B. Scow Bay Generator Step Up Transformer Bid Award

Utility Director Hagerman recommends award of the Scow Bay Generator Step-Up Transformer procurement to GD Partners for an amount not to exceed \$274,273.75. A memo from Director Hagerman with the bidder information for the June 20, 2025 bid opening is attached to this meeting packet.

7. Persons to be Heard Related to Agenda

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

8. Persons to be Heard Unrelated to Agenda

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

9. Boards, Commission and Committee Reports

10. Consent Agenda

11. Report of Other Officers

A. Petersburg Medical Center

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

B. US Forest Service

District Ranger Case will provide an update on Forest Service activities.

C. Petersburg School District

Petersburg School Superintendent Taylor will provide a report.

D. SEAPA - SE Alaska Power Agency Report

Assembly Member and SEAPA Board Chair Lynn will provide an update on SEAPA activities.

12. Mayor's Report

A. July 7, 2025 Mayor's Report

13. Manager's Report

A. July 7, 2025 Manager's Report

14. Unfinished Business

A. Ordinance #2025-11: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough to Rezone Government Lot 12, Section 35, Township 58 South, Range 79 East, Copper River Meridian (Parcel #01-014-010 Located At 1016 Sandy Beach Road) From Rural Residential (R-R) to Single-Family Residential (S-F) -Second Reading

At the direction of the Assembly, the Planning Commission held a public hearing on May 13, 2025 regarding the proposed rezone and recommends the Assembly rezone the parcel prior to a public auction. If approved in three readings, Ordinance #2025-11 will rezone Parcel ID #01-014-010 located at 1016 Sandy Beach Road from Rural Residential to Single-Family Residential. Ordinance #2025-11 was unanimously approved in its first reading.

B. Ordinance #2025-12: An Ordinance of the Petersburg Borough Adjusting the FY 2026 Budget for Known Changes - Second Reading

If approved in three readings this supplemental budget would make three changes to the Property Development Fund.

1. Add \$50,000 to provide utility connection stubs to the property lines of Borough lots being proposed to sell in the future.
2. Remove \$15,000 of expenses for a Public Works Survey that was completed underbudget in FY25.
3. Add \$9,300 to use as a local match for a grant application being administered by Alaska Municipal League for a Safe Streets and Roads for All Program.

Ordinance #2025-12 was unanimously approved in its first reading.

C. PVFD Rental Agreement

Director Hankins requests that a rental agreement between the Petersburg Volunteer Fire Department and the Borough be approved for purposes of establishing proof of residence for the Volunteer's local post office box.

15. New Business

A. Resolution # 2025-13: A Resolution Authorizing Specified Borough Officials and Employees to Conduct Financial Activities on Behalf of the Petersburg Borough

This resolution formally lists designated officials and employment positions within the Petersburg Borough to ensure that the authorization list is current and reflects the present organizational structure of the Borough.

B. Resolution #2025-14: A Resolution Opposing the Sale of Public Lands and Advocating for Responsible Stewardship

If passed, this resolution, advocating against the sale of public lands, will be sent to the Senate Energy and Natural Resources Committee, Senators Murkowski and Sullivan and Representative Begich.

C. Letter of Support for Kake Fuel Dock

Kake Tribal has requested a letter of support from the Petersburg Borough Assembly to include in their grant application for the construction of a new marine fuel dock in Kake, Alaska.

D. PND Engineer Proposal of \$1500 to update Concept 7 of proposed American Cruise Lines Dock

Harbormaster Wollen requested PND Engineers prepare a proposal for updating the Concept 7 American Cruise Lines Dock with a scalable aerial drawing to show dimensions between the existing AMHS and proposed ACL dock.

16. Communications

A. Correspondence Received Since June 12, 2025

17. Assembly Discussion Items

A. Assembly Member Comments

B. Recognitions

18. Adjourn



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes Borough Assembly Regular Meeting

Monday, June 16, 2025

6:00 PM

Assembly Chambers

1. Call To Order/Roll Call

PRESENT

Vice Mayor Donna Marsh
Assembly Member Bob Lynn
Assembly Member Scott Newman
Assembly Member Jeigh Stanton Gregor
Assembly Member James Valentine

EXCUSED

Mayor Mark Jensen
Assembly Member Rob Schwartz

2. Voluntary Pledge of Allegiance

The Pledge was recited.

3. Approval of Minutes

A. Regular Assembly Meeting Minutes June 2, 2025

The minutes of the June 2, 2025 meeting were unanimously approved as submitted.

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

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

4. Amendment and Approval of Meeting Agenda

The agenda was approved as submitted.

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

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

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.

Becky Knight, representing herself, spoke in opposition to the reconciliation bill that contains a provision for a mandatory disposal of Forest Service and BLM public lands in 11 states for residential housing. Ms. Knight requested that the Assembly send a resolution in opposition to the federal land disposal.

9. Boards, Commission and Committee Reports

There were no reports.

10. Consent Agenda

There were no consent agenda items.

11. Report of Other Officers

There were no reports.

12. Mayor's Report

A. June 16, 2025 Mayor's Report

Vice Mayor Marsh read the Mayor's Report into the record.

13. Manager's Report

A. June 16, 2025 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

A. Ordinance # 2025-06: An Ordinance Amending Section 4.28.130 of the Petersburg Municipal Code Relating to the Sales Tax Exemption for Seniors to Limit the Exemption to Low-Income Seniors, and Directing that the Proposed Amendment be Submitted to the Qualified Voters of the Borough - Third and Final Reading

If approved in three readings, Ordinance #2025-06 will amend Section 4.28.130 of the Municipal Code to limit the sales tax exemption to low-income seniors and

directing that the proposed amendment be submitted to the qualified voters of the Borough.

By unanimous Roll Call vote, Ordinance # 2025-06 was unanimously approved in its third and final reading.

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

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

B. Ordinance #2025-07: An Ordinance Updating Chapter 14.16 of the Municipal Code, Entitled "Electric Utility" - Third and Final Reading

If adopted in three readings, Ordinance #2025-07 will update the Electric Utility Code and increase customer charges and electric rates.

By unanimous Roll Call vote, Ordinance # 2025-07 was unanimously approved in its third and final reading.

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

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

C. Ordinance #2025-08: An Ordinance Updating Chapter 14.04.420 of the Municipal Code, Entitled "Water Rate Schedule and Fees" - Third and Final Reading

If adopted in three readings, Ordinance #2025-08 will increase water rates per the rate schedule in the attached table. An annual rate review indicates that these increases are needed to keep up with increased costs to the Borough.

By unanimous Roll Call vote, Ordinance # 2025-08 was unanimously approved in its third and final reading.

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

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

D. Ordinance #2025-09: An Ordinance Updating Chapter 14.08.320 of the Municipal Code, Entitled "Sewer Collection Rates" - Third and Final Reading

If adopted in three readings, Ordinance #2025-09 will increase sewer collection rates over the next five years. An annual rate review of the utility indicates these increases are needed to keep up with increased costs to the Borough.

By unanimous Roll Call vote, Ordinance # 2025-09 was unanimously approved in its third and final reading.

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

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

E. Ordinance #2025-10: An Ordinance Adding “Section N - Marine Passenger Ship Refuse” to Chapter 14.12.140, Entitled "Rates for Refuse Collection" - Third and Final Reading

If adopted in three readings, Ordinance #2025-10 will add "Section N – Marine Passenger Ship Refuse" to allow for fees for providing sanitation services to marine passenger ships.

By unanimous Roll Call vote, Ordinance #2025-10 was unanimously approved in its third and final reading.

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

15. New Business

A. Ordinance #2025-11: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough to Rezone Government Lot 12, Section 35, Township 58 South, Range 79 East, Copper River Meridian (Parcel #01-014-010 Located At 1016 Sandy Beach Road) From Rural Residential (R-R) to Single-Family Residential (S-F)

At the direction of the Assembly, the Planning Commission held a public hearing on May 13, 2025 regarding the proposed rezone and recommends the Assembly rezone the parcel prior to a public auction. If approved in three readings, Ordinance #2025-11 will rezone Parcel ID #01-014-010 located at 1016 Sandy Beach Road from Rural Residential to Single-Family Residential.

The Assembly unanimously approved Ordinance #2025-11 in its first reading.

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

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

B. Ordinance #2025-12: An Ordinance of the Petersburg Borough Adjusting the FY 2026 Budget for Known Changes

If approved in three readings this supplemental budget would make three changes to the Property Development Fund.

1. Add \$50,000 to provide utility connection stubs to the property lines of Borough lots being proposed to sell in the future.

2. Remove \$15,000 of expenses for a Public Works Survey that was completed underbudget in FY25.

3. Add \$9,300 to use as a local match for a grant application being administered by Alaska Municipal League for a Safe Streets and Roads for All Program.

The Assembly unanimously approved Ordinance #2025-12 in its first reading.

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

C. Resolution #2025-12 Special Use Permit - A Resolution Authorizing a Special Use Permit for a Portion of the Ramona Street Right-of-Way

If approved, this resolution will authorize a Special Use Permit for John and Miriam Swanson for an approximately 650 square foot portion of the Ramona Street right-of-way, as a driveway to access their home located at 1400 North Nordic. The Planning Commission reviewed the application at the November 23, 2024 meeting and recommend that the Assembly approve the application.

By unanimous Roll Call vote, Resolution #2025-12 was approved.

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

D. PVFD Rental Agreement

Director Hankins requests that a rental agreement between the Petersburg Volunteer Fire Department and the Borough be approved for purposes of establishing proof of residence for the Volunteer's local post office box.

A motion was made to postpone this agenda item to the July 7, 2025 Assembly meeting.

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

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

E. Public Works Director Hire

Manager Giesbrecht and Public Works Director Cotta request approval to hire Aaron Marohl (the Borough's current Assistant Public Works Director) for the position of Public Works Director beginning July 30, 2025 at an annual base salary of \$103,000.

The Assembly unanimously approved the promotion of Aaron Marohl to the position of Public Works Director effective July 30, 2025.

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

16. Communications**A. Correspondence Received Since May 29, 2025****17. Assembly Discussion Items****A. Assembly Member Comments**

Member Stanton Gregor stated that he will be working with the clerk to create a resolution in opposition to the Senate reconciliation bill for the sale of federal lands for the first Assembly meeting in July.

B. Recognitions

There were no recognitions.


18. Adjourn

The meeting was adjourned at 6:46 pm.

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

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

MEMORANDUM

TO: MAYOR JENSEN AND BOROUGH ASSEMBLY
FROM: KARL HAGERMAN, UTILITY DIRECTOR 
SUBJECT: AWARD RECOMMENDATION – SCOW BAY STORAGE BUILDING ADDITION
DATE: 6/24/2025
CC: STEVE GIESBRECHT, BOROUGH MANAGER

Petersburg Municipal Power and Light (PMPL) issued an Invitation to Bid for the Scow Bay Metal Storage Building Addition project on May 9, 2025.

On June 11, 2025, the PMPL received and opened all submitted bids which met the submission deadline. A brief summary of the bids received is below.

<u>Bidder</u>	<u>Bid Amount</u>
Coho Contractors	\$497,825.00
Southeast General Contractors	\$222,923.00
H Construction	\$218,500.00
Reid Brothers Construction	\$212,500.00
Steelhead Enterprises	\$100,000.00


Although Steelhead Enterprises' bid was significantly less than the competing bidders, their bid is the lowest, responsive and responsible bid and they are standing by their understanding of the project and their bid for the work.

Therefore, it is recommended that the Borough Assembly award a contract to Steelhead Enterprises LLC to complete the Scow Bay Metal Storage Building Addition for the not-to-exceed price of \$100,000.00.

Funding for this contract is available in Capital Project Fund 702.

Thank you for your consideration.

