



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda Borough Assembly Regular Meeting

Monday, August 17, 2026

6:00 PM

Assembly Chambers

Zoom Information

When: August 17, 2026 6:00 PM Alaska

Topic: Regular Assembly Meeting

<https://petersburgak-gov.zoom.us/j/86782651899?pwd=w7m4zDrV4N1ztBt8aBXzUvAjLBQTdC.1>

Webinar ID: 867 8265 1899

Passcode: 604090

Call-in (Audio Only) (253) 215-8782

- 1. Call To Order/Roll Call**
- 2. Voluntary Pledge of Allegiance**
- 3. Approval of Minutes**
 - A. Regular Assembly Meeting Minutes August 3, 2026**
- 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. Mayor's Report August 17, 2026

13. Manager's Report

A. Manager's Report August 17, 2026

14. Unfinished Business

A. Ordinance #2026-15: An Ordinance of the Assembly of the Petersburg Borough, Alaska, Amending Title 3 of the Petersburg Borough Code to Establish Nepotism Standards for Elected Officials - Third Reading

If approved in three readings, this ordinance will amend Title 3 of the Petersburg Borough Code to establish nepotism standards for elected officials, as required by the Borough Charter. The ordinance creates disclosure and recusal requirements when an elected official's family member has a substantial financial interest in a matter before the Borough and prohibits participation in certain employment-related decisions involving family members.

Ordinance #2026-15 was unanimously approved in its first and second readings.

B. Ordinance #2026-17: An Ordinance of the Assembly of the Petersburg Borough, Alaska, Establishing the Thomas Bay Service Area of the Borough, Providing for Its Governance and Financing, And Authorizing Use of Local Improvement Districts Within the Service Area - Third Reading

If approved in three readings, Ordinance #2026-17 establishes the Thomas Bay Service Area within the Petersburg Borough and creates a new chapter in the Borough Code defining its boundaries, services, and financing. The service area would include all property within ASLS 81-235, excluding the federally owned parcel, and would authorize the provision of services, such as fire and EMS, police, road construction and maintenance, and parks and recreation.

The ordinance does not mandate a specific level of service; the level and form of services, if any, will be determined subsequently by the Assembly through the annual budgeting process.

Because no voters reside within the proposed service area, its creation is based on the consent of the Borough and the State of Alaska as the sole property owners within the area.

A memo from Director Cabrera, a Letter of Consent from DNR and a map of the area are attached to this agenda item.

Ordinance #2026-17 was unanimously approved in its first and second readings.

C. Ordinance #2026-18: An Ordinance Amending Chapters 4.13, 4.16, 4.20, 4.27, and 14.18 of the Former City of Petersburg Code to Account for Borough Formation - Third Reading

If approved in three readings, this ordinance will update the Petersburg Municipal Code by removing outdated provisions, consolidating utility extension requirements into a single chapter, and updating Cabin Creek Road use fees. The changes are

intended to modernize code language, clarify utility extension procedures, and better reflect current Borough operations and costs.

Ordinance #2026-18 was unanimously approved in its first reading and in its second reading as amended.

15. New Business

A. Approval of Election Judges for the October 6, 2026 Municipal Election

Clerk Regula requests Assembly approval of the following local residents willing to perform the duties of election officials for the Petersburg Borough Municipal Election:

Joe Bertagnoli
Tim Chittenden
Angela Davis
Sally Dwyer
Susan Holmes
Karen Leatherman
Vanessa Martin
Karil Miller
Tracy Reid
Tina Sakamoto
Bev Siercks
Barb Steltz
Julianne Thompson
Cena Worhatch

B. Canvass and Certification of Municipal Election

Clerk Regula requests that the Assembly select a date to canvass and certify the results of the October 6th municipal election, in accordance with Petersburg Borough Code section 2.36.050, which requires certification to occur within seven days of the election. To meet this deadline, a special meeting is recommended for Friday, October 9th at noon.

C. Mayor's Request to Reschedule December Assembly Meeting

Mayor Lynn requests that the Assembly reschedule the first December Assembly meeting from Monday, December 7, 2026, at 12:00 p.m. to Monday, December 14, 2026, at 12:00 p.m. due to clerks' attendance at the Alaska Association of Municipal Clerks Conference in Anchorage.

16. Communications

A. Correspondence Received Since July 30, 2026

17. Assembly Discussion Items

A. Bear/Garbage Issues

Mayor Lynn and Member Meucci will provide an update on interagency coordination regarding bear activity and garbage management, including next steps.

B. Sales Tax Revenue Report

This discussion item requested by Member Meucci

C. Scow Bay Project Schedule

This discussion item requested by Member Meucci

D. Sanitation Department Vehicle Replacement Plan

This discussion item requested by Member Meucci

E. Senior Services Overview

This discussion item requested by Member Meucci

F. Assembly Member Comments

G. Recognitions

18. Adjourn



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes Borough Assembly Regular Meeting

Monday, August 03, 2026

6:00 PM

Assembly Chambers

1. Call To Order/Roll Call

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

PRESENT

Mayor Bob Lynn
Assembly Member Rob Schwartz
Vice Mayor Jeigh Stanton Gregor
Assembly Member James Valentine
Assembly Member Jeff Meucci
Assembly Member Bob Martin

EXCUSED

Assembly Member Scott Newman

2. Voluntary Pledge of Allegiance

The Pledge was recited.

3. Approval of Minutes

A. Regular Assembly Meeting Minutes July 20, 2026

The minutes of the July 20, 2026 meeting were unanimously approved as submitted.

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

Voting Yea: Mayor Lynn, Assembly Member Schwartz, Vice Mayor Stanton Gregor, Assembly Member Valentine, Assembly Member Meucci, Assembly Member Martin

4. Amendment and Approval of Meeting Agenda

The agenda was approved as submitted.

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

Voting Yea: Mayor Lynn, Assembly Member Schwartz, Vice Mayor Stanton Gregor, Assembly Member Valentine, Assembly Member Meucci, Assembly Member Martin

5. Public Hearings

A. Ordinance #2026-15: An Ordinance of the Assembly of the Petersburg Borough, Alaska, Amending Title 3 of the Petersburg Borough Code to Establish Nepotism Standards for Elected Officials

No testimony was given.

B. Ordinance #2026-16: An Ordinance Amending the Petersburg Municipal Code to Provide a Senior Sales Tax Exemption to Qualified Residents of the Borough 70 Years of Age or Older

No testimony was given.

C. Ordinance #2026-17: An Ordinance of the Assembly of the Petersburg Borough, Alaska, Establishing the Thomas Bay Service Area of the Borough, Providing for Its Governance and Financing, And Authorizing Use of Local Improvement Districts Within the Service Area

No testimony was given.

D. Ordinance #2026-18: An Ordinance Amending Chapters 4.13, 4.16, 4.20, 4.27, and 14.18 of the Former City of Petersburg Code to Account for Borough Formation

No testimony was given.

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.

Aaron Brown, a professional land surveyor representing Skylark Park LLC, explained that the developer is requesting an amendment to allow a 30-foot right-of-way instead of the previously agreed-upon 40-foot width. The proposal includes dedicating 5-foot slope easements on each side of the right-of-way to accommodate drainage infrastructure while preserving additional developable area within Tract A. Brown noted site design challenges related to nearby drainage features and stated he was available to answer questions and work toward a successful project outcome for all parties involved.

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.

Dave Beebe, representing himself, spoke in opposition to the proposed cell tower near residential areas, citing health concerns, visual impacts, and the FCC's failure to update EMF safety emission standards.

9. Boards, Commission and Committee Reports

There were no reports.

10. Consent Agenda

There were no consent agenda items.

11. Report of Other Officers

A. Petersburg Medical Center

PMC CEO Hofstetter updated the Assembly on Medical Center activities.

B. Petersburg School District

Superintendent Taylor provided an update on School District activities.

C. Clerk Election Report

Clerk Regula provided a report on election activities for the October 6, 2026 election.

12. Mayor's Report

A. Mayor's Report August 3, 2026

Mayor Lynn read his report into the record.

13. Manager's Report

A. Manager's Report August 3, 2026

Manager Giesbrecht read his report into the record.

14. Unfinished Business

A. Ordinance #2026-15: An Ordinance of the Assembly of the Petersburg Borough, Alaska, Amending Title 3 of the Petersburg Borough Code to Establish Nepotism Standards for Elected Officials - Second Reading

If approved in three readings, this ordinance will amend Title 3 of the Petersburg Borough Code to establish nepotism standards for elected officials, as required by the Borough Charter. The ordinance creates disclosure and recusal requirements when an elected official's family member has a substantial financial interest in a matter before the Borough and prohibits participation in certain employment-related decisions involving family members.

By unanimous Roll Call vote, Ordinance #2026-15 was unanimously approved in its second reading.

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

Voting Yea: Mayor Lynn, Assembly Member Schwartz, Vice Mayor Stanton Gregor, Assembly Member Valentine, Assembly Member Meucci, Assembly Member Martin

B. Ordinance #2026-16: An Ordinance Amending the Petersburg Municipal Code to Provide a Senior Sales Tax Exemption to Qualified Residents of the Borough 70 Years of Age or Older - Second Reading

The Borough has received and certified an initiative petition proposing a senior sales tax exemption for qualified Borough residents 70 years of age and older. Pursuant to PMC 2.44.080, this ordinance is being presented to the assembly for its consideration.

Adoption of this ordinance would not affect the existing senior sales tax exemption available to qualified Borough residents age 65 and older who participate in the Alaska Senior Benefits Program. Those residents would remain eligible for the current exemption. The proposed ordinance would create an additional exemption for qualified Borough residents age 70 and older.

If the assembly adopts a substantially similar measure, the initiative petition is void and the initiated matter is not put on the ballot, however, because this ordinance would create a sales tax exemption, it would still require voter ratification under Borough charter section 12.02B. If this ordinance is not adopted, the initiated matter will be submitted to the voters.

Ordinance #2026-16 failed due to lack of a second. The initiative petition will be on the October 6, 2026 ballot.

C. Ordinance #2026-17: An Ordinance of the Assembly of the Petersburg Borough, Alaska, Establishing the Thomas Bay Service Area of the Borough, Providing for Its Governance and Financing, And Authorizing Use of Local Improvement Districts Within the Service Area - Second Reading

If approved in three readings, Ordinance #2026-17 establishes the Thomas Bay Service Area within the Petersburg Borough and creates a new chapter in the Borough Code defining its boundaries, services, and financing. The service area would include all property within ASLS 81-235, excluding the federally owned parcel, and would authorize the provision of services, such as fire and EMS, police, road construction and maintenance, and parks and recreation.

