



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda Borough Assembly Regular Meeting

Monday, August 16, 2021

6:00 PM

Assembly Chambers

You are invited to a Zoom webinar.

When: August 16, 2021 06:00 PM Alaska

Topic: Regular Assembly Meeting, August 16, 2021 6:00 pm

Please click the link below to join the webinar:

<https://zoom.us/j/93587857516?pwd=M1FtTWpodmY0UihwWGw2Z2IOM2ILUT09>

Passcode: 330107

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+1 301 715 8592 or +1 312 626 6799

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

There are no minutes available for approval.
4. **Amendment and Approval of Meeting Agenda**
5. **Public Hearings**
6. **Bid Awards**
7. **Persons to be Heard Related to Agenda**
Persons wishing to share their views on any item on today's agenda may do so at this time.
8. **Persons to be Heard Unrelated to Agenda**
Persons with views on subjects not on today's agenda may share those views at this time.
9. **Boards, Commission and Committee Reports**

10. Consent Agenda

11. Report of Other Officers

12. Mayor's Report

A. August 16, 2021 Mayor's Report

13. Manager's Report

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

14. Unfinished Business

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

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

15. New Business

A. Ordinance #2021-13: An Ordinance Amending Section 3.08.080 of the Municipal Code, Entitled "Quorum and Voting Requirements", To Allow Assembly Member Participation by Teleconference to be Counted for Purposes of Determining a Quorum.

Assembly Member Kensinger requested that an ordinance revision to allow Assembly Member participation by teleconference to be counted for purposes of determining a quorum.

B. COVID Committee and Borough Website COVID Dashboard

This agenda item was requested by Assembly Member Meucci.

C. Borough Manager Giesbrecht Performance Evaluation 2021

An Assembly Member will be selected to assist the Mayor at the Evaluation Conference for Borough Manager Giesbrecht.

16. Communications

A. Correspondence Received Since July 29, 2021

17. Assembly Discussion Items

A. Petersburg School District Reopening Plan

This agenda item was requested by Assembly Member Meucci.

B. Assembly Member Comments

C. Recognitions

18. Executive Session

The Assembly will adjourn to Executive Session to discuss the status of and strategy with respect to collective bargaining with the Petersburg Municipal Employees Association.

19. Adjourn

**Mayor's Report
For
August 16, 2021 Assembly Meeting**

1. **Condolences:** Mayor Mark Jensen and the Assembly extend their condolences to the friends and families for the loss of Palmer Thomassen and Chris Lopez.
2. **Seeking Letters of Interest:** The Assembly is seeking letters of interest from Borough residents who wish to serve the community by filling a vacant seat on the following Boards/Commissions until the October 2021 Municipal Election:

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

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

**PETERSBURG BOROUGH
ORDINANCE #2021-12**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

THEREFORE, THE PETERSBURG BOROUGH ORDAINS, as follows:

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

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

SECTION 3. Substantive Provisions:

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

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

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

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

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

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

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

- Yes
- No

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

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

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

SECTION 6. Severability: If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person and circumstance shall not be affected.

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

Passed and approved by the Petersburg Borough Assembly, Petersburg, Alaska,
this 16th day of August, 2021.

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, Borough Clerk

Adopted:
Published:
Effective:

**PETERSBURG BOROUGH
ORDINANCE #2021-13**

**AN ORDINANCE AMENDING SECTION 3.08.080 OF THE MUNICIPAL CODE, ENTITLED
“QUORUM AND VOTING REQUIREMENTS”, TO ALLOW ASSEMBLY MEMBER
PARTICIPATION BY TELECONFERENCE TO BE COUNTED FOR PURPOSES OF
DETERMINING A QUORUM**

Whereas, current municipal code states that members of the Assembly participating by teleconference will not be counted for purposes of determining a quorum; and

Whereas, the ability of Assembly members to attend meetings electronically has become more functional and accessible in the last several years, and at times is necessary due to emergency situations; and

Whereas, the Borough Assembly wishes to allow Assembly members participating by electronic means to be counted for purposes of determining a quorum.

Therefore, the Petersburg Borough Ordains, Section 3.08.080 is hereby amended to allow Assembly member participation by teleconference to be counted for purposes of determining a quorum.

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 allow Assembly member participation by teleconference to be counted for purposes of determining a quorum.

Section 3. Substantive Provisions: Section 3.08.080 of the Petersburg Borough Municipal Code is adopted as amended and shall read as follows:

3.08.080 - Quorum and voting requirements.

A. Four assembly members shall constitute a quorum for the transaction of business. The mayor shall be counted as an assembly member for quorum purposes.

B. An assembly member or members participating by teleconference shall ~~not~~ be counted for purposes of determining a quorum, however.

~~C. All~~ assembly members and the mayor should make reasonable effort to be physically present for every meeting.

C. Any assembly member or the mayor who fails to attend three regular meetings of the assembly per calendar year, either in person or by teleconference, without being excused by the assembly shall forfeit office. ~~A minimum of four assembly members must be physically present at the meeting for purposes of determining a quorum.~~

D. No assembly action is valid or binding unless adopted by the affirmative vote of four or more assembly members. All assembly members present at a meeting, either in person or by teleconference, are required to vote on matters before the assembly, subject to Section 19.03(A) of the borough Charter, and except as otherwise provided in this Code.

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

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

Passed and approved by the Petersburg Borough Assembly, Petersburg, Alaska this _____ day of _____, 2021.