MEMORANDUM

TO: MAYOR JENSEN AND BOROUGH ASSEMBLY
FROM: KARL HAGERMAN, UTILITY DIRECTOR 
SUBJECT: AWARD RECOMMENDATION – SCOW BAY GENERATOR STEP-UP TRANSFORMER
DATE: 7/1/2025
CC: STEVE GIESBRECHT, BOROUGH MANAGER

Petersburg Municipal Power and Light (PMPL) issued an Invitation to Bid for the Scow Bay Generator Step-up Transformer procurement on May 9, 2025.

On June 20, 2025, PMPL received all submitted bids which met the submission deadline. A brief summary of the bids received is below.

<u>Bidder</u>	<u>Bid Amount</u>
North Coast	\$660,240.96
AWG	\$651,614.00
Anixter/WESCO	\$595,800.00
Virginia Transformer	\$580,500.00
General Pacific	\$433,820.00
GD Partners	\$274,273.75
Maddox	\$265,973.00
MVA Power	\$167,907.00
ULS Corp	\$161,748.75
Technology International	\$147,965.00

A number of the bids were non-responsive to the bid instructions and/or bid specifications and therefore, after considerable review by PMPL and our engineering consultant, EPS, a number of the bidders were eliminated from consideration.

As a result of the evaluation for bidder responsiveness and selection of the bid that provides the best value and least risk to the Borough, it is recommended that the Borough Assembly award a purchase order to GD Partners Inc. to provide the Scow Bay Generation Step-up Transformer for the not-to-exceed price of \$274,273.75.

Funding for this purchase is available in Capital Project Fund 728. If awarded, the vendor will take approximately 5 weeks to provide approval drawings and another 24 -26 weeks to build and ship the transformer.

Thank you for your consideration.



Petersburg
MEDICAL CENTER

PMC CEO Borough Assembly Report July 2025

Mission Statement: Excellence in healthcare services and the promotion of wellness in our community.

Guiding Values: Dignity, Integrity, Professionalism, Teamwork, and Quality

Workforce Wellness: *Goal: To create a supportive work environment and promote the physical and mental well-being of hospital staff to improve retention and overall productivity.*

- **June 4:** Physician Lunch
- **June 11:** Medstaff meeting, with presentation by Dr. Sonkiss
- **June 12:** Student Intern Orientation with Phil, Human Resources and IT
- **June 19 :** Office Hours/Coffee with Phil
- **June 20:** Environmental Care Rounds
- **June 20:** Manager Meeting
- PMC Celebrates the following professionals in June: Community Health Improvement employees Becky Turland, Mariah Clemens, Katie Holmlund, Jake Clemens, Kaili Watkins, Logan Stolpe, and Julie Walker. National Nurse Assistants (CNAs) Lillee Birchell, Daphany Capitini, Veronica Carter, Lucille Chapman, Holli Davis, Aileen Eilenberger, Myaca Francisco, Alana Esguerra, Carline Gayle, Gia Goodridge, Kathleen Heistuman, Fe Lamphere-England, Jamie Lockart, Audrey Moreno, Alice Neidiffer, Jackie Neidiffer, Janisa Nguyen, Erica O'Neil, Anya Pawuk, Caity Pearson, CeCe Perkins, Luke Sinclair, Avery Skeep, Kendra Speh, and Shirley Yip.



Becky, Mariah, Julie, Kaili



CeCe, Shirley, Lillee, Lucy, Anya

Community Engagement: *Goal: To strengthen the hospital's relationship with the local community and promote health and wellness within the community.*

- **June 2:** Submitted report for Borough Noon Assembly Meeting.
- **June 15:** Letters to Senator Murkowski and Senator Sullivan submitted (see attached)
- **June 17:** Op Ed published to Anchorage Daily News (see attached)
- **June 26:** KFSK/PMC Live
- **June 26:** Hospital Board Meeting open to the public
- **Ongoing this summer:** Kinderskog programs and ORCA camps launch featuring theater camps, FUEL Up, Kayak Expedition, Wiffleball, Flyfishing, and Wild Trails.
- **Ongoing:** Bingocize and Tai Ji Quan, part of fall prevention programs
- **Art Donation:** Art Donation from Beth Flor for the new facility. Pieces will temporarily be displayed in the WERC building until they can be moved to the new facility. Total of seven framed canvas paintings.



Petersburg High School (PHS) / Petersburg Medical Center CNA course

In the fall of 2016, PHS and PMC partnered to offer a Certified Nurse Assistant (CNA) course to PHS students. High school students were given the opportunity to complete their CNA training over the school year. The PHS / PMC course has been offered every other year to PHS students!

This year, the program includes juniors Gabriele Whitacre and Freya Tucker; seniors Martha Midkiff, Izabella Tarquino, and Elizabeth Burns. Special thanks to Traci Vinson, the course instructor, for her dedication & support.



Gabriele, Freya, Martha, Traci (Course Instructor)
Izabella, Elizabeth

Patient Centered Care: *Goal: To provide high-quality, patient-centered care, and promote wellness for patients.*

- June is showing consistent patient volumes, and we are anticipating increased volumes as we move into the summer months.
- Joy Janssen Clinic Access to Primary Care: We remain fully staffed with 4 Physicians and 2 mid-level practitioners. M-F 8AM-5PM, and Saturday 8AM-12, 1PM-4:30PM
 - Same day appointments for urgent care are readily available.
 - Next available appointment with primary care provider averages 16 business day wait time
 - Third available appointment with primary care remains an average 16 business days.

-The change in average wait times is due to provider PTO over the summer months. In June there are many two-provider days. Clinic has maintained same day availability for acute and time sensitive appointments.

Total Encounters

Patient Visits

Options ▾

1,375

Encounters
May 2025

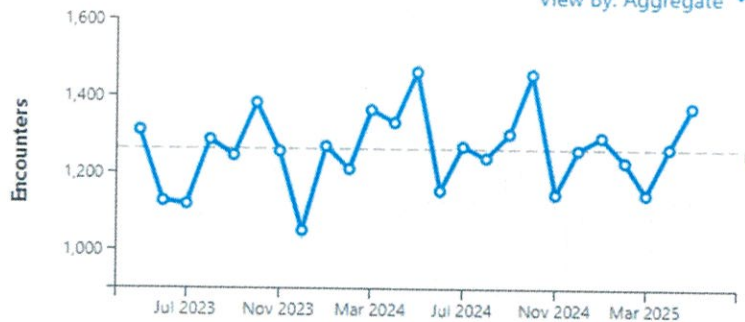
107 (8.4%)

Change from
April 2025

1,265

Monthly Average
Past 25 Months

View By: Aggregate ▾



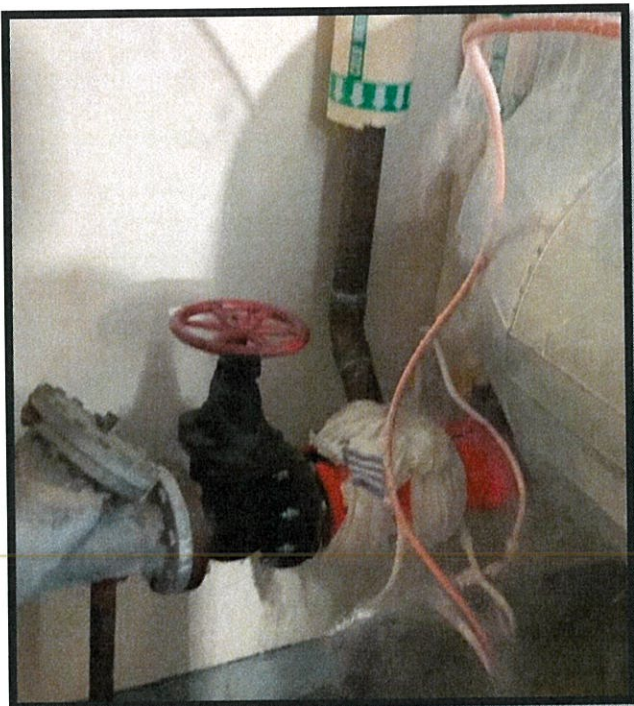
● ☒ Total Encounters

- Psychiatry services are ongoing via telehealth. Dr. Sonkiss was in town this month and saw patients in person. He also gave a presentation at MedStaff for our providers.
 - PMC initiated a partnership with Dr. Sonkiss in September 2024. Since that time, a number of individuals have engaged in psychiatric services with him, either through completed visits or upcoming scheduled intakes. This partnership has expanded access to care through both provider and self-referrals. We look forward to continuing advancements in telepsychiatry as there is an expressed need for it in our community.

- Audiologist, Phil Hofstetter, continues to see patients in Specialty Clinic.
- Dermatologist, Cameron French was in clinic June 9th-13th. He saw a total of 102 patients and is scheduled to return September 15-19th.



- **Current Facility:** We successfully completed the water system isolation and RPZ Assembly Replacement (full after-action report attached in *Old Business*)



New Facility: *Goal: To expand the capacity and capabilities of the community borough-owned rural hospital through the construction of a new facility, while taking into account the needs and priorities of the local community.*

- Arcadis submitted a report with a detailed update on the new facility.
- Base sitework nearly complete.
- Entire parking lot concreted and lines painted.
- Initial furniture, fixtures, and equipment has been ordered.
- MRI addition is 70% complete.
- We continue to be on track and on budget for the WERC building.
- Transition planning with the departments that will move into WERC building, as well as departments that will occupy the vacated space in our existing facility, will continue monthly until the move date this summer/fall.
- Updates: Project updates are available on the PMC website under the “New Facility & Planning” tab. Photos are updated on social media every Friday afternoon.
- As the WERC building nears completion, building tours are closed as floors, paint, and fixtures are added, with an opening date pending.



Financial Wellness: Goal: To achieve financial stability and sustainability for the hospital.
 FY25 Benchmarks for Key Performance Indicators (KPIs): Gross A/R days to be less than 55, DNFB < then 5 days, and 90 Days Cash on Hand

- Accounts Receivables (AR) Update: This number was at 96 in March, down to 88 at the end of April, down to 78 mid-June.

Inpatient Days

Options ▾

Hospital Operations

153.00

Days
May 2025

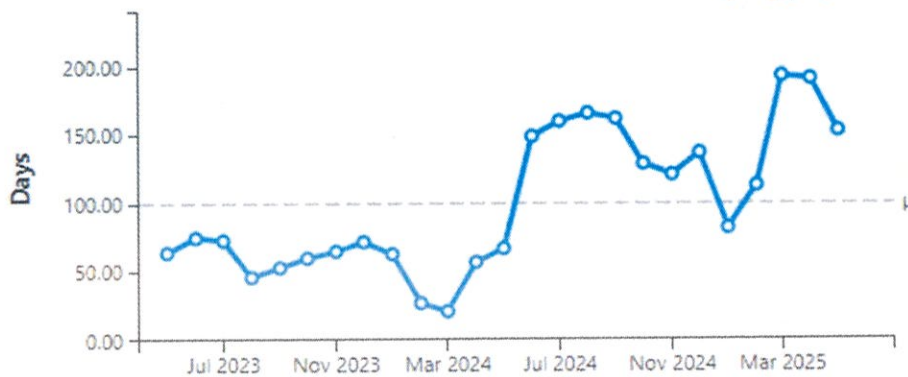
-38.00 (19.9%)

Change from
April 2025

99.96

Monthly Average
Past 25 Months

View By: Aggregate ▾



ED Visits

Options ▾

Hospital Operations

90

Visits
May 2025

13 (16.9%)

Change from
April 2025

79

Monthly Average
Past 25 Months

- ☒ ED Visits
- ☐ Benchmark (Critical Access Clients)

Summary

Average Census

Options *

Hospital Operations

13.77Patients
May 2025**0.00** (0.0%)Change from
April 2025**13.36**Monthly Average
Past 25 Months

- Grants; *See attached Grants Report*
- Monthly Financial report attached
- Budget preparations for the next FY26 have been drafted by Finance, detailed report regarding Capital, and Operational budget by CFO, Jason McCormick.