By unanimous Roll Call vote, Ordinance #2026-17 was unanimously approved in its second reading.

D. Ordinance #2026-18: An Ordinance Amending Chapters 4.13, 4.16, 4.20, 4.27, and 14.18 of the Former City of Petersburg Code to Account for Borough Formation - Second Reading

If approved in three readings, this ordinance will update the Petersburg Municipal Code by removing outdated provisions, consolidating utility extension requirements into a single chapter, and updating Cabin Creek Road use fees. The changes are intended to modernize code language, clarify utility extension procedures, and better reflect current Borough operations and costs.

A motion was made to amend Section 5, Effective Date, of Ordinance #2026-18 to read:

This Ordinance shall become effective immediately upon final passage; **however, the provisions of former Section 14.18.040, Cost Participation in Extensions, shall continue to apply to an extension completed after August 2, 2021, and prior to**

the effective date of this ordinance, for a period of five years from the date of completion of the extension.

By unanimous Roll Call vote, Ordinance #2026-18 was unanimously approved as amended in its second reading.

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

Voting Yea: Mayor Lynn, Assembly Member Schwartz, Vice Mayor Stanton Gregor, Assembly Member Valentine, Assembly Member Meucci, Assembly Member Martin

E. Land Purchase Application

(Postponed from July 20, 2026 meeting)

The Borough has received an application from Brian Newman to purchase Borough- owned property at 1205 Lake Street. The Planning Commission held a public hearing on June 9, 2026, as required by PMC § 16.12.080, and recommends approval of the sale of the property. The assessed value of the property is \$15,000. The Planning Commission's Report is attached to this agenda item.

By unanimous roll call vote, the Assembly approved a direct negotiated sale of 1205 Lake Street to Brian Newman.

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

Voting Yea: Mayor Lynn, Assembly Member Schwartz, Vice Mayor Stanton Gregor, Assembly Member Valentine, Assembly Member Meucci, Assembly Member Martin

F. Special Use Permit - Lake Street Right of Way

(Postponed from July 20, 2026 meeting)

If approved, this Special Use Permit will allow Brian Newman to use a portion of the undeveloped Lake Street right-of-way for access to 1205 Lake Street. The Planning Commission recommended approval, contingent upon conveyance of the property to the applicant.

By unanimous Roll Call vote, the Special Use Permit to Brian Newman was approved.

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

Voting Yea: Mayor Lynn, Assembly Member Schwartz, Vice Mayor Stanton Gregor, Assembly Member Valentine, Assembly Member Meucci, Assembly Member Martin

15. New Business

- A. Resolution #2026-22: A Resolution Approving the Sole-Source Procurement of Advanced Metering Infrastructure Equipment from Eaton in the Amount Of \$372,035.62, Approving the Use of DOE Grant Funds Provided Through the Petersburg Indian Association and Power & Light Capital Funds, And Authorizing the Borough Manager to Execute All Necessary Purchase Documents**

If approved, this resolution will authorize the purchase of equipment needed to complete the Borough's AMI deployment project. Utility Director Harbour has provided a memo with more information which is attached to this agenda item.

Resolution #2026-22 was unanimously approved to authorize the sole-source procurement of Advanced Metering Infrastructure equipment from Eaton in an amount not to exceed \$372,035.62, approving the use of DOE grant funds and Power & Light Capital Funds, and authorizing the Borough Manager to execute all necessary purchase documents.

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

Voting Yea: Mayor Lynn, Assembly Member Schwartz, Vice Mayor Stanton Gregor, Assembly Member Valentine, Assembly Member Meucci, Assembly Member Martin

B. Approval of Contract Amendment for Scow Bay Generator No. 2 Project, Phase 2 Part A

Assembly approval is requested for a contract amendment with Dawson Construction, LLC for Phase 2, Part A of the Scow Bay Generator No. 2 Project. The amendment establishes a Guaranteed Maximum Price of \$1,492,844 for construction of the generator building, foundations, concrete work, and installation of major owner-furnished equipment.

By unanimous roll call vote, the Assembly approved a contract amendment with Dawson Construction, LLC for Phase 2, Part A of the Scow Bay Generator No. 2 Project, establishing a Guaranteed Maximum Price of \$1,492,844.

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

Voting Yea: Mayor Lynn, Assembly Member Schwartz, Vice Mayor Stanton Gregor, Assembly Member Valentine, Assembly Member Meucci, Assembly Member Martin

C. Skylark Development Agreement Amendment

Skylark LLC has requested relief from the Development Agreement's 40' right-of-way requirement for certain road segments within the proposed subdivision. Rather than platting a full 40' right-of-way throughout, the developer is proposing a 30-33' right-of-way supplemented by slope easements on the adjoining lots, which would achieve the functional equivalent of a 40' width.

By unanimous roll call vote, the Assembly authorized the Borough Manager to execute an amendment to Section 5(b)(i) of the Development Agreement dated October 31, 2025, between the Petersburg Borough and Skylark LLC, in a form approved by the Borough Attorney, clarifying that the 40' right-of-way width requirement is subject to the Planning Commission's existing authority to grant a platting variance under Borough code.

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

Voting Yea: Mayor Lynn, Assembly Member Schwartz, Vice Mayor Stanton Gregor, Assembly Member Valentine, Assembly Member Meucci, Assembly Member Martin

16. Communications

A. Correspondence Received Since July 16, 2026

17. Assembly Discussion Items

A. Assembly Member Comments

Member Valentine asked Public Works Director Marohl for an update on the Borough's efforts to obtain bear-resistant trash cans. Director Marohl reported that Defenders of Wildlife had previously contacted the Borough regarding a potential grant for bear-resistant cans. The Borough determined that approximately 300 cans would be needed, at an estimated cost of \$100,000 before shipping. The available grant funding was insufficient to purchase a meaningful number of cans.

Director Marohl advised that bear straps are available at no charge to residents with a Borough trash account and can be obtained from the Public Works office. A limited number are also available at the baler.

B. Recognitions

There were no recognitions.

18. Adjourn

The meeting was adjourned at 7:25 pm.

Motion made by Assembly Member Valentine, Seconded by Assembly Member Meucci.
Voting Yea: Mayor Lynn, Assembly Member Schwartz, Vice Mayor Stanton Gregor, Assembly Member Valentine, Assembly Member Meucci, Assembly Member Martin

**Mayor's Report
For
August 17, 2026 Assembly Meeting**

Filing for Candidacy for the October 6, 2026 Municipal Election: The filing period to run for an Assembly, Board or Commission seats for the Petersburg Borough ends on August 25, 2026 at 4:30 p.m.. Paperwork to file for candidacy is available on the Borough website or at the front desk of the Municipal Building.

Absentee and Early Voting Information for Municipal Election: Applications to request absentee ballots are available on the Borough website or upstairs in the municipal building. Early Voting will begin on September 16th from 11:00 am to 3:00 pm downstairs in the municipal building.

For more information on the election, go to www.petersburgak.gov and click on the orange banner at the top of the screen.

Alaska Department of Transportation (DOT): The Borough received a letter from the Alaska Department of Transportation (DOT) in response to the Borough Assembly's correspondence regarding snow removal on sidewalks and the bike path. The letter is included in the Communications section of this meeting packet. DOT has advised that it will be providing an additional piece of equipment to assist with snow removal efforts this coming winter.



**Borough Manager's Report
Assembly Meeting 17 August 2026**

- ❖ PMPL personnel have finished installing the thirteen new streetlights. The flag holders for the streetlights were shipped separately and should be arriving soon. The amount of light these fixtures throw across the street should make a big difference during the winter months.
- ❖ The line crew has been very busy with utility locates, tree cutting, and removing obsolete equipment and line structures as well as new services.
- ❖ Approximately twelve hundred new meters have been ordered for the continued deployment of the new metering system.
- ❖ PMPL is moving forward with implementation of the CivicPlus Mass Notification System. The system will provide a more effective way to quickly notify customers of outages, emergencies, planned work, and other important utility information through text, email, and other communication channels. More information will be coming shortly.
- ❖ Upon the reopening of the pool, lifeguards will undergo a thorough and extensive skills check to refresh their amazing skills. If you are interested in becoming a lifeguard, please contact Scott Burt at the Community Center.
- ❖ Youth Basketball at Parks and Rec is gearing up! Registration is now open on their website or stop in to get registered! Support staff are always needed for scorekeeping and referees, please contact Julie Anderson to sign up.
- ❖ We would like to remind trail visitors to be courteous of other users. Foot traffic only on City Creek Trail and remember to leash and pick up after your pets at any public space per Petersburg Borough Municipal Code.
- ❖ Reminder to boaters of the no wake zone outside all 3 harbors and responsibilities for wake damage on the owner/operator. Please contact the Harbor or Police Department if wake is noticed.
- ❖ Streets Crews assisted the Water Division in locating and repairing a water-main leak on Haugen Drive. They are also preparing for another round of repairs on Sing Lee Alley bridge.
- ❖ Crane consultants are scheduled to certify the four-post lift, boom truck, shop bridge crane, and manlift.
- ❖ A second surplus equipment auction is forthcoming. Among other items, Public Works will be offering a CAT 950-wheel loader for sale.