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, Borough Clerk

Adopted:
Noticed:
Effective:

Debra Thompson

From: Donna Marsh <dwmmarsh430@msn.com>
Sent: Friday, August 6, 2021 11:12 PM
To: Assembly
Subject: Agenda item D, under New Business

Dear Assembly and Mayor Jensen:

Regarding the agenda item under new business, D, I am very concerned in that it presupposes that the voting public of Petersburg has already approved moving forward with a new hospital. I believe soliciting a letter of support from Senator Murkowski, even to secure preliminary funding, before the public has had its say is putting the cart before the horse.

Everything about a \$100,000,000+ new hospital for a town of 3000 people is beyond common sense and far exceeds local need.

Let's bring the issue to the voters first!

Respectfully,
Donna Marsh

Debra Thompson

From: PSD Superintendent <supt@pcsd.us>
Sent: Saturday, August 7, 2021 12:17 PM
To: Jody Tow; Kinley Lister; joe viehnicki; Debra Thompson; angela denning; Ben Muir; Stephen Giesbrecht; Assembly; M Tuccillo; Phillip Hofstetter; Bacom, Elizabeth; Erin Michael; Sandy Dixson
Subject: School Reopening Update 8.7.21
Attachments: School Reopening Update.pdf

Good afternoon! Please see the attached update for school reopening plans. The letter describes the process to date, with links to the latest CDC guidance and potential mitigation plans for the first few weeks of school. As always, the name of the game is flexibility and grace. The situation will continue to evolve over the coming weeks. Thank you for your patience and support! Erica

MISSION: Petersburg Schools will advocate for continuous growth, promote a healthy environment, and provide diverse educational opportunities where all students achieve.

Erica Kludt-Painter
Superintendent
Petersburg School District
P.O. Box 289
Petersburg, AK 99833

Phone and Fax: 1-877-526-7656

E-mail: supt@pcsd.us

Website: www.pcsd.us

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August 7, 2021

School Reopening Update

In May, the school district sent out a number of surveys to students, staff, and parents asking for feedback on how the year went, including successes and challenges, and hopes for the future. At a June work session, the school board discussed the survey results and reflected on the year's protocols and procedures. With the low case counts and rising vaccination rates, we were very hopeful to start the '21-'22 school year with reduced or minimal protocols (i.e. masking, etc.). We hired additional teachers to provide smaller class sizes at the elementary level again, but moved to a more typical schedule in the middle/high school without podding. Also in June, the Borough removed all mandates and disbanded the EOC.

On July 9, the CDC released guidance related to school reopening, and then released an update on July 27. Unfortunately, the rising case numbers and increased presence of the highly transmissible Delta variant in Alaska (and across the country) are creating further concerns for schools and communities. See [Updated CDC guidance as of 7.27.21](#). Here is the latest:

Given new evidence on the B.1.617.2 (Delta) variant, CDC has updated the [guidance for fully vaccinated people](#). CDC recommends universal indoor masking for all teachers, staff, students, and visitors to K-12 schools, regardless of vaccination status. Children should return to full-time in-person learning in the fall with layered prevention strategies in place.

The school board held a work session on July 30 to discuss this latest guidance and consider protocols for the upcoming school year. There is concern about the highly transmissible Delta variant and how it will impact our school and community. There is also concern about universal masking for all students and staff and how it affects teaching and learning. We discussed our "ideal" scenarios (optional masking, attention to hygiene/handwashing, strict symptom free protocols, increased antigen testing, adjusted travel protocols, etc.), acknowledging that we must consider CDC guidance in our reopening plans under the American Rescue Plan requirements as an entity that receives federal funding. As the State of Alaska has no current mandates, the CDC is our primary resource for our medical guidance.

At this point, we are still hopeful for reduced protocols once the school year is underway, but will have to monitor the case counts and evolving data/recommendations in the coming weeks. It is likely the district will start the school year with two weeks of universal indoor masking to get the school year underway after summer travel and to allow a "slow start" while other routines and procedures are being ironed out. Other than masking, nearly all other things will look very much like school has in the past, and we want to keep it that way (i.e. no podding during lunches, using the cafeterias regularly, full course offerings available to students, extracurricular activities, etc.). It is unlikely that plans will differentiate between vaccinated/unvaccinated for masking protocols during the school day. It will either be required universal for all or recommended masking for all. We welcome the community and Borough

Assembly discussing this new guidance in the coming weeks, as we cannot carry the burden of the community's public health alone.

Please be patient and know that this situation will continue to evolve over the coming weeks as we observe case counts and receive new information and recommendations. Our **primary focus** is keeping our students and staff healthy and **in school**. There is great concern that without universal masking we will have more students and staff out of the classroom more often as close contacts are required to quarantine when covid cases arise. We are weighing the impact to the community as a whole if Covid spreads within our schools. Regardless of our beliefs or opinions, positive cases and close contacts will still be subject to Public Health quarantine rules; we don't get to make or break the rules. If our learning is disrupted due to decreased mitigation strategies and rising case counts, protocols will be revisited.

A formal presentation and recommendation will be provided to the board during the meeting on Tuesday, August 10. You are encouraged to provide comments and suggestions prior to the meeting via email to exec@pcsd.us (Mara Lutomski). All emails will be forwarded to school board members. You are also welcome to provide feedback during the school board meeting during "Comments Related to Agenda Items." Please use this link [Ring Central Meeting Link](#) to attend the meeting virtually August 10th at 6:00 pm; Password: Viking. A detailed plan will be released after the board meeting discussion on August 10th, with an opportunity for additional feedback before finalizing.

Thank you all for your patience throughout this process. As you know, there are multiple voices to be heard and multiple considerations to be made to create the safest and least disruptive learning environment possible.

Respectfully,
Erica Kludt-Painter, Superintendent