Submitted by: Phil Hofstetter, CEO

SEAPA Notes from the June 25 and 26, 2025 Meeting

-The license amendment for Tyee to install a third turbine was submitted January 27, 2025. Federal Energy Regulatory Commission (FERC) comments were received, and a response was filed FERC on June 12, 2025. Barring any unanticipated challenges, we are still on track for approval this year.

-To date SEAPA has made good progress on lining up full funding for the Tyee Third Turbine. Total estimated project cost is \$24 million.

-Secured funding includes:

- DOE Section 247: \$5MM grant (awarded – pending negotiations)
- Renewable Energy Fund (REF) Round 17: \$4MM grant (Near top of approved project list and pending Legislative Appropriation for FY27)

-Unsecured but promising funding includes:

- FY26 Congressionally Directed Spending (CDS): \$4.5MM grant being evaluated by Senator Murkowski's office.
- Federal Investment Tax Credit program (ITC): \$12MM cash tax rebate (consultant hired to prepare IRS documents and calculate qualifying project amount)

-The agency will need to procure a bond or loan to front the cost of the reimbursable grants and provide adequate cash flow through all phases of the project. Staff has been authorized to seek financial proposals to fill this need.

-The Board had previously approved negotiations with Canyon Industries of Washington State on their initial \$12.9 million bid for Tyee Third Turbine equipment. At the June meeting, the Board approved a contract with Canyon Industries, Inc. for the lump-sum amount of \$11.9 million (including contingency) for the Tyee 3rd Turbine, Generator and Transformer Procurement Contract after SEAPA staff negotiated for the best possible value in the contract. Delivery will occur in 2026.

- Even though the snowpack was less than normal, the high amount of rainfall this spring has resulted in very healthy reservoirs. Tyee Lake is over 90% full and rising at this time, which is above average for this time of year. Swan Lake is at a record high for this time of year.

-As has been the norm, a considerable amount of work was accomplished during the annual SEAPA shutdown including dewatering, inspecting, and successfully spot repairing the power tunnel at Swan Lake. Additionally, testing, repairing and replacing various equipment at all SEAPA sites was completed during the shutdown while the equipment is de-energized.

-Next SEAPA meeting will be August 19 and 20 in Petersburg. At that meeting the Board will continue discussions and decisions on funding for completion of Tyee third generator and a new unmanned 115/34.5 kV substation to serve Ketchikan.

-Other news of note: The SEAPA outage that occurred on the morning of June 24th was the result of an oil level alarm in one of the Tyee generator bearings. The alarm serves to protect the generator bearings if water was to infiltrate the bearing system, but SEAPA has confirmed that no water intrusion or bearing damage occurred. The agency is researching this issue to prevent its recurrence.

**Mayor's Report
For
July 7, 2025 Assembly Meeting**

- 1. 2025 Municipal Election Information:** If people are interested in running for an elected position in the borough, the first day to file will be July 29, 2025 and the last day to file will be August 26, 2025.

Candidacy forms will be available at the front desk upstairs in the municipal building and on the borough website on the election information page on July 23th.

Go to petersburgak.gov for more information about the open seats on the Assembly and other boards.



**Borough Manager's Report
Assembly Meeting 07 July 2025**

- ❖ We have moved one resident down from upstairs at Assisted Living and working on a double room to get it ready to move-in the married couple. We talked to a plumber about an estimate to get the room ready for two occupants. He said about \$15,000.
- ❖ Working on a new invoicing system that will automatically catch potential money loss and will keep track automatically of back payments and owed monies at Assisted Living.
- ❖ Doing Alaska OSHA training at Assisted Living on July 18th for workplace violence.
- ❖ The library is offering a variety of youth programs in July. Highlights include LEGO Club, gardening & drawing classes and Wonder Camp—a special series of day camps focusing on art and science that is presented in partnership with the Marine Advisory Program. Information at psglib.org
- ❖ The harbor office is still busy with summer traffic and aiding customers. Silver Bay fleet has increased transient fishing vessel moorage numbers in a beneficial way.
- ❖ Glorianne noted 50 or more EC Phillips workers crossing the street headed to the plant from the cookhouse! It was great to see and to have them in town.
- ❖ The SEAPA north end maintenance shutdown started on June 10th, and we were able to come off diesels on the 16th due to SEAPA's staff and contractors accomplishing their tasks efficiently. This will surely help with the annual fuel adjustment charge that will be seen on the July utility bills. Thanks to all our customers for their efforts to decrease power consumption during this billing period.
- ❖ PMPL issued an Invitation to Bid for the Scow Bay Generation transformer in May. The solicitation generated 10 bids in a wide range of prices and lead times. After considerable review of the bids, the utility and our Engineering firm for this work is recommending awarding the bid to GD Partners who is the US partner for a large transformer company in India. The combination of a very responsive bid package, a mid-range price and a very good lead time pushed this company to the top of the list.
- ❖ PMPL also issued an Invitation to Bid for an addition to the Scow Bay Pole Yard storage building. The bid opening produced good responses, and it is the recommendation of PMPL to award the bid to Petersburg's Steelhead Enterprises.
- ❖ Field collection for the GIS project went very well. Staff members from PMPL, Water, Wastewater and Public Works learned how to input field data, and they were able to collect approximately 3,000 data points over the two weeks. More collection and adjustment of the data will continue, but it was an excellent push

toward a new system that will help the Borough to be more efficient.

- ❖ PMPL Staff is preparing for the annual FERC inspection at Crystal Lake Dam, which is scheduled for July 15th.
- ❖ Harai & Associates has submitted the plans for the Elderly Housing cooler/freezer floor repair project to the Fire Marshall for review.
- ❖ Water and Sewer lines have been installed to the Borough lot at 1200 Lake Street.
- ❖ Public Works assisted PIA in setting up the Chamber's festival tent for Amy Hallingstad Day on June 28th. The festival tent will be set up in the Hammer & Wikan parking lot on Wednesday, 07/02 for Independence Day celebrations.
- ❖ Busy season with construction projects, harbor use, and cruise ship activities all producing higher levels of refuse and recycling
- ❖ Sheet piles are in place for the Pump Station 4 construction. Excavation for the wet well will begin the week of July 7.
- ❖ I spoke with American Cruise lines the week of June 23 and they are working on a contract for the Borough to review. We hope to see it next week.
- ❖ We have started the process to abandon the ROW near the Aaslaug Street lot. This action will help make the lot easier to build on. We will still need to have the lot surveyed along with the ROW and are planning on a minor lot consolidation to two nearby lots to make sure they are big enough to build on and have road access.
- ❖ I attended a meeting on July 2 with some Alaska Municipal League staff to discuss their support on grant writing assistance. We will work with them and our staff to determine which Borough projects fit into available grant programs.
- ❖

**PETERSBURG BOROUGH
ORDINANCE #2025-11**

**AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP FOR SERVICE AREA 1 OF
THE PETERSBURG BOROUGH TO REZONE GOVERNMENT LOT 12, SECTION 35,
TOWNSHIP 58 SOUTH, RANGE 79 EAST, COPPER RIVER MERIDIAN (PARCEL #01-
014-010 LOCATED AT 1016 SANDY BEACH ROAD) FROM RURAL RESIDENTIAL (R-R)
TO SINGLE-FAMILY RESIDENTIAL (S-F)**

WHEREAS, the Petersburg Borough owns the parcel of land described as follows:

Government Lot 12, Section 35, Township 58 South, Range 79 East,
Copper River Meridian, Petersburg Recording District, State of Alaska
(physical address: 1016 Sandy Beach Road) (hereinafter "the parcel")

; and

WHEREAS, the parcel is currently zoned Rural Residential (R-R); and

WHEREAS, the R-R district requires a minimum of 1-acre lots and is intended for one single-family home per acre. However, conditional uses in the R-R district include mobile homes and mobile home parks; and

WHEREAS, the parcel is located across from an area zoned Single-Family Residential (S-F), a well-developed residential area with some institutional uses (churches, park, playground), and with road access and municipal power, water, and sewer located nearby; and

WHEREAS, rezoning from R-R to S-F would allow single-family or duplex as a primary use and reduce the minimum lot size from 1-acre to 8,000 sq.ft. Mobile homes and mobile home parks are not allowable uses in S-F; and

WHEREAS, R-R zoning has primarily been used for areas of Service Area 1 without access to municipal water and sewer. The large minimum lot size of 1-acre in the R-R zone is intended to ensure sufficient acreage for on-site septic systems and create a more rural, lower density area; and

WHEREAS, the Planning Commission previously recommended that the Borough Assembly initiate, prior to disposal, a zoning amendment for the parcel, from R-R to S-F, and the Assembly did so by motion on March 17, 2025; and

WHEREAS, the Planning Commission conducted a duly noticed public hearing on the proposed rezone on May 13, 2025, and considered and reviewed applicant materials, public comments and testimony, and staff report. The Commission recommended the Borough Assembly rezone the property by a vote of 6-0, citing that a rezone responds to market demand for developable residential property, is consistent with the Comprehensive Plan by providing residential land for development at appropriate densities, is appropriate to zone for higher residential density due to its location on the road system and utility service area, and that no significant expansion of municipal roads or utilities would be required to develop the property; and

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

**PETERSBURG BOROUGH
ORDINANCE #2025-11**

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

THEREFORE, THE PETERSBURG BOROUGH ORDAINS as follows:

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

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

Section 3. Substantive Provisions.

- A. The Official Zoning Map for Service Area 1 of the Petersburg Borough, codified and referenced in Section 19.08.020 in the Municipal Code, is hereby amended for the following described property from Rural Residential (R-R) to Single-Family Residential (S-F): Government Lot 12, Section 35, Township 58 South, Range 79 East, Copper River Meridian, Petersburg Recording District, State of Alaska.

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

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

PASSED and APPROVED by the Assembly of the Petersburg Borough, Alaska this 21st day of July 2025.

Donna Marsh, Vice Mayor

ATTEST:

Rebecca Regula, Borough Clerk

Adopted:
Published:
Effective:

Planning Commission Report & Finding of Fact

Meeting Date: May 13, 2025

APPLICANT/AGENT:

Petersburg Borough

OWNER(S), IF DIFFERENT:

LEGAL DESCRIPTION:

GL Lot 12

LOT AREA:

94,764 Sq Ft

LOCATION:

1016 Sandy Beach Rd

SURROUNDING ZONING

North: Rural Residential

South: Single Family

East: Rural Residential

West: Unclassified

ZONING:

Rural Residential

PID:

01-014-010

APPLICATION SUBMISSION DATE:

RECOMMENDATION:

Recommend rezone

I. APPLICANT REQUEST: The Borough Assembly initiated an amendment of the Borough zoning map.

II. APPLICABLE CODES:

19.84 AMENDMENTS

19.19 RURAL RESIDENTIAL DISTRICT

19.20 SINGLE-FAMILY RESIDENTIAL DISTRICT

III. FINDINGS:

- a. At its March 17, 2025, meeting, the Borough Assembly initiated a rezone of Government Lot 12 at 1016 Sandy Beach Rd from Rural Residential to Single-family residential. The rezone was referred to the Planning Commission for review and recommendation.
- b. The subject property is a vacant lot.
- c. The RR district requires a minimum of 1-acre lots and is intended for one single-family home per acre. However, conditional uses in the RR include mobile homes and mobile home parks.
- d. The surrounding area is zoned SF or public use and is a well-developed residential area with some institutional uses (churches, park, playground) with road access and municipal power, water, and sewer located nearby.
- e. Rezoning from RR to SF would allow single-family or duplex as a primary use and reduce the minimum lot size from 1 acre to 8,000 sf. The maximum number of dwellings per lot is 2 with single family, two-family (duplex), and detached accessory dwellings allowed use. Mobile homes and mobile home parks are not allowable uses in SF.
- f. Rural residential zoning has primarily been used for areas of Service Area 1 without access to municipal water and sewer. The larger minimum lot size of 1 acre is intended to ensure sufficient acreage for on-site septic systems and create a more rural, lower density area.
- g. Although the Sandy Beach Rd neighborhood is zoned single-family, lot sizes vary significantly from large multi-acre parcels to lots of 9,000/10,000-sf. The area is generally less dense than other neighborhoods apart from certain stretches of the waterfront.