- ❖ Sanitation Staff are cross training another Public Works employee to provide coverage while short-staffed.
- ❖ Sanitation is also coordinating with Tongard Construction to remove the scrap-metal pile for recycling.
- ❖ ADEC's biennial landfill inspection is scheduled for September 10th. Another supply of bear straps has been ordered. Bear straps are available at Public Works and at the Baler Facility at no charge.
- ❖ Building Maintenance staff transported obsolete equipment from the library to the landfill and delivered bins of books to the baler for recycling. They also refilled the museum fountain, inspected its pump, and repaired a toilet flange at the assisted-living facility.
- ❖ Wastewater staff have been addressing pump failures, completing groundskeeping, and performing routine maintenance and minor repairs. The crew is also keeping up with routine laboratory work and daily operations.
- ❖ We continue to be critically understaffed in Dispatch, the PD, Finance and Assisted Living. We are hoping to finalize the PMEA union contract soon so negotiated wage increases can be implemented.
- ❖ The Jail had a surprise audit of our juvenile functions in the jail. Passed with no issues.
- ❖ We continue to work with the Hospital on the possibility of them helping us out with Assisted Living. We continue to have challenges with the costs and staffing.
- ❖ Water Staff identified and isolated another serious leak on Haugen Drive. Public Works crews repaired the line, reducing water loss by nearly 250,000 gallons per day. The plant is currently producing an average of 1.7 million gallons per day to meet demand.
- ❖ Western Dock & Bridge has completed installation of the new Banana Point breakwater ahead of schedule. Thank you to Petersburg Indian Association and Denali Commission for the financial support that made this project possible.
- ❖ Public Works will receive the Clearwell Replacement Project's 65% design plans from GV Jones Inc. The firm will also schedule an in-person visit to the water plant to gather additional information for the Clearwell Project.
- ❖

**PETERSBURG BOROUGH
ORDINANCE NO. 2026-15**

**AN ORDINANCE OF THE ASSEMBLY OF THE PETERSBURG BOROUGH,
ALASKA, AMENDING TITLE 3 OF THE PETERSBURG BOROUGH CODE TO
ESTABLISH NEPOTISM STANDARDS FOR ELECTED OFFICIALS**

WHEREAS, Borough Charter Section 19.03C provides that the Assembly shall adopt standards and procedures addressing nepotism; and

WHEREAS, the Borough Assembly recognizes the importance of maintaining public confidence in the integrity, fairness, and transparency of borough governance; and

WHEREAS, this ordinance is to apply to all elected officials of the Borough, excepting the School Board, which has its own adopted conflict of interest provisions; and

WHEREAS, the purpose of this ordinance is to establish clear standards regarding nepotism, disclosure, and recusal in order to prevent conflicts of interest and the appearance of impropriety in official actions; and

WHEREAS, the Assembly finds that adopting these standards provides guidance to elected officials, promotes ethical decision-making, and serves the best interests of the Petersburg Borough and its residents.

NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Petersburg Borough, Alaska, as follows:

Section 1. Classification.

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

Section 2. Purpose.

The purpose of this ordinance is to establish nepotism standards for elected officials of the Borough, excepting the School Board.

Section 3. Substantive Provisions.

The Petersburg Borough Code is amended by adding a new section 3.04.070, to read as follows:

3.04.070 – Nepotism

A. Purpose. The purpose of this section is to promote public confidence in the integrity of borough elected officials and to prevent nepotism and the appearance of conflicts of interest in employment decisions and official actions taken by elected officials.

B. Definitions. For purposes of this section:

**PETERSBURG BOROUGH
ORDINANCE NO. 2026-15**

1. **“Elected Official”** means a member of the Borough Assembly, including the Mayor, Planning Commission, and any other elected borough board or commission. This does not include a member of the Borough School Board.
2. **“Family Member”** means an elected official’s spouse or domestic partner; children, including step-children, adopted children, and foster children; grandchildren; parents, including step-parents; grandparents; siblings, including half-siblings or step-siblings; and in-laws, including mother-in-law, father-in-law, brother-in-law, and sister-in-law.
3. **“Official Action”** means any decision, recommendation, approval, disapproval, discussion, or vote on a matter before the body on which the elected official serves.
4. **“Substantial Financial Interest”** means a direct financial, employment, contractual, or ownership interest that could reasonably be expected to result in a material financial or economic benefit or detriment to a family member of an elected official. The term does not include interests that are minimal, remote, or speculative.

C. Prohibitions.

1. An elected official shall not participate in, influence or attempt to influence, or vote on, any decision regarding the hiring, promotion, compensation, discipline, supervision, evaluation, or termination of a family member for any position of employment with the borough. This is not intended to prohibit a member of the Assembly from participating in proceedings related to, and voting on, the Borough budget or union contracts.
2. An elected official shall not participate in, influence or attempt to influence or vote on, any official action in which a family member has a substantial financial interest, unless the action is generally applicable legislation affecting a broad class of persons to substantially the same degree or affecting the community as a whole.

D. Disclosure and Recusal. An elected official shall disclose any substantial financial interest involving a family member prior to discussion or official action on the matter. If an interest is declared, the official shall refrain from participating, debating, or voting on the issue, unless after disclosure of the interest the official's participation is approved in a public meeting by the majority of the body on which the elected official sits.

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.

**PETERSBURG BOROUGH
ORDINANCE NO. 2026-15**

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

PASSED and APPROVED by the Assembly of the Petersburg Borough, Alaska this 17th day of August, 2026.

Robert Lynn, Mayor

ATTEST:

Rebecca Regula, Borough Clerk

**PETERSBURG BOROUGH
ORDINANCE NO. 2026-17**

**AN ORDINANCE OF THE ASSEMBLY OF THE PETERSBURG BOROUGH, ALASKA,
ESTABLISHING THE THOMAS BAY SERVICE AREA OF THE BOROUGH, PROVIDING FOR
ITS GOVERNANCE AND FINANCING, AND AUTHORIZING USE OF LOCAL IMPROVEMENT
DISTRICTS WITHIN THE SERVICE AREA.**

WHEREAS, Sections 14.03 and 14.04 of the Petersburg Borough Home Rule Charter authorize the creation of service areas within the borough to provide services not provided on an areawide basis, based upon need and economic operating efficiency; and

WHEREAS, the Assembly wishes to create a service area encompassing ASLS 81-235 in the area of Thomas Bay, excluding the federally owned parcel, as further shown on Exhibit A; and

WHEREAS, as required under Section 14.04, the Assembly has determined that the services anticipated to be provided within the Thomas Bay Service Area cannot be reasonably provided by an existing service area or by the alteration of an existing service area; and

WHEREAS, under subsection 14.03A(2) of the Charter, a service area is created by Assembly ordinance approved by voters residing within the proposed new service area or by consent of all real property owners within the area if no voters reside in the area; and

WHEREAS, no voters reside in the proposed service area, and the entirety of real property located within the proposed service area is owned by the Petersburg Borough or the State of Alaska; and

WHEREAS, the Alaska Department of Natural Resources, on behalf of the State of Alaska, has granted written consent to include the state-owned parcels within the proposed Thomas Bay Service Area (see, Exhibit B);

WHEREAS, a public hearing was conducted on August 3, 2026, in accordance with the Petersburg Borough Code; and

WHEREAS, the Assembly has determined that providing essential fire, emergency response, and police services, road maintenance, the construction, repair, and/or upgrade of local roads, and opportunities for public recreation constitute services necessary for the development and use of the area.

**NOW, BE IT ORDAINED BY THE ASSEMBLY OF THE PETERSBURG BOROUGH, ALASKA,
AS FOLLOWS:**

Section 1. Classification:

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

Section 2. Purpose:

The purpose of this ordinance is to establish a service area, known as Thomas Bay Service Area, within the Petersburg Borough, Alaska, for the purpose of providing certain municipal services within its boundaries that are not provided on an areawide basis.

**PETERSBURG BOROUGH
ORDINANCE NO. 2026-17**

Section 3. Substantive Provisions: The Petersburg Borough Municipal Code is hereby amended as follows. The language proposed for addition is bold and underlined:

A. Amendment. Section 4.12.010 of Chapter 4.12, *Local Improvement Districts*, is hereby amended to add and/or modify the following:

4.12.010 - Applicability.

A. Provisions of this chapter shall apply to the creation of a local improvement district (hereinafter "LID") to provide for a property owner-funded capital improvement project within the LID for extensions of borough streets, curbs and sidewalks, paving, utilities, or any combination thereof in the borough-controlled public rights-of-way, at the request of the owners of land benefited by the proposed project, where such project may be done by borough personnel or under contract let by the borough. This chapter shall also have application to other types of capital improvements upon a specific resolution adopted by the borough assembly which authorizes the procedures of this chapter, subject to such limitations, if any, as may be recited in the resolution.

B. The assembly may assess against the properties within an LID all or a portion of the cost of the capital improvement. All such capital improvements shall be owned by the borough, regardless of whether the project was wholly or partially property owner-funded under this chapter.

C. This chapter shall apply within Service Area 1 **and the Thomas Bay Service Area** only.

B. New Chapter. Title 4 *Revenue and Finance*, is hereby amended to add a new Chapter 4.85, entitled *Thomas Bay Service Area*, to read as follows:

Chapter 4.85 – THOMAS BAY SERVICE AREA

4.85.010. Creation and Boundaries. **The Thomas Bay Service Area within the Petersburg Borough is created with boundaries incorporating all real property located within Alaska State Land Survey No. 81-235, recorded on October 21, 1982 in the Petersburg Recording District as Plat No. 82-16, excepting the federally owned parcel described as Tract B-2, Plat No. 93-2.**

4.85.020. Services.

A. The borough services that may be provided within the Thomas Bay Service Area are as follows:

1. Fire and Emergency Medical Services;

2. Police Services;

3. Road Construction (which may also be provided by creation of a local improvement district under Article 16 of the Borough Charter);

4. Road Repair and Maintenance; and

5. Parks and Recreation.

**PETERSBURG BOROUGH
ORDINANCE NO. 2026-17**

B. Creation of the service area does not guarantee the provision of the services set out above, or any specific level of service, which shall be determined subsequently by the Assembly through the budgeting process.

4.85.030. Financing.

A. Authority to Levy Tax. Under Petersburg Borough Charter Section 14.03, the Assembly is authorized to levy taxes, assessments, or other charges to pay for the costs of the Thomas Bay Service Area. The rate of tax levy shall not cause the taxes on real property to exceed the maximum established under Section 12.03 of the Borough Charter.

B. Use of Revenue. Revenue generated through taxes, assessments, and other charges under paragraph A above shall be segregated and used exclusively to pay the costs of the Thomas Bay Service Area, including capital, operating, and administrative costs, and for performance of services, including construction and maintenance.

Section 4. Consent to Creation of Thomas Bay Service Area

The Borough Assembly, on behalf of the Petersburg Borough, hereby consents to the creation of the Thomas Bay Service Area. In conjunction with the consent of the State of Alaska, this meets the requirements of Borough Charter, Subsection 14.03A(2), for creation of the service area.

Section 5. Effective Date

This ordinance will take effect immediately upon adoption.

PASSED and APPROVED by the Assembly of the Petersburg Borough, Alaska this 17th day of August, 2026.