Planning Commission Report & Finding of Fact

Meeting Date: May 13, 2025

IV. PUBLIC NOTICE

The borough provided public notice consistent with PMC 19.84.040. Notice was mailed by first class mail to the owner of record of the property within six hundred feet of the exterior boundary of the property that is the subject of the application.

V. APPLICATION REVIEW

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

The 2016 comprehensive plan recommends future land use for this area to be Low- Density Residential. The intended use is lower density residential, *Single family or duplex residential, option for accessory dwelling units and home-based businesses, 1-4 dwellings per acre (DUA) is most common; but allow option for densities up to 6-8 DUA.*

VI. ACTION

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

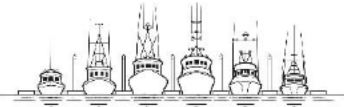
1. The commission recommends the borough zoning map be amended by rezoning Government Lot 12 at 1016 Sandy Beach Road from Rural Residential to Single-Family Residential, including findings of fact as presented.
2. The rezone responds to market demand for developable residential property.
3. The rezone is consistent with the objectives of the comprehensive plan by providing residential land for development at appropriate densities. The comprehensive plan encourages the development of land adjacent to existing infrastructure.
4. The proposed development is located on the road system and utility service area, so it is appropriate to zone for higher residential density.
5. No significant expansion of municipal roads or utilities is required to develop the property.

EXHIBITS

- A. Applicant materials
- B. Vicinity & Detail Maps
- C. Public Hearing Mailout
- D. Planning Commission Minutes

A. Applicant Materials














Item 14A.


 PETERSBURG BOROUGH LAND USE APPLICATION		CODE TO:	110.000.404110
		BASE FEE:	-
		PUBLIC NOTICE FEE:	\$70.00
		TOTAL:	-
DATE RECEIVED:		RECEIVED BY:	CHECK NO. or CC:
APPLICANT/AGENT		LEGAL OWNER (IF DIFFERENT THAN APPLICANT/AGENT)	
NAME Petersburg Borough		NAME	
MAILING ADDRESS PO Box 329		MAILING ADDRESS	
CITY/STATE/ZIP Petersburg AK 99833		CITY/STATE/ZIP	
PHONE 907-772-4425		PHONE	
EMAIL dthompson@petersburgak.gov		EMAIL	
PROPERTY INFORMATION			
PHYSICAL ADDRESS or LEGAL DESCRIPTION: 1016 Sandy Beach Rd			
PARCEL ID: 01-014-010		ZONE: RR	OVERLAY: -
CURRENT USE OF PROPERTY: vacant			LOT SIZE: 94,764
PROPOSED USE OF PROPERTY (IF DIFFERENT):			
CURRENT OR PLANNED SEWER SYSTEM: <input checked="" type="checkbox"/> Municipal <input type="checkbox"/> DEC-approved on-site system			
CURRENT OR PLANNED WATER SOURCE: <input checked="" type="checkbox"/> Municipal <input type="checkbox"/> Cistern/Roof Collection <input type="checkbox"/> Well			
LEGAL ACCESS TO LOT(S) (Street Name): Sandy Beach Road			
TYPE OF APPLICATION & BASE FEE			
<input checked="" type="checkbox"/> 19.84 Zoning Change (\$100)			
<input type="checkbox"/> 18.18 Record of Survey (\$50) (Note: No Public Notice Fee)			
<input type="checkbox"/> 18.20 Minor Subdivision/18.24 Preliminary Plat/18.19 Replat (\$75 + \$10 per lot)			
<input type="checkbox"/> 18.24 Final Plat (\$25 per lot)			
SUBMITTALS:			
For Zoning Change, please submit letter stating the new zoning and explaining the need for the change. For Subdivision approvals, please submit a prepared plat map as required by borough code.			
SIGNATURE(S):			
I hereby affirm all of the information submitted with this application is true and correct to the best of my knowledge. I also affirm that I am the true and legal property owner(s) or authorized agent thereof for the property subject herein.			
Applicant(s): _____		Date: _____	
Owner: _____		Date: _____	
Owner: _____		Date: _____	
Owner: _____		Date: _____	

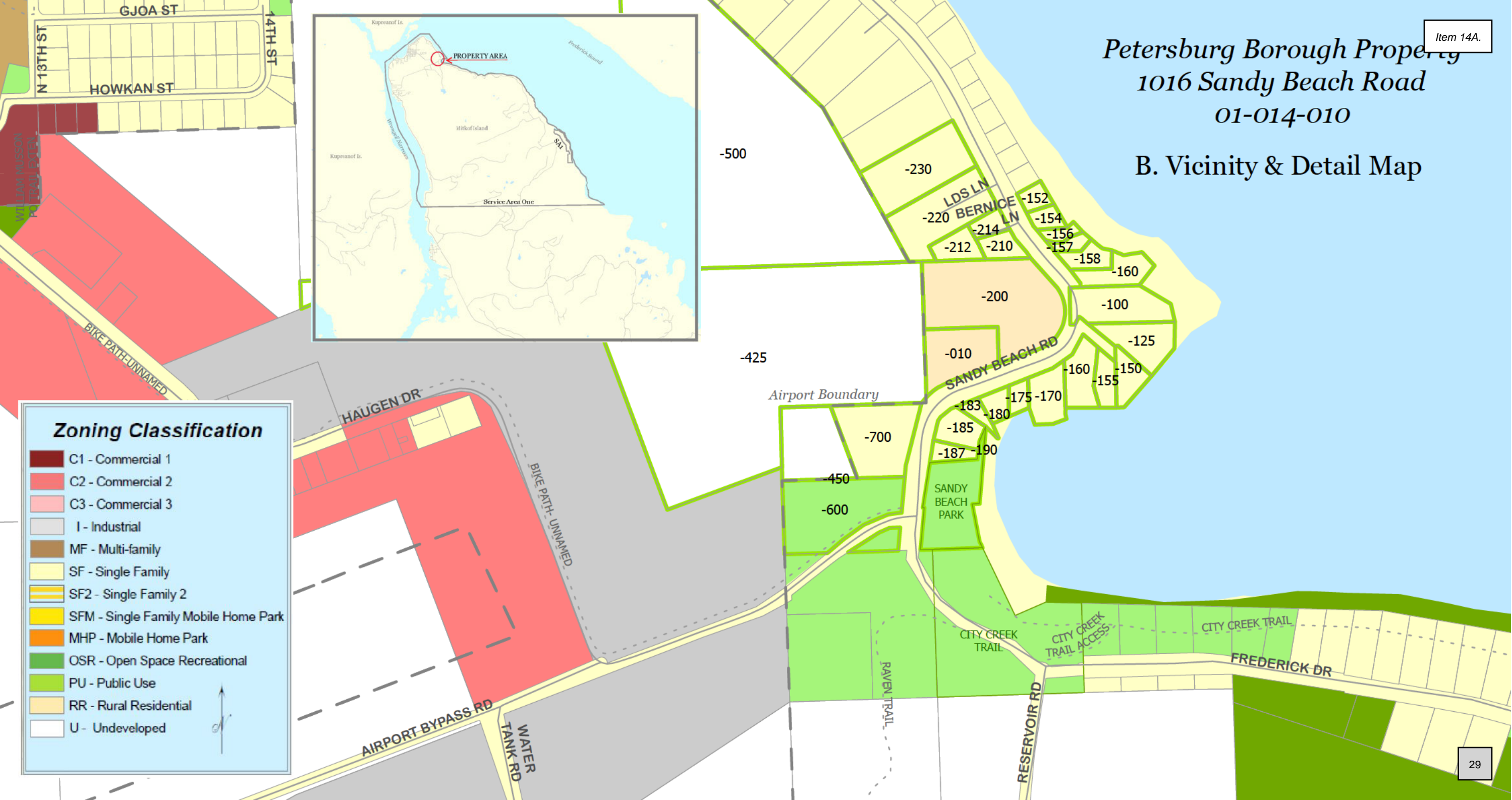
Petersburg Borough Property
1016 Sandy Beach Road
01-014-010

B. Vicinity & Detail Map

Zoning Classification

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







April 25, 2025

WOLLEN GLORIANNE D



PETERSBURG, AK 99833-1076

NOTICE OF SCHEDULED PUBLIC HEARINGS

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

Recommendation to the Borough Assembly regarding an application to rezone borough-owned property from Rural Residential to Single-family Residential at 1016 SANDY BEACH RD (PID: 01-014-010).

The public hearing and consideration of the application will be held:	Tuesday, May 13th, 2025, at 12:00 PM Assembly Chambers, Municipal Building 12 South Nordic Drive, Petersburg, Alaska.
The meeting is open to the public. To attend via ZOOM , please contact Anna Caulum at 907-772-5409.	

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

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

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

Sincerely,

Liz Cabrera
Community & Economic Development Department

Community & Economic Development

PO Box 329, Petersburg, AK 99833 – Phone (907)772-4042 Fax (907)772-3759

www.petersburgak.gov

Name1	Name2	Address1	City	State	Zip
CHRIST FRY			PETERSBURG	AK	99833-1440
HEATHER O'NEIL			PETERSBURG	AK	99833-1083
JIM FLOYD			PETERSBURG	AK	99833-0281
JOHN JENSEN			PETERSBURG	AK	99833-0681
PHIL MEEKS			PETERSBURG	AK	99833-1514
MARIETTA DAVIS			PETERSBURG	AK	99833-0673
DONALD SPERL			PETERSBURG	AK	99833-1407
ALASKA MENTAL HEALTH TRUST			ANCHORAGE	AK	99503
ALASKA STATE OF			ANCHORAGE	AK	99501-3579
BAKOS TOBY J	BAKOS KELLY DENISE		PETERSBURG	AK	99833-0173
BERGERON SAMUEL EDWARD	MILLARD LINDA GAY		PETERSBURG	AK	99833-2090
BURKE TIMOTHY MARK	BURKE DANA GAY		LAHAINA	HI	96761
CHURCH OF JESUS CHRIST			SALT LAKE CITY	UT	84150-2201
DUDDLES MATTHEW W	DUDDLES JOLYN I		PETERSBURG	AK	99833-0490
EDDY JACK	EDDY KAREN		PETERSBURG	AK	99833-1467
EVENS CHRIS R	EVENS TAMARA		PETERSBURG	AK	99833-0886
FORNER MURPHY	FORNER MARY		ANCHORAGE	AK	99519-1056
HUNTER BRADFORD	HUNTER SHARON		PETERSBURG	AK	99833-1603
JENSEN CAROL L			PETERSBURG	AK	99833-0774
KLOSE DIETER			PETERSBURG	AK	99833-1522
KOENEMAN TIMOTHY	KOENEMAN POLLY A		PETERSBURG	AK	99833-1324
LOESCH RONALD	LOESCH ANNE		PETERSBURG	AK	99833-0451
NOROSZ KRISTINE MARIE			PETERSBURG	AK	99833-0805
OHMER SUSAN			PETERSBURG	AK	99833-0556
ORTH PAUL	ORTH DEBORAH M		CHARRAROY	WA	99003-8532
PETERSBURG BIBLE CHURCH			PETERSBURG	AK	99833-0704
STRAND NANCY			PORTLAND	OR	97221
SWANSON ADAM			PETERSBURG	AK	99833-2151
WEGENER CODY A			PETERSBURG	AK	99833-2078
WILLIS JOSEPH	WILLIS ERIN K		PETERSBURG	AK	99833-0043
WOLLEN GLORIANNE D			PETERSBURG	AK	99833-1076



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes Planning Commission Regular Meeting

Tuesday, May 13, 2025

12:00 PM

Assembly Chambers

1. Call to Order

The meeting was called to order at 12:00PM.