Robert Lynn, Mayor

ATTEST:

Rebecca Regula, Borough Clerk

MEMORANDUM

Thomas Bay Service Area | Ordinance No. 2026-17

TO:	Petersburg Borough Assembly
FROM:	Liz Cabrera, Community Development Director
DATE:	June 22, 2026
RE:	Ordinance No. 2026-17 - Establishment of the Thomas Bay Service Area

Purpose & Background

This memorandum supports the Assembly's review of Ordinance No. 2026-17, which establishes the Thomas Bay Service Area (TBSA) within the Petersburg Borough. The ordinance creates the legal and fiscal framework necessary for the Borough to respond to future service needs in Thomas Bay as parcels are considered for sale, conveyed into private ownership or as public use increases. Establishing the service area now preserves the Assembly's ability to authorize, fund, or coordinate services such as emergency response, access improvements, road maintenance, and recreation-related improvements if future conditions warrant. Adoption of the ordinance does not itself require immediate service delivery, set a tax rate, or obligate Borough expenditures absent later Assembly appropriation.

The proposed service area encompasses all real property within Alaska State Land Survey No. 81-235 (Plat No. 82-16, recorded October 21, 1982, Petersburg Recording District), excluding the federally owned Tract B-2 (Plat No. 93-2). The Petersburg Borough currently owns 154 lots, while the State of Alaska owns 4 parcels. No voters currently reside within the proposed service area.

The Thomas Bay subdivision was conveyed to the Borough in 2023, and the Borough has received public interest in purchasing parcels within the area. Establishing the TBSA before parcel sales occur allows the Assembly to address future emergency response, access, road maintenance, and recreation-related needs within a defined service-area structure. This approach preserves future options while leaving service levels, funding methods, and expenditures subject to later Assembly action.

Legal Authority & Consent Requirements

The ordinance derives authority from the Petersburg Borough Home Rule Charter, Sections 14.03 and 14.04, which authorize the Assembly to create service areas to provide services not delivered on an areawide basis, provided two conditions are met:

- Need and economic operating efficiency justify creation of a distinct service area; and
- The proposed services cannot reasonably be provided by an existing or altered service area.

Because no voters reside within the proposed area, Charter subsection 14.03A(2) permits creation by Assembly ordinance with written consent of all real property owners in lieu of a public election. The Petersburg Borough (as property owner) consents through the ordinance itself. The Alaska Department of Natural Resources has provided written consent on behalf of the State of Alaska (Exhibit B). Consent is thereby legally complete.

Proposed Services

If adopted, the Thomas Bay Service Area would be authorized — subject to annual Assembly appropriation — to provide the following services:

- Fire and Emergency Medical Services

- Police Services
- Road Construction (anticipated to be accomplished primarily through contracts with private-sector contractors; may also be provided through Local Improvement Districts under Charter Article 16)
- Road Repair and Maintenance (anticipated to be accomplished primarily through private-sector contracts)
- Parks and Recreation

Assembly Discretion Preserved

What this Ordinance Does and Does Not Require

Authorization of services listed does not mandate or guarantee any specific response model in Thomas Bay. The level and form of services — if any — is determined subsequently by the Assembly through the annual budgeting process (§ 4.85.020.B). The authorization simply ensures the Borough has the proper service-area authority to fund and direct fire, EMS, law-enforcement assistance when emergency response in Thomas Bay makes it necessary, as well as providing the other services listed in the ordinance.

Rationale for Including Services in the TBSA

A. Fire and EMS Services

The Thomas Bay subdivision is newly acquired Borough property and may transition into private ownership over time; the Borough should establish service-area authority before parcel sales and development create new emergency-response expectations. Including fire and EMS authority gives the Borough a lawful structure to support emergency response when needed, while preserving the Assembly's discretion over whether, when, and how any service is funded.

B. Police Services

Including police services in the TBSA authorization recognizes that some fire and EMS responses may require law-enforcement support before responders can safely proceed. EMS personnel must assess whether a scene is safe before initiating patient contact and may need to wait for law-enforcement assistance if a scene presents safety concerns or if a criminal matter becomes apparent during the response. Examples may include domestic violence and assault calls, intoxicated or combative patients, weapons on scene, death investigations and unattended deaths and calls initially reported as medical that turn out to involve criminal activity.

Authorizing police services does not require the Borough to establish a specific law-enforcement response model for Thomas Bay. Rather, it preserves the Assembly's ability to fund or coordinate law-enforcement support if future fire, EMS, or public-safety needs make that appropriate.

Because Thomas Bay is remote, timely outside law-enforcement support may not always be available. The closest blue-shirt Alaska State Trooper patrol posts in Southeast Alaska are in Juneau, Sitka, and Ketchikan. Petersburg has Alaska Wildlife Troopers, but their availability and role may differ from a local AST patrol post for general law-enforcement backup. Including police services in the TBSA therefore gives the Borough flexibility to evaluate and coordinate appropriate support if service needs develop.

C. Road Construction

Road construction authority is needed because the subdivision includes existing roads, but not all lots have practical road access. As parcels are sold or considered for sale, the Borough should have authority to address future access needs through private-sector contracts and, where appropriate, Local Improvement Districts so benefited property owners can help fund capital improvements without requiring immediate general service-area expenditures.

D. Road Repair and Maintenance

Road repair and maintenance authority is included to allow the Borough to address access, safety, drainage, and preservation needs as public use, parcel ownership, and development interest evolve. Work is expected

to be contracted as needed, rather than supported by Borough equipment staged in Thomas Bay, which keeps the authorization flexible and cost-conscious.

E. Parks and Recreation

Parks and recreation authority is appropriate because Thomas Bay is used primarily for outdoor recreation, including hiking, fishing, hunting, and related low-impact activities. The authorization would allow the Borough to consider future trails, picnic areas, signage, or other modest recreational improvements if future demand and funding justify them.

Financing Structure

Under Charter Section 14.03 and the proposed Chapter 4.85.030, the Assembly would be authorized to levy taxes, assessments, or other charges to fund TBSA operations and capital needs. Fiscal safeguards include:

- Tax levy rates may not cause real property taxes to exceed the maximum set under Charter Section 12.03.
- All TBSA revenue must be segregated and used exclusively for TBSA costs — capital, operating, and administrative.
- Local Improvement Districts may now be created within the TBSA for property owner-funded capital projects under the amended § 4.12.010 — an expansion of LID authority beyond its current scope. Currently, LID authority under Chapter 4.12 is limited to Service Area 1. The amendment to § 4.12.010.C expands that authority to include the Thomas Bay Service Area, giving the Borough a new tool to fund capital improvements — such as road construction — through assessments on benefited properties rather than general TBSA taxation alone.

Governance Structure

The assembly may provide an appointed or elected board to supervise the furnishing of services in a service area or may exercise such supervision by itself. The assembly or board shall determine the cost and levels of service, the means, methods and facilities for providing the service and all requirements for receiving the service. Long-term governance of the TBSA (e.g., service area board) is not addressed and may warrant future action.

Sectional Analysis

The table below summarizes each section of Ordinance No. 2026-17 and its significance for Assembly decision-making.

Section	Title	Key Provision	Decision Impact
Sec. 1	Classification	Declares the ordinance general and permanent; requires codification in the Petersburg Municipal Code.	Permanent legal effect — not temporary or administrative.
Sec. 2	Purpose	Establishes the TBSA to provide services not available on an areawide basis within the defined boundary.	Sets the statutory rationale and geographic scope.
Sec. 3.A (§ 4.12.010)	LID Applicability Amendment	Expands Local Improvement District (LID) authority — currently limited to Service Area 1 — to include the Thomas Bay Service Area. LIDs enable property owner-funded capital improvements such as road construction.	Provides a financing tool for TBSA capital projects.
Sec. 3.B (§ 4.85.010)	Creation & Boundaries	Creates the TBSA within ASLS 81-235, excluding federally owned Tract B-2.	Defines the legal boundary. See Exhibit A map.
Sec. 3.B (§ 4.85.020)	Authorized Services	Lists five service categories: fire/EMS, police services, road construction, road	Assembly retains full budget discretion — no

		maintenance, and parks and recreation. No service level is guaranteed; all subject to Assembly appropriation.	expenditure is required by adoption of the ordinance alone.
Sec. 3.B (§ 4.85.030)	Financing Authority	Authorizes taxes, assessments, and charges; mandates revenue segregation; caps levy per Charter § 12.03.	Mechanism exists but no rate is set for area services.
Sec. 4	Consent	Borough consents on behalf of itself; combined with State of Alaska consent, satisfies Charter § 14.03A(2).	Legally completes the consent requirement — no voter election is required.
Sec. 5	Effective Date	Ordinance takes effect immediately upon adoption.	

Prepared by Borough Administration



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Natural Resources

DIVISION OF MINING, LAND & WATER

Director's Office

550 West 7th Avenue, Suite 1070

Anchorage, Alaska 99501-3579

Main: 907.269.8600

TTY: 711 or 800-770-8973

Fax: 907.269.8904

May 28, 2026

Petersburg Borough Assembly
PO Box 329
Petersburg Alaska, 99833

Subject: Non-Objection to the Creation of a Service Area in Thomas Bay region, Petersburg, AK

To: Petersburg Borough Assembly

The Department of Natural Resources, Division of Mining, Land and Water (DMLW) has reviewed the Petersburg Borough's request for written consent to create a service area in the Thomas Bay region in Petersburg, Alaska. The request was submitted to satisfy requirements under Section 14.03(A)(2) of the Petersburg Borough Charter, which authorizes the assembly to establish new service areas when the ordinance describes the boundaries and specifies the powers to be exercised, and obtains written consent from all real-property owners when no voters reside within the proposed area.

Based on the materials provided and DMLW's review of the state-managed lands within the proposed boundaries, DMLW confirms that the State of Alaska is the owner of real property located within the proposed Thomas Bay Service Area. After evaluating the proposed boundary and powers to be exercised in the proposed service area, DMLW has no objection to the Petersburg Borough's creation of a service area as described.

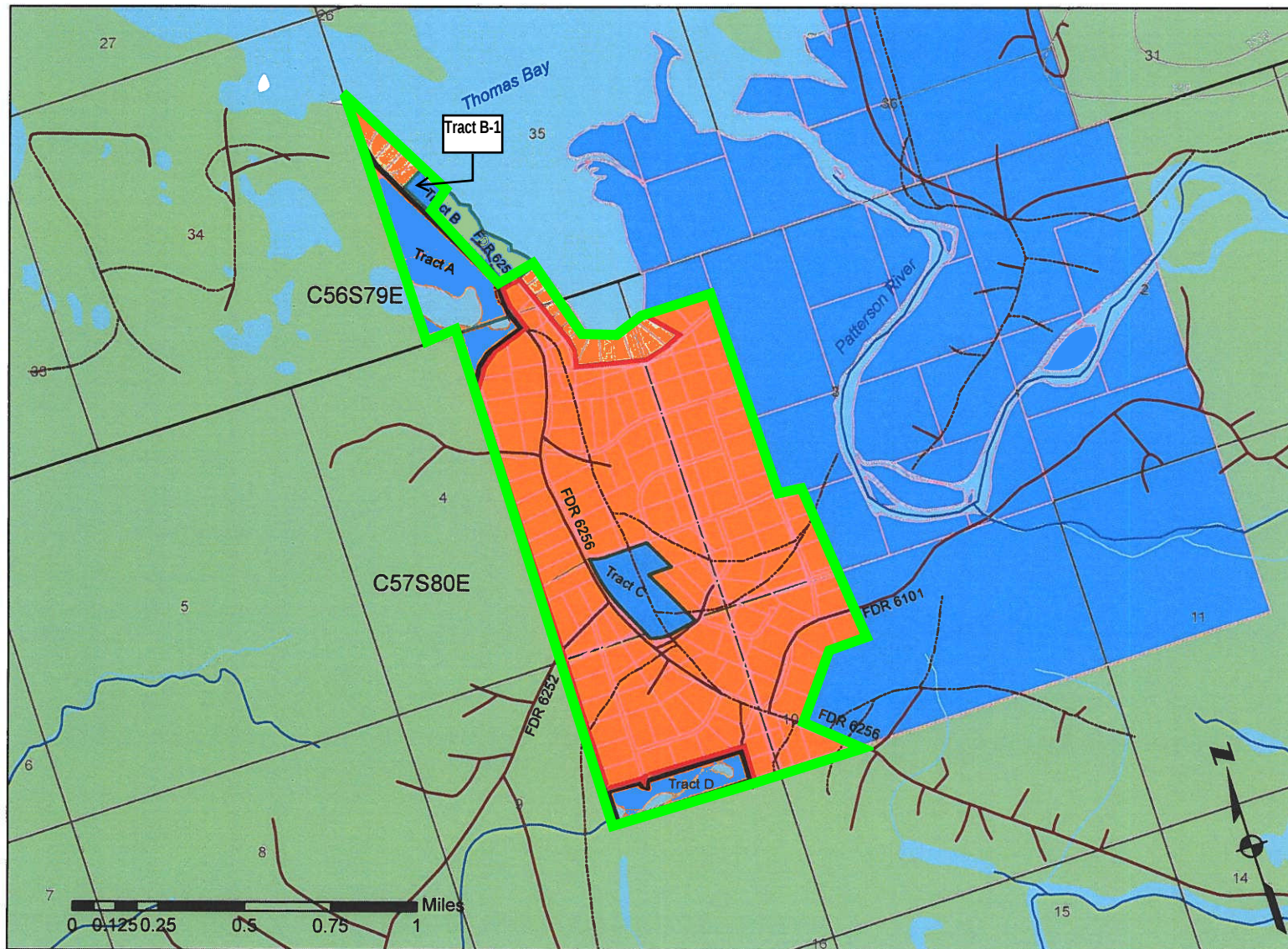
This letter constitutes DMLW's written consent for the purposes of the Petersburg Borough Charter Section 14.03(A)(2). This consent is limited to the establishment of the service area and does not authorize any specific land use activity or approval of any project, permit, or development that may subsequently be proposed within the service area. Under Alaska law, state-owned land is exempt from municipal property taxation because the State of Alaska is not a taxable entity. All future activities on state land remain subject to applicable state laws and regulations.

Sincerely,

A handwritten signature in cursive script that reads "Christy Colles".

Christy Colles
DMLW Director

Cc: Rachel Longacre, Chief of Operations
Hannah Uher-Koch, Section Chief



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

Petersburg Borough Proposed Thomas Bay Service Area

Thomas Bay Subdivision
ADL 108981

Legend

- Anadromous Stream
- Other Forest Roads
- Forest Development Road
- Surveyed Tracts
- Surveyed Lots
- Petersburg Borough Lands
- Proposed Service Area Boundary
- State Land, TA or Patented
- USFS Land



PETERSBURG BOROUGH

ORDINANCE #2026-18

AN ORDINANCE AMENDING CHAPTERS 4.13, 4.16, 4.20, 4.27, AND 14.18 OF THE FORMER CITY OF PETERSBURG CODE TO ACCOUNT FOR BOROUGH FORMATION

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

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

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

Whereas, Chapters 4.13 (*Local Improvements by Private Contractor*), 4.16 (*Street Extensions by City*), and 4.20 (*Utility Extension by City*) are outdated or their contents are addressed in the updated version of Chapter 14.18, and thus they can be deleted in their entirety; and

Whereas, Chapters 4.27 (*Road Use Fees*) and 14.18 (*Municipal Utility Extensions*) of the former City of Petersburg Code, require changes in order to move them into the current municipal code.

Therefore, the Petersburg Borough Ordains, Chapters 4.13 (*Local Improvements by Private Contractor*), 4.16 (*Street Extensions by City*), 4.20 (*Utility Extension by City*), 4.27 (*Road Use Fees*) and 14.18 (*Municipal Utility Extensions*) of the Petersburg Municipal Code are hereby amended, as follows:

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

Section 2. Purpose: The purpose of this ordinance is to update the language to the municipal code to consolidate water, sewer, and electric utility extensions in one chapter, and to update road use fees regarding Cabin Creek Road, which have not been updated since 1999.

Section 3. Substantive Provisions:

A. **Amendment.** Chapter 4.13, *Local Improvements by Private Contractor*, of the Petersburg Municipal Code is hereby deleted in its entirety:

~~Chapter 4.13 LOCAL IMPROVEMENTS BY PRIVATE CONTRACTOR~~

~~4.13.010 Contract with landowners.~~

~~The owner or owners of land adjacent to a city owned right of way may contract with a private contractor for the construction of streets, water and/or sewer in the right of way.~~

~~4.13.020 Dedicated street.~~

~~The proposed street must have been dedicated as a city owned right of way from a plat approved by the city council of the city of Petersburg.~~

~~4.13.030 Submission of plans.~~

~~Engineering plans for the project shall be submitted to the city public works superintendent. The public works superintendent shall review the plans, and within thirty days, approve or disapprove of the plans. Upon approval by the public works superintendent, the engineering plans shall be submitted to the Department of Environmental Conservation in accordance with Alaska State Statute 46.03.070 and~~

PETERSBURG BOROUGH
ORDINANCE #2026-18

comply with the regulations set forth therein and with Sections 72.060 and 80.100 of Title 18 of the Alaska Administrative Code.

~~4.13.040 Valid contractor's license required.~~

~~The contractor for the project will hold a valid contractor's license for the state of Alaska and all appropriate permits and licenses necessary for contractual construction in the state of Alaska.~~

~~4.13.050 Contractual agreement.~~

~~The contractual agreement between the property owner(s) and the contractor is expressly between those parties and does not involve the city in any way except for the following stipulations:~~

- ~~A. — A bond for ten percent of the total project cost must be posted with the city to guarantee timely and satisfactory completion of the project.~~
- ~~B. — The city council shall specify the date for completion of the project.~~
- ~~C. — The public works superintendent shall inform the contractor of the specifications of installation of water and sewer lines and construction of streets which are acceptable to the city.~~
- ~~D. — The contractor will pay the city for the services of a city inspector who will be at the job site at the direction and discretion of the superintendent of public works. The fee/salary of the inspector shall be set by the superintendent of public works.~~

~~4.13.060 Bond and fines.~~

~~The ten percent bond will be refunded to the contractor upon satisfactory and timely completion of the project. The city will have the right to impose a five percent of the contract, per day, fine for each day of incompletion after the date set for completion. The contractor will have the right to apply for additional contract days due to weather, unavailability of materials or machinery breakdown.~~

~~4.13.070 Nonliability of city.~~

~~The city cannot be held responsible for nonpayment or failure of either party (owner(s) or contractor) of the contract.~~

~~4.13.080 City designated owner of street, water and sewer installation.~~

~~Upon successful completion of the street, water and/or sewer project, and within the specifications of the construction of same, the city will accept the street, water and/or sewer installation as owner, and maintain same as otherwise provided in this chapter.]~~

B. Amendment. Chapter 4.16, *Street Extensions by City*, of the Petersburg Municipal Code is hereby deleted in its entirety:

~~[Chapter 4.16 STREET EXTENSIONS BY CITY~~

~~4.16.010 Applicability.~~

~~Provisions of this chapter shall apply to construction of streets by the city in those areas where the city owns all of the adjacent property, and the streets are being extended in the course of the city's comprehensive growth and development program, undertaken unilaterally by the city. "Streets" may include curb and sidewalk.~~

~~4.16.020 Intent.~~

~~It is the intent of this chapter to establish incremental improvement valuation for prospective sale purposes on the properties receiving the benefit from the extension.~~

~~4.16.030 Calculation of assessment.~~

~~A rate per foot will be determined by taking the as-built cost of the street extension and dividing it by the total front footage of all the adjacent properties on both sides of the street extension. This rate per foot will then be used to determine the assessment to each property by multiplying the rate per foot by the front footage of each property.~~

~~4.16.040 Treatment of adjacent properties.~~

~~The city shall apply the adjacent property rule to city extensions as is expressed in Section 4.12.130 by following the same procedures.~~

~~4.16.050 Reference to utility extension provisions.~~

~~See also Chapter 4.20 of the city code, which deals with the extension of sewer and water during the course of the city's comprehensive growth and development program, and the assessments resulting therefrom.]~~

C. Amendment. Chapter 4.20, *Utility Extensions by City*, of the Petersburg Municipal Code is hereby deleted in its entirety:

~~[Chapter 4.20 UTILITY EXTENSIONS BY CITY~~~~4.20.010 Applicability.~~

~~Provisions of this chapter shall apply to the extension of water and/or sewer services by the city in those areas where the city owns all of the adjacent property and the utilities are being extended in the course of the city's comprehensive growth and development program, undertaken unilaterally by the city. The provisions of this chapter shall supersede the terms of any agreements between the city and other parties which may have been entered into pursuant to Resolution No. 584 R, adopted May 17, 1976. This chapter may apply to other utilities in addition to water and sewer.~~