2. Roll Call

PRESENT

Commission Chair Chris Fry
Commission Vice-Chair Heather O'Neil
Commissioner Jim Floyd
Commissioner Marietta Davis
Commissioner Phillip Meeks
Commissioner Donald Sperl

ABSENT

Commissioner John Jensen

3. Acceptance of Agenda

The agenda was accepted as presented.

Motion made by Commission Vice-Chair O'Neil, Seconded by Commissioner Davis.

Voting Yea: Commission Chair Fry, Commission Vice-Chair O'Neil, Commissioner Floyd,
Commissioner Davis, Commissioner Meeks, Commissioner Sperl

4. Approval of Minutes

A. April 8, 2025, Meeting Minutes.

The April 8, 2025, meeting minutes were unanimously approved.

Motion made by Commissioner Davis, Seconded by Commission Vice-Chair O'Neil.

Voting Yea: Commission Chair Fry, Commission Vice-Chair O'Neil, Commissioner Floyd,
Commissioner Davis, Commissioner Meeks, Commissioner Sperl

5. Public Comments

None

6. Consent Calendar

None

7. Public Hearing Items

- A. Recommendation to the Borough Assembly regarding an application to rezone borough-owned property from Rural Residential to Single-family Residential at 1016 SANDY BEACH RD (PID: 01-014-010).

Motion made by Commissioner Floyd, Seconded by Commission Vice-Chair O'Neil.

Commissioner Floyd asked for clarification on who initiated the rezone and the reasoning behind it.

Director Cabrera spoke to say it was a motion of the Borough Assembly to initiate the rezone. It's one of the few lots in the area that are rural residential, and 1020 Sandy Beach was just rezoned to single family. Its surrounded mostly by single family. If the Borough wanted to sell it in the future, it makes sense to rezone it now.

Commission Chair Fry asked if the property was made rural residential before sewer service was out there.

Director Cabrera spoke to say it was rural residential from the 1980 comp plan right before they rezoned everything. The idea was to have a few much larger lots in the area. At that time, they envisioned rural residential to be these kind of estate tracts and it didn't include things like mobile home parks and mobile homes and a whole slew of things that are now eligible under rural residential. It was a different idea of rural residential than we have now. The main reason we have rural residential now is because they don't have the municipal services.

Voting Yea: Commission Chair Fry, Commission Vice-Chair O'Neil, Commissioner Floyd, Commissioner Davis, Commissioner Meeks, Commissioner Sperl

8. Non-Agenda Items

- A. Commissioner Comments

Commissioner Floyd spoke about the comments made by the Borough Assembly regarding how the Planning Commission handled agenda items for Mr. Johnson and Mr. Mazzella. Commission Floyd said the Planning Commission agenda items were in order of when the application was received. Mr. Mazzella was present and could testify, and Mr. Johnson was not present. The Assembly incorrectly stated that the Planning Commission refused to take up Johnson's application then said yes to Mazzella, that was incorrect.

Commission Vice-Chair O'Neil added that she wishes the Assembly would have bumped the agenda item back to the Planning Commission. If they thought the Commission handled it wrong, it could have been bumped back, and all parties could have been present. In the audience the night of the Assembly meeting homeowners off of Lake Street who wanted to buy property were present, Mazzella was not present only because he

works for the Borough and was out of town for classes. He would have been present and would have spoken but he was unable to.

B. Staff Comments

Director Cabrera mentioned there are agenda items for the June meeting.

C. Next Meeting is June 10, 2025, at 12:00PM.

9. Adjournment

The meeting adjourned at 12:09PM

Motion made by Commissioner Floyd, Seconded by Commission Vice-Chair O'Neil.

Voting Yea: Commission Chair Fry, Commission Vice-Chair O'Neil, Commissioner Floyd, Commissioner Davis, Commissioner Meeks, Commissioner Sperl

**PETERSBURG BOROUGH
ORDINANCE #2025-12**

**AN ORDINANCE OF THE PETERSBURG BOROUGH ADJUSTING
THE FY 2026 BUDGET FOR KNOWN CHANGES**

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

Section 2. Purpose: The purpose of this ordinance is to adjust the FY 2026 budget for known changes.

Section 3. Substantive Provisions: In accordance with Section 11.09(a) of the Charter of the Petersburg Borough, the budget for the fiscal period beginning July 1, 2025 and ending June 30, 2026 is adjusted as follows:

Explanation: Necessary revisions in the FY 2026 budget identified after adoption of the Budget.

Account Number	Account	Original Budget	Increase (Decrease)	Amended Budget
<u>FISCAL YEAR 2026 REVENUE / EXPENSE BUDGET ADJUSTMENTS</u>				
Property Development Fund – Utility Connection Stubs				
260.000.506530	To provide utility connection stubs to residentially zoned Borough property lines to prepare the lots for future sale.	\$0	\$50,000.	\$50,000.
This budget amendment was approved by Resolution #2023-09. This work was not completed during the FY2025 Budget.				
Property Development Fund				
260.000.506529	Public Works Site Survey	\$15,000.	-\$15,000.	\$0
Funds in FY26 for the Public Works Site Survey are not needed. The project has been completed, and it is under budget.				
Property Development Fund				
260.000.506531	Safe Streets and Roads Match	\$0	\$9,300.	\$9,300.
\$9,300 is being requested as a local match for a Safe Streets and Roads for All Program grant application.				

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

**PETERSBURG BOROUGH
ORDINANCE #2025-12**

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

Passed and approved by the Petersburg Borough Assembly, Petersburg, Alaska this 16th day of June, 2025.

Donna Marsh, Vice Mayor

ATTEST:

Rebecca Regula, Borough Clerk

Adopted:
Published:
Effective:

**PETERSBURG BOROUGH, ALASKA
RESOLUTION #2023-09**

**A RESOLUTION TO USE UP TO \$100,000 FROM THE PROPERTY DEVELOPMENT FUND TO
PROVIDE UTILITY CONNECTION STUBS TO RESIDENTIALLY ZONED BOROUGH PROPERTY
LINES TO PREPARE THE LOTS FOR FUTURE SALE**

WHEREAS, the Petersburg Borough is currently experiencing a housing shortage for new and current Borough residents; and

WHEREAS, the Petersburg Borough appointed a Housing Task Force to research the subject and bring forward ideas the Borough can act on to provide needed housing; and

WHEREAS, the Petersburg Borough Assembly, at their February 6, 2023 meeting, unanimously voted for Manager Giesbrecht to instruct the Borough's Utility Director to identify any existing Borough-owned lots that can be easily connected to water, sewer and electric services and bring them forward to the Assembly to consider offering for public sale; and

WHEREAS, Utility Director Hagerman identified the following Borough lots with estimated costs to provide utility connections in preparation for future sale:

1200 Lake Street	\$24,000
200 Aaslaug Street	\$27,000
Sandy Beach Road Parcel #01.003.515	<u>\$22,000</u>
	\$73,000 estimated total costs

WHEREAS, actual costs to provide these utility connection stubs will be added to the assessed value of the property to determine the selling price of each lot; and

WHEREAS, Director Hagerman also noted Borough property located at 1016 Sandy Beach Road, which has existing water and sewer service at the property line, that Community Development Director Cabrera recommends to rezone from Rural Residential (R-R) to Single Family Residential (S-F) to fit better in the neighborhood and in preparation for future sale; and

WHEREAS, the Borough's Property Development Fund currently has \$295,075 in available, unencumbered funds.

NOW THEREFORE, BE IT RESOLVED, the Petersburg Borough Assembly approves to use up to \$100,000 from the Property Development Fund to provide utility connection stubs to residentially zoned Borough property lines located at 1200 Lake Street, 200 Aaslaug Street and Parcel #01.003.515 on Sandy Beach Road to prepare the lots for future sale.

Passed and Approved by the Petersburg Borough Assembly on July 17, 2023.

ATTEST:


Debra K. Thompson, Borough Clerk


Bob Lynn, Vice Mayor



June 16, 2025

The Honorable Sean Duffy
Secretary
U.S. Department of Transportation
1200 New Jersey Ave., SE
Washington, DC 20590

RE: Pathways to Safety: Action Planning for Alaska's Rural Communities to the Safe Streets and Roads for All Grant Program

Dear Secretary Duffy,

On behalf of the Petersburg Borough, I write to express our strong support for the Pathways to Safety: Action Planning for Alaska's Rural Communities as a candidate for the Safe Streets and Roads for All (SS4A) Program. This initiative will support a collaborative approach to safety planning across 15 rural Alaskan communities.

The project will identify crash and fatality data sources, develop methodologies for analyzing safety metrics related to small-population and remote areas, identify common crash causes between communities, promote coordination across jurisdictional boundaries, and propose context-sensitive solutions to significantly reduce or eliminate roadway fatalities and serious injuries involving various road users. A comprehensive safety action plan will be developed for each community.

This project is critically important for Petersburg and other small, remote Alaskan communities like ours, as we face unique roadway safety challenges due to limited, often unpaved road networks, harsh weather, and extended periods of low light, all of which contribute to higher crash risks and longer emergency response times. By analyzing crash data specific to small populations, this initiative will enable us to implement context-sensitive solutions directly tailored to Petersburg's needs, such as improved signage for wildlife, better maintenance for gravel roads, or targeted public awareness campaigns for winter driving conditions.

The project aligns directly with the shared goal of reducing traffic-related fatalities and serious injuries in our communities. The project demonstrates a commitment to advancing safe, equitable, and sustainable transportation systems, and we believe this initiative will have a measurable impact on the safety and well-being of all road users.

The Petersburg Borough is committed to the success of this project and commits to a local match of up to \$9,300 in support of the project.

Thank you for your consideration of this important project.

Sincerely,

Donna Marsh
Vice Mayor
Petersburg Borough

RENTAL AGREEMENT

THIS RENTAL AGREEMENT, effective on the date of the last signature below ("effective date") is made by and between the Petersburg Borough, PO Box 329, Petersburg, AK 99833 (hereinafter "Landlord") and the Petersburg Volunteer Fire Department, Inc., PO Box 75, Petersburg, AK 99833 (hereinafter "Tenant").

RECITALS

WHEREAS, Landlord is the owner of the real property described as 1200 Haugen Drive, Petersburg, AK 99833 (the "Premises");

WHEREAS, Tenant operates a volunteer fire department within the Petersburg Borough; and

WHEREAS, Landlord desires to rent to Tenant and Tenant desires to rent from Landlord certain space within the Premises for the purposes of Tenant's administrative operations.