~~4.20.020 Intent.~~

~~It is the intent of this chapter to establish incremental improvement valuation for prospective sale purposes on the properties receiving the benefit from the extension.~~

~~4.20.030 Calculation of assessment.~~

~~A rate per foot will be determined by taking the as-built cost of the utility extension and dividing it by the applicable front footage of all properties adjacent to and receiving benefit from the utility extension. This rate per foot will then be used to determine the assessment of each property by multiplying the rate per foot by the applicable front footage of each property.~~

~~4.20.040 Determination of applicable front footage.~~

~~A. — Properties bordered on more than one side with streets where utilities are being extended shall have included in the calculation of the rate per foot cost only one side, which side shall be the longest side of the property bordering the extension; this side of the property shall be considered the applicable front footage of the subject property.~~

~~B. The front footage of properties having only one side adjacent to a utility extension shall have that front footage considered as the applicable front footage for purposes of assessment basis.~~

~~4.20.050 Reference to street extension provisions.~~

~~See also Chapter 4.16 of the city code, which deals with the extension of streets during the course of the city's comprehensive growth and development program, and the assessments resulting therefrom.]~~

D. Amendment. Chapter 4.27, *Road Use Fees*, of the Petersburg Municipal Code is hereby amended as follows: The language proposed for addition is underlined and in **bold**, and the language proposed for deletion is in [brackets] and ~~struck through~~:

Chapter 4.27 ROAD USE FEES

4.27.010 Purpose.

The purpose of this chapter is to establish a method of appraising road use, surface rock replacement and road maintenance fees to resource recovery activities using the Cabin Creek Road.

4.27.020 Definitions.

"Cabin Creek Road" means the road which originates at the intersection of Reservoir Road and Sound Drive and terminates at 6.1 mile, a route of approximately 6.1 mile. Sound Drive, being the first 2.7 miles of the Cabin Creek Road, is subject to surface rock replacement.

"Resource ~~[recovery]~~ **extraction** activities" means the commercial **extraction**, recovery, or removal of any natural resource which is then transported on the Cabin Creek Road.

"Road maintenance fee" is charged to cover the cost of road maintenance over the entire haul route.

"Road use fee" is a charge for the use of the road based on the percentage of the current replacement value of the road cost. The road use fee is assessed when a single timber sale exceeds one million board feet or if resource extraction exceeds 16.5 million pounds annually.

"Surface rock replacement fee" is a fee charged for use of that portion of a road which has a surface rock overlay.

"Timber removal activities" mean the commercial removal of any timber which is then transported on Cabin Creek Road.

4.27.030 Fees for timber removal activities.

A. The road use fee shall be calculated at the rate of ~~[one dollar and twenty cents]~~ **two dollars and fifty cents** for each thousand board feet per mile traveled.

B. The surface rock replacement fee shall be calculated at the rate of ~~[sixty-eight cents]~~ **two dollars and fifty cents** for each thousand board feet per mile traveled.

C. The road maintenance fee shall be calculated and assessed at the rate of ~~[forty-nine cents]~~ **two dollars** for each thousand board feet per mile traveled.

4.27.040 Fees for resource ~~[removal]~~ **extraction** activities (non-timber).

A. The road use fee shall be calculated at the rate of ~~[one dollar and twenty cents]~~ **two dollars and fifty cents** for each sixteen thousand five hundred pounds (gross vehicle weight) per mile traveled.

B. The surface rock replacement fee shall be calculated at the rate of ~~[sixty-eight cents]~~ **two dollars and fifty cents** for each sixteen thousand five hundred pounds (gross vehicle weight) per mile traveled.

C. The road maintenance fee shall be calculated and assessed at the rate of ~~[forty-nine cents]~~ **two dollars** for each sixteen thousand five hundred pounds (gross vehicle weight) per mile traveled.

4.27.050 Payment of fees.

Payment of fees shall be made by prior arrangement with the public works director.

E. Amendment. Chapter 14.18, *Municipal Utility Extensions*, of the Petersburg Municipal Code is hereby deleted in its entirety and replaced with the following:

CHAPTER 14.18 – MUNICIPAL UTILITY EXTENSIONS

14.18.005 Applicability.

A. This chapter applies on an areawide basis to:

1. extension of the municipal water distribution mains and sewer collection mains, and associated water and sewer service lines to each lot, to a previously unserved area or subdivision;

2. extension of a municipal primary electrical distribution feeder (greater than 600 volts) from existing infrastructure to an unserved area or lot meeting one or more of the following criteria:

a. primary extension to a singular property and meter;

b. upgrades from an existing secondary service to a primary service for a singular property and meter; or

c. a primary backbone extension to multiple properties and meter locations; and

3. secondary electrical service extensions (less than 600 volts) over one hundred feet to provide service to a single meter location, within or outside of established service areas.

B. Individual installations of new services from existing water and sewer mains to property lines along Borough-owned rights-of-way are codified in Sections 14.04.220 (Water) and 14.08.220 (Sewer). Individual installations of secondary electrical service extensions (less than 600 volts) 100 feet or less are codified at Sections 14.16.260 (above ground) and 14.16.550 (underground). Underground electrical installations within a trailer court or subdivision are codified in Chapter 14.16.540 (Electric).

C. An extension of a utility is subject to the Service Area provisions of Section 14.02(A)(4) of the Borough Charter or, in the case of a Local Improvement District (LID), Article 16 of the Charter.

D. If the extended water, sewer, or electrical utility is not located in a service area providing street maintenance, performance of on-going utility maintenance is subject to adequate and safe street access being provided by those who requested the extension. Without such access, the Borough may, at its sole discretion, discontinue utility maintenance until such time as adequate and safe access is restored by the responsible parties. The Borough may discontinue utility service in the event that continuation of service presents a health or safety hazard.

14.18.010 Standard requirements for all extensions.

A. Any property owner(s) or applicant desiring an extension of a municipal utility service shall apply to the department head in charge of the utility. Applications for all water and sewer main extensions and primary electric backbone extensions to major subdivisions involving 5 or more lots shall include engineered plans of the utility extension, approved and stamped by an Alaska-licensed professional engineer having demonstrated experience in design of the utility in question, and meeting all applicable standard specifications of the Borough. All costs associated with utility extension work covered in this chapter are the responsibility of the property owner(s) and/or applicant.

B. Applicants for water and sewer extensions shall file an application with Alaska Department of Environmental Conservation (ADEC) to construct and operate the improvements and adhere to all conditions and requirements of the State of Alaska. ADEC Approval to Construct must be granted prior to construction. ADEC Approval to Operate, both Interim and Final, must be obtained within 90 days of project completion.

C. Municipal utility extensions shall only be made along and over lands on which the Borough has a legal right to construct, maintain and operate municipal utilities and related facilities. All costs associated with obtaining easements and rights-of-way necessary for utility extension shall be a part of the project costs and shall be paid by the property owner(s) and/or applicant. It is the applicant's responsibility to provide suitable cleared easements, rights-of-way and access streets meeting minimum Borough standards for utility construction. Streets, easements and rights-of-way will not be maintained by the Borough unless located within a service area providing street maintenance, the streets were built to Borough standard specifications, and dedicated and accepted for public use by the Borough Assembly. Streets, easements and rights-of-way not dedicated and accepted for public use by the Assembly are the responsibility of the property owner(s) to maintain. The Borough reserves the right to refuse maintenance, and discontinue service, of any utility if the street access does not meet minimum requirements to perform work safely.

D. Extensions to be constructed by the Borough shall be made at the convenience of the Borough departments in charge of each municipal utility and only after approval of proper design and feasibility by the Borough, or the Borough's appointed representative.

E. Ownership of all utility extensions shall be transferred to the Borough and shall become and remain the property of the Borough only when the following requirements are met:

1. A utility extension has been built per all applicable borough standard specifications and inspected and approved in writing by the Borough, or the Borough's appointed representative;
2. The property owner(s) or applicant demonstrates full payment of all extension project costs;
3. A complete set of as-built plans, with valid Professional Engineer stamp of the Engineer of Record, for water and sewer extensions have been submitted to the Borough;
4. Approvals to Construct and Operate have been received from ADEC and provided to the Borough, if applicable;
5. All provisions of this chapter have been addressed to the Borough's satisfaction, and the owner(s) of the improvements has made a formal request to the Borough, in the form of a signed and notarized letter;
6. Upon final approval of the work, in the case of electrical extensions that are installed by the Borough or a licensed contractor over and along legal easements or rights-of-way and fully paid by the applicant; and
7. Upon final plat approval by the Platting Board, for a new subdivision, or, in the case of a water or sewer utility extension to an existing subdivision or unsubdivided area, upon adoption of a resolution by the Borough Assembly approving and accepting the extension as borough-owned infrastructure.

F. In the event that the Borough is required to perform maintenance or repair on utility extensions that have not been excepted under paragraph E above, all expenses and costs for such maintenance and repair work shall be borne by the owner(s) or applicant and immediately due and payable.

G. A property owner(s) and/or applicant may contract with a licensed contractor to install municipal water, sewer or electric utility extensions; have the Borough install the water, sewer or electric extension, or the Borough may contract with a licensed contractor to install a specific utility

extension. In all installations, the utility extension shall be inspected by the Borough, or a Borough representative, to ensure compliance with all applicable codes, regulations, standards, specifications and policies. The utility extension shall not be opened or energized without payment of all applicable fees or costs and written approval from the department head of the utility being extended.

H. If, due to lack of adequate and safe street access, it is not feasible for the Borough to continue to maintain a utility, the Borough may elect, at its discretion, to terminate said maintenance until such time as adequate and safe access is restored by the responsible parties. The Borough may discontinue utility service in the event that continuation of service presents a health or safety hazard.

14.18.020 Borough installation of utility extensions – electric, water and sewer.

A. In the event the Borough is to install a utility extension hereunder, the applicable Borough department shall provide a written cost estimate of the extension. The estimate shall include all costs including but not limited to easement and right-of-way acquisition, surveying, design, engineering, administrative costs, materials, labor and equipment. The written cost estimate shall be sent to the property owner(s) or applicant and shall remain valid for a period of thirty days from the date of submission. The validity of the cost estimate may be extended beyond thirty days by mutual written agreement between the Borough and the property owner(s) or applicant.