NOW THEREFORE the parties agree as follows:

TERMS

1. Rented Area. An area of approximately 25 square feet, more particularly described as Station 1, Dayroom Corner Desk (the "Rented Area"), located within the Premises.
2. Term and Termination. This term of this Rental Agreement shall begin upon on the effective date and continue year to year until terminated as provided herein (the "Term"). Either party may terminate this Rental Agreement upon thirty (30) days' prior written notice to the other party.
3. Rent. \$1.00 per year.
4. Permitted Use and Access. The Rented Area shall be used only for the purposes of Tenant's operations as a volunteer fire department. Tenant shall have access to the Rented Area and any common areas of the Premises, including all paths of ingress and egress to the Rented Area, seven (7) days per week, twenty-four (24) hours per day.
5. Prohibited Use and Prohibited Access. Tenant is prohibited from using or accessing the Premises other than as set out in Section 4. Tenant shall not use and shall not have access to other areas of the Premises.
6. Surrender of Rented Area and Holding Over. Upon the termination of this Rental Agreement, Tenant shall peacefully vacate and deliver the Rented Area and all keys to Landlord.
7. Compliance with Laws, Rules, and Regulations. Tenant shall comply with all applicable laws, ordinances, orders, rules and regulations.
8. Tenant's Property. Tenant agrees that all personal property of every kind or description whatsoever in the Premises shall be at Tenant's sole risk and Tenant shall not hold or attempt to hold Landlord liable for any damage or injury done to or for loss of such personal property.
9. Tenant Sublease and Assignment. Tenant shall not sublet the Rented Area or any part of the Rented Area.

10. Default by Tenant. The following shall be deemed default by Tenant: (1); abandonment of the Rented Area; or (2) failure to meet any obligation in the Rental Agreement.
11. Remedies for Tenant's Default. Upon default by Tenant, Landlord may exercise any and all remedies available under Alaska law.
12. Waiver. Failure of Landlord to declare an event of default immediately upon its occurrence, or delay in taking any action in connection with an event of default, shall not constitute a waiver of the default.
13. Severability. If any provision of this Rental Agreement is held to be unenforceable, such provision shall be judicially reformed to the maximum extent permitted by law. If any provision of this Rental Agreement is invalid or unenforceable, such invalid provision shall be struck from this Rental Agreement and the remainder of this Rental Agreement shall not be affected.
14. Sale of Property. Upon any conveyance or sale of the Premises, Landlord shall be and is hereby entirely free and relieved of all liability contained in or derived from this Rental Agreement.
15. Amendments. This Rental Agreement may not be altered, waived, amended or extended except by an instrument in writing signed by Landlord and Tenant. This Rental Agreement contains no implied warranties of any kind.
16. Limitation of Warranties. TENANT EXPRESSLY ACKNOWLEDGES AND AGREES THAT THERE ARE AND SHALL BE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OCCUPANCY, SUITABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OF ANY OTHER KIND ARISING OUT OF THIS RENTAL AGREEMENT.

LANDLORD:

Petersburg Borough

By: _____

Steve Giesbrecht

Its: Borough Manager

Dated: _____

TENANT:

Petersburg Volunteer Fire Department, Inc.

By: _____

Printed name: _____

Its: _____

Dated: _____

RESOLUTION NO. 2025-13**A RESOLUTION AUTHORIZING SPECIFIED BOROUGH OFFICIALS AND EMPLOYEES TO CONDUCT FINANCIAL ACTIVITIES ON BEHALF OF THE PETERSBURG BOROUGH**

WHEREAS, banking and investment institutions periodically require the Petersburg Borough to submit governmental authorization forms identifying individuals authorized to conduct financial transactions on behalf of the Borough;

WHEREAS, the last update to this authorization was in 2002;

WHEREAS, it is necessary to ensure that the authorization list is current and reflects the present organizational structure of the Borough;

THEREFORE, BE IT RESOLVED that only individuals holding the following official or employment positions within the Petersburg Borough are authorized to conduct financial transactions on behalf of the Borough:

- Borough Finance Director
- Borough Finance Clerk III
- Borough Manager
- Borough Clerk
- Mayor
- Vice Mayor

BE IT FURTHER RESOLVED that all designated officials and employees conducting financial transactions for the Borough shall do so in accordance with the Borough's Banking, Investment, and Collateralization policies.

BE IT FURTHER RESOLVED that this resolution shall take effect immediately upon its adoption.

PASSED and APPROVED by the Assembly of the Petersburg Borough, Alaska this 7th day of July, 2025.

Donna Marsh, Vice Mayor

ATTEST:

Rebecca Regula, Borough Clerk

RESOLUTION # 1695**A RESOLUTION AUTHORIZING THE FINANCIAL ACTIVITIES OF THE
CITY OF PETERSBURG BE CARRIED OUT BY SPECIFIED CITY OFFICIALS
OR EMPLOYEES**

WHEREAS, from time to time, banking and investment institutions require the City to file governmental authorization forms listing who may conduct financial transactions on behalf of the City of Petersburg.

THEREFORE BE IT RESOLVED, only individuals holding specific official or employment positions with the City of Petersburg are authorized to conduct financial transactions on behalf of the City. These specific positions are:

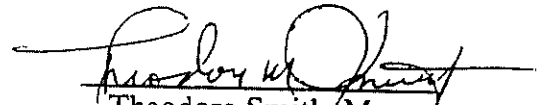
City Finance Director, City Accountant
City Manager, City Clerk
Mayor, Mayor Protem

RESOLVED FURTHER, any and all designated officials and employees conducting financial transactions for the City will do so in accordance with the City's Banking, Investment and Collateralization Policies, and the City Code.

PASSED and APPROVED by the City Council of the City of Petersburg, Alaska this 7th day of October, 2002.

ATTEST:


Kathy O'Rear, City Clerk


Theodore Smith, Mayor

PETERSBURG BOROUGH
Resolution 2025-14

**A Resolution Opposing the Sale of Public Lands and Advocating
for Responsible Stewardship**

WHEREAS, the Petersburg Borough has serious concerns regarding Chairman Lee's provision that was in the Senate Energy and Natural Resources Committee's reconciliation proposal that mandated the sale of between 2 million and 3 million acres of public land in Alaska, Arizona, California, Colorado, Idaho, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming;

WHEREAS, the bill called for the disposal of these lands with few restrictions and granted the Secretary of the Interior significant discretion to determine whether the sale of a given tract met "community needs";

WHEREAS, this would have set a dangerous precedent for fast-tracking sales of public lands, threatening Americans' access to public outdoor spaces;

WHEREAS, selling off public lands is irresponsible, short-sighted and irreversible, as these lands belong to all Americans, and once sold, they are gone for good, with fences going up, access disappearing, and the lands being lost to the public forever;

WHEREAS, this bill primarily benefited real estate developers and private-equity speculators rather than addressing real housing needs, and lacked requirements to ensure that any housing built in response to this bill was affordable or met affordable housing requirements;

WHEREAS, the Petersburg Borough has an established process for identifying and facilitating land sales to the public;

Therefore be it Resolved, that we urge lawmakers to consider alternative, transparent, and deliberative approaches to address the needs of local communities for affordable housing without compromising public lands; and the potential negative impacts on public access and conservation efforts.

PASSED and APPROVED by the Assembly of the Petersburg Borough, Alaska this 7th day of July, 2025.

Donna Marsh, Vice Mayor

ATTEST:

Rebecca Regula, Borough Clerk



July 7, 2025

Economic Development Administration
1401 Constitution Ave, NW
Suite 71014
Washington, DC 20230

RE: Construction of Marine Fuel Dock in Kake, Alaska

The Petersburg Borough Assembly supports the proposed construction of a new marine fuel dock in the community of Kake, Alaska. As a neighboring municipality in Southeast Alaska, we recognize the need and value of a marine accessible fuel dock. This facility is crucial for maintaining transportation for community members and transient users, and it will significantly benefit the area.

The municipality of Kake lost their marine fuel facility in 2017 and has since faced challenges stemming from a lack of reliable, year-round access to marine fuel. The absence of this critical infrastructure has negatively impacted local fishing vessels, subsistence harvesters, marine transportation providers, and general access to essential goods and services.

Building a new fuel dock would immediately address these issues, improving both safety and economic viability for Kake and its surrounding waterways. We believe that supporting infrastructure development in our communities strengthens the broader Southeast Alaska region, improves quality of life and economic sustainability of the region.

In the marine environment in which Southeast Alaskans all live, a marine accessible fuel dock is essential, and the Petersburg Borough Assembly clearly understands the need for, and supports, Kake Tribal Corporation's efforts to develop this essential project.

Sincerely,

Donna Marsh
Vice Mayor
Petersburg Borough

Petersburg Borough
PO Box 329, Petersburg, Alaska 99833 – Phone (907) 772-4425 Fax (907) 772-3759
www.petersburgak.gov



June 24, 2025

PND 242093

Glorianne Wollen
Harbormaster
Peterburg Borough
P.O. Box 329
Petersburg, AK 99833

SUBJECT: Petersburg Small Cruise Ship Dock

Dear Ms. Wollen,

PND Engineers, Inc. (PND) appreciates the opportunity to provide additional engineering services to the Petersburg Borough (Borough) on the Petersburg Small Cruise Ship Dock project. PND has developed 7 conceptual designs to date for possible development immediately south of the existing Port Dock. The scope of services under this proposal includes estimating clearance distances between the proposed Concept 7 berth layout and adjacent USCG and AMHS facilities.

Scope of Services & Schedule: We do not have topographic survey data that extends all the way to the ferry terminal. However, we can transfer Concept 7 onto an aerial image and then scale the dimensions between the existing AMHS and proposed ACL facilities. We do have topographic data in the immediate vicinity of the existing USCG and proposed ACL facilities so we will add some clearance dimensions to the Concept 7 drawing. This work can be completed within two weeks of receiving formal NTP.

Fee Proposal: PND proposes to perform this work on a Time and Expenses basis (T&E). Creating a new scalable aerial drawing and updating Concept 7 can be completed within a \$1,500 budget, assuming no actual field surveying required. Deliverables will include updated drawings with clearance dimensions.

PND appreciates the opportunity to assist the Borough with this work. Should you find this proposal acceptable, please forward an agreement for signature. We look forward to working with you on this important marine concept plan.

Sincerely,
PND Engineers, Inc. | Juneau Office

A handwritten signature in blue ink, appearing to read 'Dick Somerville', is written over a light blue grid background.

Dick Somerville, P.E.
Vice President

From: Bill Tremblay <brtrembla@gmail.com>
Sent: Monday, June 16, 2025 12:19 PM
To: Assembly <assembly@petersburgak.gov>
Cc: brtrembla@gmail.com
Subject: I support a needs based sales tax exemption

Dear Assembly Members,

I have taken advantage of the Senior Sales Tax Exemption program for the last few years. That being said, the recent information provided to the community, regarding the dramatic loss of sales tax revenue, has changed my mind about using this card.

My wife and I are retired and both receive our earned retirement incomes. If the community votes for a needs based system to be eligible for a Senior Sales Tax Exemption, we will no longer be qualified for this benefit. We're fine with that.

Our grocery stores will still do their part to assist seniors with their Senior Discounts on Tuesday. There is also the cards sold by the Petersburg School District that also offers local discounts for supporting the local schools.

The huge growth of a senior population is a cause for concern. We all need to keep in mind that our Borough needs the support of all of us to pay for the services that maintain our good quality of life.

Please allow the community the opportunity to vote on this important issue.

Bill Tremblay
960 S. Mitkof Highway
P.O. Box 662
Petersburg, AK. 99833
907-772-4461
brtrembla@gmail.com



United States Department of the Interior

U.S. FISH AND WILDLIFE SERVICE
1011 East Tudor Road
Anchorage, Alaska 99503



In Reply Refer to:
FWS/R7/AFES/MMM

June 24, 2025

Mr. Steve Giesbrecht,
Borough Manager
Petersburg Borough
12 South Nordic Drive, P.O. Box 329
Petersburg, AK 99833

Dear Mr. Giesbrecht:

The U.S. Fish and Wildlife Service (FWS) has published in the *Federal Register* (90 FR 26486, June 23, 2025) proposed Incidental Take Regulations (ITR) under the Marine Mammal Protection Act of 1972 (MMPA). If finalized, these ITRs would authorize the incidental take of small numbers of northern sea otters (*Enhydra lutris kenyoni*) from the Southcentral Alaska, Southeast Alaska, and Southwest Alaska stocks. We are seeking public comment on these proposed ITRs for a 30-day period ending on July 23, 2025. We have also drafted a National Environmental Policy Act Environmental Assessment (EA) that analyzes the effects on the human environment of issuing these ITRs. The FWS is interested in any comments you may have on these proposed ITRs or the draft EA.

Under the MMPA, otherwise prohibited incidental taking by harassment of small numbers of marine mammals may be authorized by the FWS for a period of up to five years, provided certain findings are made. We received a request from the U.S. Coast Guard (USCG) for such an authorization, associated with their pile driving and marine construction activities at the USCG Moorings Seward, the USCG Moorings Sitka, and the USCG Base Kodiak. If finalized, the ITRs would authorize incidental harassment, including disturbance, to northern sea otters that could result from the USCG's activities. However, no lethal take would be authorized under the proposed ITRs.

The FWS's proposed ITRs were developed and based on our determinations that take from the activities will affect a small number of northern sea otters, will have a negligible impact on the Southcentral Alaska, Southeast Alaska, and Southwest Alaska stocks of northern sea otters, and will not have an unmitigable adverse impact on the availability of northern sea otters for subsistence uses. In writing these proposed ITRs, we also identified mitigation measures that the USCG will be required to implement to ensure their work will have the least practicable adverse impact on northern sea otters and their habitat.

The proposed ITRs, including our analysis of effects, draft EA, and the supporting documents provided by the applicant are now available for public review and comment. To view these

documents or to provide the FWS with comment, visit www.regulations.gov and search for docket number: *FWS-R7-ES-2024-0195*. The FWS will accept comments on this proposed authorization until July 23, 2025.

We will review all comments prior to making a final determination. Should you have questions, please contact Regulatory Program Lead for Marine Mammals Management, Dr. Stephanie Burgess, via email at r7mmmregulatory@fws.gov or by phone at 1-800-362-5148.

Sincerely,

ALICE

GARRETT

Project Leader,

Marine Mammals Management

Digitally signed by
ALICE GARRETT
Date: 2025.06.24
10:29:55 -08'00'

From: Sarah Fine <sarahfine90@gmail.com>

Sent: Friday, June 27, 2025 11:44 AM

To: Assembly <assembly@petersburgak.gov>; Stephen Giesbrecht <sgiesbrecht@petersburgak.gov>; Liz Cabrera <lcabrera@petersburgak.gov>

Subject: Question re: #2023-09

Dear Assembly, Manager, and Community Development Director:

I am curious about Mr. Aulbach's letter from the latest assembly packet. I am hoping that the monies set aside for developing utilities on 2 borough-owned lots are still set aside.

The housing survey the borough paid for showed we need over 300 new homes by 2033—although the three planned development projects are certainly exciting they just aren't enough to get to our housing goal alone.

There was also a very nice grove of trees cut down at Hungry Point Trail for this project that I hope were not cut down for nothing.

Hoping for an update.

Sincerely,

Sarah Fine-Walsh

MEMORANDUM

TO: Borough Manager

FR: Liz Cabrera, Community & Economic Development Director

CC: PEDC Board of Directors

DATE: June 26, 2025

RE: Scow Bay Haul-out Project

This memorandum is divided into sections on design, funding, environmental permitting, and project timeline. Pages 1-2 are brief summaries or tables while pages 3-5 provide in-depth information on each topic. Attached exhibits are the most recent design, conceptual operational plan, and cost estimate.

A. Design

The borough contracted with PND Engineers to bring the project design to 65% complete. This phase is nearly complete and includes utility and electrical engineering details, and a revised ramp that can accommodate a 150-ton submersible lift. The 65% work also includes a conceptual operational plan with 22 work sites and three long-term lease lots. This design work is funded by the Denali Commission grant. See Exhibit A attached.

B. Available Funding and Cost Estimate

Source	Amount	Status
CDS/Denali	\$4,116,279	Grant agreement signed.
RAISE/BUILD	\$8,880,791	Awarded
Local Funds	\$866,210	FY26 Budget
Fisheries Disaster Funds	\$216,210	FY26 Budget
DEC Loan	\$3,527,804	Voter approved.
TOTAL	\$16,741,734	
Use		
Cost Estimate	\$13,645,126	May 2025 estimate
with added alternative (boarding float)	\$14,823,919	

- Note: includes 10% contingency
- Detailed cost estimate attached.

C. Status of Environmental Permits and Approvals

Permit/Approval	Status		Permit/Approval	Status
USACE	In progress		Sea Star Consult	Complete
Essential Fish Habitat	Consult Complete		Bald Eagle Take (if necessary)	Under Contract
Wetlands Mitigation	Consult Complete		NEPA EA	In progress
ADEC Section 401	Permit Issued		State Fire Marshal Plan Review	Under Contract
Floodplain Development	Permit Issued		Water/Wastewater System Plan Review	Under Contract
Fish Habit Permit	No Permit Required		ADEC Multi-Sector Permit	Under Contract
DNR Tidelands Conveyance	In progress		Stormwater Pollution Prevention Plan	Under Contract

D. Timeline

DATE		ACTION
May 2024	X	DNR Conveyance submitted.
September 2024	X	Environmental Permits submitted.
November 2024	X	ADEC Loan application submitted.
December 2024	X	USACE permit public notice issued.
January 2025	X	NEPA EA Contract with PND. (PEDC)
January 2025	?	Welcome webinar RAISE/BUILD - postponed
February 2025	X	65% design contract with PND (Borough)
May 2025	X	Grant agreement with Denali Commission signed.
May 2025	X	Revised USACE permit public notice issued.
August 2025		Grant manager assigned for RAISE/BUILD award
September 2025		65% design completed
October 2025		Draft NEPA EA document complete
December 2025		Earliest DNR entry approval. Environmental Permits issued.
January 2026		NEPA Determination and SHPO consultation complete
February 2026		Grant Agreement with MARAD signed
March 2026		Final design and bid documents contract.

DESIGN BACKGROUND

For several years, the borough has been working from a 35% design drawing for the project that was developed through PEDC. Once grant funding was in place, the Borough entered into a contract agreement with PND Engineers to complete a 65% design.

In January, one of the service providers currently operating at Scow Bay showed us a submersible boat hoist in use at Allen Marine in Sitka (see [video](#) or [photo](#)). The hoist is used on a ramp and can haul up to 150-tons. After doing some research, it turns out the manufacturer is the same company that manufactured the travel lifts in use in Wrangell. We worked with PND to revise the ramp design so that it still works for the existing trailer used by Island Ventures but can also accommodate an amphibious 150-ton lift. The revised design requires a wider and thicker ramp and maintaining the shallow grade for the Island Ventures trailer requires it to be quite long, so accommodating both elements increased the project costs a bit.

The conceptual operational plan includes 20 work sites and three long-term lease sites. The new configuration likely necessitates relocating most of the existing leases at the turnaround. It also necessitates relocating the Fire Department's training site. The FD is researching potential locations that meet their needs for a new training area.

Prior to 65% design process completion, we're planning a public meeting. We'll be waiting to engage with the funding agency to complete the final design and contract documents.

FUNDING BACKGROUND

CDS/DENALI: The FY24 Consolidated Appropriations Act included \$4.1 million for the Scow Bay project. These funds were reapportioned to the Denali Commission for direct granting to the borough. In May 2025, the Commission executed a grant agreement obligating the full amount for the project. These funds can be used to complete the design process, for construction, and can also be used as a local match for a federal award.

RAISE/BUILD: In January 2025, the USDOT awarded the borough an \$8.8 million RAISE grant. The USDOT has a backlog of awards to administer, which has caused significant delays. We are still waiting to be assigned a grant manager for our project. We recently learned the Secretary of Transportation is coming to Alaska in August and the hope is he will clear Alaska projects prior to his arrival.

LOCAL FUNDS: The borough has \$866,210 for this project. \$650,000 is from the economic fund and includes \$500,000 voter-approved appropriation. The borough also has an

additional \$216,000 from fisheries disaster funds. All funds are included in the borough's FY26 approved budget.

ADEC LOAN: In October 2024, voters approved borrowing up to \$3.5 million for the State Revolving Loan fund to extend water and sewer infrastructure to the haul out facility. The loan term is 20 years at 1.5% interest. The Borough Assembly previously approved the loan application and executing loan documents. The intent is to repay the loan using proceeds from the economic fund. The loan funds are available if necessary but obviously prefer not to have to use them.

ENVIRONMENTAL PERMITTING

The PEDC has contracted with PND Engineers to lead the permitting effort, which is broken up into four different tasks:

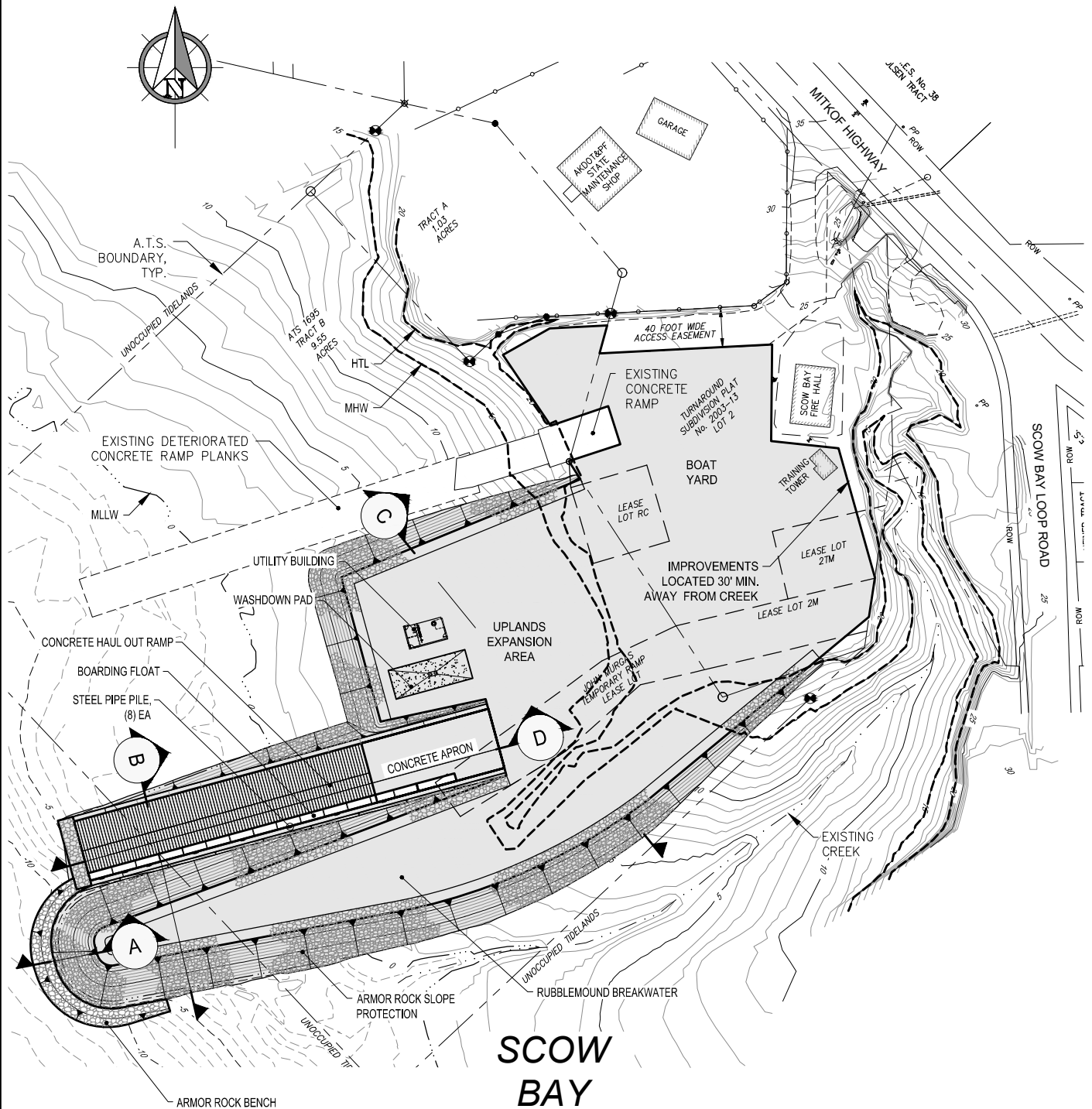
USACE/CLEAN WATER/EFH: There are several wetland/clean water/habitat/endangered species approvals and permits that need to be obtained as part of the environmental regulatory review process. PND has been working with the US Army Corps of Engineers (USACE) to determine necessary compensatory mitigation for filling wetlands and for impacting essential fish habitat (EFH). Most recently, we met with NMFS and secured their approval to use the same wetlands mitigation credits we're using for the USACE to offset impacts to the EFH. Following this approval, we have placed a hold on the credits and are ready to purchase once the Corps issue a permit.