B. Upon the acceptance of the cost estimate by the owner(s) or applicant and final approval of engineered plans, if required, the parties shall enter into a written agreement. The terms of the agreement shall include an estimated completion date, a cost estimate of the utility extension, a clear commitment by the owner(s) or applicant to pay, in full and in advance, all costs and expenses of the extension and dedicate the improvements to the Borough, and such other provisions as may be required and deemed necessary. Any deviation from previously approved engineered plans shall require a written change order signed by all parties.

C. Full payment for the actual costs and expenses of a utility extension is the property owner(s) or applicant's responsibility. Prior to the start of construction, the owner(s) or applicant shall deposit with the Borough the full estimated cost of the project as described in paragraph A of this Section. The Borough shall deposit the funds in the appropriate enterprise fund during construction and maintain an accounting of all actual project costs. At completion, all costs will be totaled and compared to the deposited amount. If the cost of the project is less than the deposit, the Borough shall return the excess deposit to the owner(s) or applicant. If the deposit falls short of actual costs, the owner(s) or applicant is required to pay the remaining balance of actual costs.

14.18.030 Property owner's installation of utility extensions by contractor.

A. The owner(s) of land adjacent to a borough owned and platted easement or right-of-way may contract with a private contractor, licensed in the State of Alaska, for the construction of streets, electric, water, and/or sewer in the easement or right-of-way. The owner(s) shall be responsible for obtaining all appropriate permits for the work and providing copies to the borough prior to any work.

B. The installation shall be inspected and approved by the Borough. The Borough shall provide a written estimate of the project inspection costs and the property owner(s) shall pay in full to the Borough the estimated costs of inspection prior to start of construction. At the completion of the work, and prior to approval, any additional costs over the estimated amount shall be immediately paid by the property owner(s). Any excess from the estimated amount shall be returned to the property owner(s).

C. The owner(s) shall comply with all construction and operational requirements of section 14.18.010 of this chapter.

D. The owner(s) shall post a bond with the borough for ten percent (10%) of the total project cost to guarantee timely and satisfactory completion of the project. The owner(s) must obtain the

consent of the utility department head to the proposed dates for commencement and completion of the portion of the work to be performed within the easement or right-of-way.

E. The bond will be refunded to the owner(s) upon full, satisfactory and timely completion of the project. The borough will have the right to impose a penalty on the owner(s) of up to Two Hundred Dollars (\$200.00) for each calendar day, or partial day, of unexcused delay beyond the scheduled completion date. The owner(s) will have the right to request an extension of the completion date in the event that completion was delayed due to weather, unavailability of materials not caused by the contractor, or machinery breakdown.

F. The borough is not responsible for nonpayment or other failure of either party (owner(s) or contractor) to the contract.

G. Upon successful completion of the project, and within the specifications of the construction of same, the borough will accept the street, electric, water, and/or sewer installation, excepting that the Borough will not accept streets for maintenance unless the project is located within a service area providing street maintenance. Acceptance is not a guarantee of maintenance or any specific level of maintenance, which is subject to Assembly appropriation.

14.18.040 Utility extensions to subdivisions – water, sewer and overhead electric.

A. No municipal utility will be available to an undeveloped subdivision unless and until the developer and the Borough reach written agreement concerning the subdivision's utility infrastructure and street construction.

B. When the developer elects to construct the utilities, it is the responsibility of the developer to provide the municipal utility infrastructure from existing locations to the subdivision and to the edge of each lot within the subdivision prior to sale of any subdivision lots.

C. It is the individual lot owner(s)' responsibility for the utility service from the edge of the lot to the house or other point of service.

D. The developer will not be reimbursed for any infrastructure costs in the event a utility is extended to others beyond the subdivision.

E. Underground electrical extensions to subdivisions or mobile home parks shall adhere to the requirements of chapter 14.16.540.

~~[14.18.005 – Applicability.~~

~~This chapter applies to extension of the municipal water distribution mains and sewer collection lines from existing systems to individual property lines; and extension of the municipal electrical distribution system from existing facilities to a meter location. This chapter also applies to requests for extensions over one hundred feet to provide a municipal utility service to a single location.~~

~~Individual service line installations from existing water and sewer mains to property lines along city owned rights-of-way are codified in Chapter 14.04 (Water) and Chapter 14.08 (Sewer).~~

~~14.18.010 – Standard requirements for all extensions.~~

~~A. Any person desiring an extension of a municipal utility service shall apply to the city building official. Applications for all water and sewer extensions and applications for large commercial electrical extensions shall include engineered plans of the utility extension, approved by a registered engineer.~~

~~B. Municipal utility extensions shall only be made along and over lands on which the city has a legal right to construct, maintain and operate municipal utilities and related facilities. All costs associated with obtaining easements and rights-of-way necessary for utility extension shall be a part of the project costs and shall be paid by the property owner. It is the property owner's responsibility to provide suitable cleared easements and rights-of-~~

way for utility construction. The city will maintain utility easements and rights-of-way after construction for the purpose of access to the utilities and for maintenance. Easements and rights-of-way will not be maintained for public use unless accepted and dedicated for public use.

C. Extensions shall be made at the convenience of the city departments in charge of each municipal utility and only after approval of proper design and feasibility by the city, or the city's appointed representative.

D. Ownership of all utility extensions shall be transferred to the city and shall become and remain property of the city only when:

1. A utility extension has been inspected and approved by the city, or the city's appointed representative;
2. A property owner demonstrates full payment of all extension project costs; and
3. Two complete sets of Mylar as-built plans for water and sewer extensions have been submitted to the city.

E. A property owner may contract with a licensed contractor qualified to install specific municipal utility extensions; have the city install the utility extension, or the city may contract with a licensed contractor qualified to install a specific utility extension. In all installations, the utility extension shall be inspected by the city, or city's representative, to insure compliance with all applicable codes, regulations, standards, specifications and policies. The utility extension shall not be opened or energized without written approval from the department head of the utility extended.

14.18.020 – City installation of utility extensions.

A. The city department in charge of a utility to be extended shall provide a written cost estimate of the extension. The estimate shall include all costs including but not limited to easement and right-of-way acquisition, surveying, design, engineering, administrative costs, materials, labor and equipment. The written cost estimate shall be sent to the property owner by certified mail and shall remain valid for a period of thirty days from the date of mailing. The validity of the cost estimate may be extended beyond thirty days by mutual written agreement between the city and the property owner.

B. Upon the property owner's acceptance of the cost estimate, final approval of engineered plans and agreement by the property owner and the city to proceed, both parties shall enter into a written agreement. The terms of the agreement shall include a completion date; a cost estimate of the utility extension and such other provisions as may be required and deemed necessary. Any deviation from previously approved engineered plans shall require a written change order signed by the property owner and the city.

C. Full payment for the actual expense of a utility extension is the property owner's responsibility and must be made prior to opening or energizing an extension. Prior to the start of construction, the property owner shall deposit with the city the full estimated cost of the project as described in subsection A of this section. The city shall hold the deposit until the extension is complete. If there is a balance of deposited funds remaining after the actual cost of the extension, the city shall return the excess deposit to the property owner. If the estimated cost and deposit falls short of actual costs by ten percent or less, the property owner is required to pay the balance of actual cost, less deposit.

14.18.030 – Property owner's installation of utility extensions by contractor.

If a property owner contracts to install a utility extension, the installation shall be inspected and approved by the city and all associated costs for inspection shall be paid in full to the city prior to the start of utility construction. The city shall provide a written estimate of the project inspection costs and the property owner shall pay in full to the city the estimated costs of inspection. Any additional costs over the estimated amount shall be billed to the property owner and any excess from the estimated amount shall be returned to the property owner.

14.18.040 – Cost participation in extensions.

It is city policy to encourage property owners along the route of a utility extension to participate in the cost of the project. To that end, the city shall:

~~A. Protect the original property owner's share of construction costs for up to five years from the date of completion in the event the amount paid to the city exceeds three thousand five hundred dollars and others connect to the line;~~

~~B. Provide for a refund of that portion of the cost that is in excess of two thousand five hundred dollars when new customers take service from the same extension. For each of the next three new customers taking service from the same basic extension, the original customer will receive a refund of twenty-five percent of the original cost over two thousand five hundred dollars. The city will collect the sums from the new customers and refund the sums to the original customer. Refunds will be made only to the original customer and are not transferable.~~

~~14.18.050—Hardship.~~

~~It is not the intent of the city to place an undue financial hardship on property owners affected by a utility extension. Affected property owners may apply to the city for hardship assistance as provided in Chapter 4.26 of this code.~~

~~14.18.060—Utility extensions to subdivisions.~~

~~No municipal utility will be available to a subdivision until the owner and/or developer and the city reach written agreement concerning the utility's infrastructure. It is the responsibility of a property owner and/or developer to provide the municipal utility infrastructure from existing locations to the subdivision and to the edge of each lot within the subdivision. It is the individual lot owner's responsibility for the utility service from the edge of the lot to the house or other point of service. The owner and/or developer will not be reimbursed for any infrastructure costs in the event a utility is extended to others beyond the subdivision.]~~

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; **however, the provisions of former Section 14.18.040, Cost Participation in Extensions, shall continue to apply to an extension completed after August 2, 2021, and prior to the effective date of this ordinance, for a period of five years from the date of completion of the extension.**

Passed and approved by the Petersburg Borough Assembly, Petersburg, Alaska this 17th day of August, 2026.

Robert Lynn, Mayor

ATTEST:

Rebecca Regula, Clerk

Adopted:
Noticed:
Effective:

-----Original Message-----

From: M Litster <litstermss@gmail.com>

Sent: Monday, August 3, 2026 3:20 PM

To: Assembly <assembly@petersburgak.gov>

Subject: Public Comment in tonight's meeting

External Email! Use Caution

Dear Council members, please accept my comments on tonight's ordinances up for public comment. I represent myself only.

1) Senior Sales tax: this issue has been thoroughly vetted, discussed, debated on, and settled by public vote. It's redundant and a poor use of time. It dismisses all the important reasons behind the changes voted on last year. Please do not allow this to move forward.

2) New service area: there are major flaws with the current service areas. Taxes in relation to services provided are incongruent verging on nonsensical. Is it possible to correct that vs just adding a new service area?