NEPA EA: Federal agency funds cannot be obligated on a project until the agency determines there is no significant environmental impact. The Scow Bay project is large enough that it requires an environmental analysis (EA) to inform the decision making. The lead federal agency for the environmental review is the Maritime Administration at US DOT (MARAD). The NEPA process also includes a consultation process with the State Historic Preservation Office. Due to delay in federal funding/grant processing, MARAD has not yet engaged with us in this effort. It is likely we will have a draft EA complete and ready for MARAD review when they initiate contact.

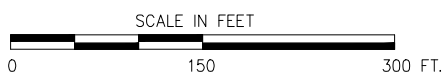
SUNFLOWER SEA STAR: The National Marine Fisheries Service review included conservation recommendations for the Sunflower Sea Star. In essence, if a sea star entered the project area during construction, all activity would need to stop until the sea star voluntarily relocated. For the contractor to relocate the sea star, we must obtain an incidental take permit under the Endangered Species Act. This requires a formal consultation process with NMFS.

TIDELAND CONVEYANCE: A portion of the proposed breakwater extends slightly beyond borough property. We've submitted a request to transfer additional state tidelands to the borough. We've requested an area large enough to not only accommodate the breakwater but also a possible future boat harbor at the Scow Bay location. It is our understanding that the DNR is in the process of drafting the preliminary decision authorizing the conveyance.

EXHIBIT A



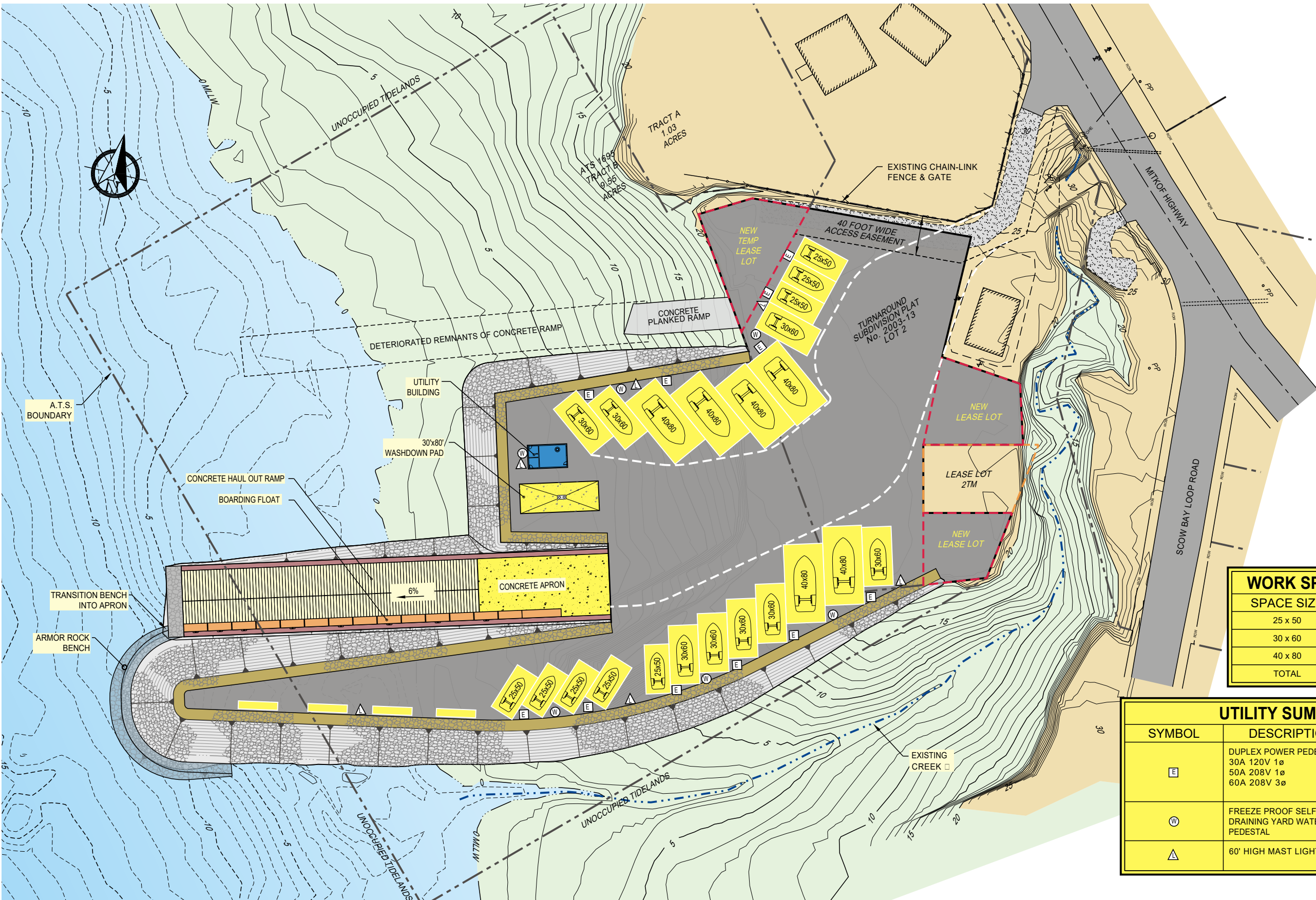
SITE PLAN



SCOW BAY VESSEL HAULOUT

APPLICANT: PETERSBURG BOROUGH
FILE NO.: POA-2010-00163
WATERWAY: WRANGELL NARROWS/SCOW BAY
PROPOSED ACTIVITY: VESSEL HAULOUT FACILITY CONSTRUCTION
SEC. 4 T. 59S R. 79E M COPPER RIVER MERIDIAN
LAT.: 56.7801°N **LONG.:** 132.9728°W
DATE: MAY 2025

PND#: 162046



WORK SPACE SUMMARY	
SPACE SIZE	QUANTITY
25 x 50	8
30 x 60	8
40 x 80	6
TOTAL	22

UTILITY SUMMARY		
SYMBOL	DESCRIPTION	QUANTITY
E	DUPLEX POWER PEDESTAL 30A 120V 1ø 50A 208V 1ø 60A 208V 3ø	11
W	FREEZE PROOF SELF DRAINING YARD WATER PEDESTAL	6
Δ	60' HIGH MAST LIGHT POLE	6



REVISIONS					
REV.	DATE	DESCRIPTION	DWN.	CKD.	APP.

P

N

D

ENGINEERS, INC.

9360 Glacier Highway Ste 100
Juneau, Alaska 99801

Phone: 907-586-2093
Fax: 907-586-2099
www.pndengineers.com

DESIGN: CRS
DRAWN: PJD

CHECKED: CRS
APPROVED: CRS

SCALE:
SCALE IN FEET
0 50 100 FT.

65%
DESIGN
DEVELOPMENT
SUBMITTAL

DATE: MAY 2025

PETERSBURG BOROUGH
SCOW BAY BOAT HAUL OUT

SHEET TITLE:
OPERATIONAL WORK SPACE LAYOUT

PND PROJECT NO.:162046.01 C.A.N. NO.:AECC250

C1.01

56

PETERSBURG BOROUGH
SCOW BAY BOAT HAULOUT - SITE IMPROVEMENTS
PND PROJECT 162046.08

PRELIMINARY COST ESTIMATE - PRE 65% DESIGN COMPLETION

PREPARED BY: PND ENGINEERS, INC.

Prepared on: May 19, 2025

BASE BID

Item	Item Description	Units	Quantity	Unit Cost	Amount
1505.1	Mobilization	LS	All Reqd	8%	\$832,652
2060.1	Demolition and Disposal	LS	All Reqd	\$40,000	\$40,000
2202.1	Usable Excavation	CY	5,000	\$22	\$110,000
2202.2	Class A Shot Rock Borrow	CY	10,400	\$36	\$374,400
2202.3	Class B Shot Rock Borrow	CY	79,800	\$32	\$2,553,600
2204.1	Base Course, Grading A	CY	1,330	\$65	\$86,450
2204.2	Base Course, Grading C-1	CY	3,700	\$65	\$240,500
2205.1	Salvage and Place Existing Armor Rock	CY	1,500	\$50	\$75,000
2205.2	Armor Rock	CY	15,180	\$85	\$1,290,300
2205.3	Underlayer Rock	CY	8,040	\$85	\$683,400
2501.1	Storm Drainage Improvements w/ BMP's	LS	All Reqd	\$200,000	\$200,000
2601.1	Water and Sewer Services	LF	2,500	\$100	\$250,000
2601.2	Sewer Lift Station	LS	All Reqd	\$125,000	\$125,000
2702.1	Construction Surveying	LS	All Reqd	\$75,000	\$75,000
2714.1	Geotextile Fabric	SY	2,000	\$10	\$20,000
3305.1	Concrete Abutment	CY	20	\$2,500	\$50,000
3305.2	CIP Concrete Apron	CY	320	\$1,750	\$560,000
3305.3	Precast Concrete Ramp Planks	CY	916	\$2,000	\$1,832,000
3306.1	Concrete Wash Down Pad w/ Hydronic Piping	CY	125	\$2,500	\$312,500
11000.1	Grit Chamber, O/W Separator, Filter Vault	LS	All Reqd	\$150,000	\$150,000
13000.1	Utility Building w/ Electric Hydronic Boiler	SF	960	\$500	\$480,000
16000.1	Power and Lighting	LS	All Reqd	\$900,000	\$900,000
ESTIMATED CONSTRUCTION BID PRICE					\$11,240,802
Contingency (10%)					\$1,124,080
Environmental Permitting /Compensatory Mitigation					\$150,000
Final Design & Contract Documents					\$264,000
Contract Administration and Construction Inspection					\$618,244
TOTAL RECOMMENDED PROJECT BUDGET - SITE IMPROVEMENTS					\$13,397,126

ADD ALT 1

Item	Item Description	Units	Quantity	Unit Cost	Amount
1505.1	Mobilization	LS	All Reqd	8%	\$75,600
2893.1	Timber Boarding Float	SF	2,750	\$300	\$825,000
2896.1	Furnish and Install Steel Pipe Pile	EA	8	\$15,000	\$120,000
ESTIMATED CONSTRUCTION BID PRICE					\$1,020,600
Contingency (10%)					\$102,060
Contract Administration and Construction Inspection					\$56,133
					\$1,178,793

Note: This estimate does not include costs for the 100 ton hydraulic trailer or the 150 ton amphibious boat hoist.