Thank you,

Megan Litster

From: Zimmerman, Marcus G (DOT) <marcus.zimmerman@alaska.gov>

Sent: Thursday, July 30, 2026 9:46 AM

To: Becky Regula <bregula@petersburgak.gov>

Cc: Stephen Giesbrecht <sgiesbrecht@petersburgak.gov>; Bob Lynn <blynn@petersburgak.gov>; Roberts, Vicky L (DOT) <vicky.roberts@alaska.gov>

Subject: Letter from Mayor Lynn - Petersburg Borough

Dear Mayor Lynn,

Thank you for your July 6, 2026 letter regarding winter snow removal and pedestrian access in Petersburg. We appreciate the Borough's recognition of the challenges faced by our crews during the past winter and understand the importance of maintaining safe and accessible routes for pedestrians and other non-motorized users.

We have looked for ways to better serve the Petersburg community and improve our ability to respond to winter conditions. As part of that effort, we have identified a piece of equipment that can be moved to Petersburg and used to support winter snow removal operations.

This equipment should provide our crews with a better tool for clearing snow and maintaining pedestrian routes and other areas that can be difficult to service during heavy snowfall. It is intended to improve our overall ability to perform snow removal more effectively and efficiently.

Our current staffing levels have not changed, and therefore we do not anticipate any increase in response times as a result of this change. Rather, having this additional equipment available should make it easier for our existing crews to perform snow removal and provide better service during winter conditions.

We appreciate the Borough's willingness to work collaboratively with DOT&PF to identify practical solutions. We will continue to look for opportunities to improve our winter maintenance operations and better serve the Petersburg community.

Sincerely,

Marcus Zimmerman

Marcus Zimmerman, C.M.

Alaska Department of Transportation & Public Facilities

Chief of Maintenance & Operations

Southcoast Region

(907) 465-4655 Office



From: Architecture of Faith and Historic Preservation <architectureoffaith@gmail.com>
Sent: Tuesday, August 4, 2026 10:39 PM
To: Assembly <assembly@petersburgak.gov>; Architecture of Faith and Historic Preservation <architectureoffaith@gmail.com>
Subject: re: Land Value Tax

Dear Petersburg Assembly:

The following passage exists in the Housing Worksession from this January:

• *The "Second Home" Effect: Seasonal homes often consume a large percentage of the available housing. This drives up property values and "hollows out" towns, where houses sit empty for most of the year while locals can't find a place to live. Short-term rentals also contribute to this effect.*

I am a long proponent of regulation of Short Term Rentals. STRs have decimated the rental economies of Juneau and Sitka, and have had a large impact on Petersburg, albeit to a lesser degree. These are homes that you cannot rent, cannot live in and cannot lease. These homes are essentially invisible to the rental market at large, but are used seasonally by often absentee landlords. The displacement effect of STRs has a name: *dark homes*.

What is a Land Value Tax?

This is an *ad valorem* tax piled onto existing property taxes for underutilized homes and buildings, based on the social cost of community resources laid fallow. The premise behind the *land value tax* (espoused by 19th Century urban reformer **Henry George**) is that if someone owns a real asset that is underutilized or not being used for its intended purpose as per zoning regulations, the property gets charged more, not less, than the surrounding properties. With runaway land values spiking all over the country, land value speculation has become even a short term investment opportunity. But this type of investment is harmful to surrounding communities. The land value tax poses the need to "*use it or pay more for it*" to landowners.

As the housing work session cites, the housing crisis is the result of factors relating to choices and incentives. In some cases, the added profit from retail (known in real estate parlance as the *rent gap*) will outweigh the hindrance, and the owner will retain its use. In such a case, at least the Petersburg community will see its tax base increase to compensate for the underutilized resource. Conversely, the added tax burden could incentivize property owners to switch to long term rentals for the good of the community. The idea of a tax presents itself as a gentler way to nudge property owners to use their land in ways that directly benefit the community. The other option is costly regulation.

How the Land Value Tax can be used as a tool for public outreach

The other side of the Land Value Tax that could potentially benefit property owners is it gives a middle ground for those seeking conditional use permits and similar. Due to

decoupling improvements from the taxation rubric frees the Borough to express latitude in other ways, making this sort of tax an out for both the Borough and the property owner. Seen from this angle, the Land Value Tax allows an extra dimension of negotiation for future ideas and creative uses of our land that do not fit inside the parameters of our existing zoning.

Land Value Tax and Communications Towers

One of the less examined problems that we are experiencing with the proliferation of Wireless Towers is the displacement effect that they are having throughout the region. This principle applies to Communications Towers in residential areas because they are occupying space that could be used to build homes, which exacerbates the housing crisis. If the Towers are built in commercial or industrial areas, the potential for displacement is even greater, which is why they should be attached to usable structures unless inside the boundaries of the Communications Towers Overlay. The land value tax would be applied in the aforementioned situations to compensate for the negative effects of **land use displacement**. If we allow that sort of thing to proliferate unchecked, it will diminish the value of the surrounding community.

Why a Land Value Tax?

The **Land Value Tax (LVT)** or split-rate property tax would require an overhaul of our present assessment strategy, where land is artificially undervalued in comparison to improvements. In many cities in Virginia, Kentucky, Pennsylvania and Michigan this is already being done as a response to the housing crisis. For us, there is an additional reason. There are few tools at our disposal that may offset the negative effects of large corporations and wealthy individuals wanting to purchase large swaths of land for the purpose of speculation or some other use that does not benefit the community at large. Under our current taxation rubric, property assessments (and therefore taxes) tend to go up around 2:1 with improvements. This tax rubric not only disincentivizes folks from developing raw land, but it also gives a distinct tax advantage to corporate investors wanting land for limited use. The *Land Value Tax* rewards improvements by taxing closer to a "flat rate" for each lot. Property owners aren't penalized with higher taxes for fixing up, improving or adding on to their buildable lots. The land value tax presents itself as a rather oblique measure, using incentives to both resolve the housing crisis and make institutional investors/corporate interest pay proportionately the same as if they were developers.

Local Planning Commissions have no legal authority to recommend adopted changes to tax code; therefore I must appeal to you as a private citizen. Thank you for your consideration of this topic.

Joshua Adams
architectureoffaith@gmail.com

From: James Kerr <jkerr@petersburgak.gov>

Sent: Wednesday, August 5, 2026 8:21 AM

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

Cc: Aaron Hankins <ahankins@petersburgak.gov>

Subject: Public Safety Response Outside Service Area One

Petersburg Borough Assembly and Manager Giesbrecht,

I am writing to raise a policy and funding concern regarding police, fire, EMS, and SAR responses outside Service Area One.

Historically, Petersburg Police, Fire/EMS, and SAR have responded outside the former City limits and now outside Service Area One in emergency situations. For the Police Department, I am not aware of any historical or current charge being made for police services provided outside Service Area One. For Fire/EMS and SAR, my understanding is that no separate charge is made for response outside Service Area One, other than the standard EMS ambulance fee when applicable. That same standard EMS ambulance fee is also charged within Service Area One, so there is not a separate service-area charge, reimbursement, or compensation back to Service Area One for Fire/EMS or SAR response outside SA1.

The concern is this.

Service Area One taxpayers are funding the personnel, equipment, vehicles, vessels, training, facilities, readiness, administration, and operational capacity necessary to provide police, fire, EMS, and SAR services. When those services are provided or expected outside Service Area One, the benefit of that public safety system extends beyond the taxpayers who are funding it.

The Borough Charter recognizes service areas and also references reasonable compensation when service-area resources are used beyond service-area boundaries. However, the practical issue is much larger than the cost of a single emergency response. The true cost of public safety is the full system that must exist before the call ever comes in. That includes staffing, training, equipment, maintenance, facilities, readiness, dispatch support, vehicles, vessels, insurance, administration, and the ability to respond when someone calls 911.

If police, fire, EMS, and SAR are available or expected outside Service Area One, then the cost of maintaining that system should not be placed primarily on Service Area One taxpayers.

As a taxpayer living in Service Area One, I pay for these public safety services. If I am outside Service Area One but still within the Petersburg Borough and need emergency help, I would expect police, fire, EMS, or SAR to respond. I believe most residents, visitors, boaters, hunters, property owners, and families would expect the same. That reality shows the problem with the current structure.

The Borough is treating emergency response as a Borough-wide expectation in practice, while funding much of the public safety system through Service Area One.

That creates an unfair taxation issue.

If police, fire, EMS, and SAR are truly Service Area One services, then the Borough needs to clearly define the limits of response outside Service Area One and explain those limitations to

the public. If these services are expected to be available throughout the Borough, then the Borough needs to establish an area-wide public safety funding structure, an expanded public safety service area, or another fair mechanism so the properties and residents receiving the benefit help pay for the system.

The current structure also creates an incentive problem. Areas outside Service Area One may have little reason to vote to fund public safety services if they receive emergency response anyway, funded primarily by Service Area One taxpayers. That is not fair to Service Area One taxpayers, and it is not transparent to residents outside Service Area One who may believe they have a guaranteed level of public safety response when funding, staffing, equipment, and service-area authority may not support that expectation.

This issue is especially important because public safety funding, recruitment, retention, staffing, and equipment are already major concerns. Police, fire, EMS, dispatch, corrections, and SAR depend on trained and experienced personnel. The Borough cannot continue expecting public safety services to stretch beyond the area funding them while also struggling to adequately fund and retain the employees needed to provide those services.

I am not raising this issue to stop emergency response. I am raising it because the Borough needs to acknowledge the real cost of providing public safety services and create a fair, legal, transparent, and sustainable funding structure.

The Assembly needs to make a clear policy decision:

Either police, fire, EMS, and SAR are Service Area One services and response outside Service Area One must be clearly limited and defined, or these are essential Borough-wide public safety services and should be authorized and funded Borough-wide.

Continuing the current approach places the burden on Service Area One taxpayers while creating Borough-wide expectations for emergency response. That is not fair, not sustainable, and not transparent.

I am requesting that the Assembly formally review this issue and develop a clear policy and funding structure for public safety response outside Service Area One. If public safety response is expected or provided anywhere within the Petersburg Borough boundaries, then the cost of providing those services should be shared by the properties and residents receiving the benefit.

Respectfully,

Chief James Kerr
Petersburg Police Department
PO Box 329
Petersburg Alaska, 99833
Office: 907-772-3830