



# Petersburg Borough

12 South Nordic Drive  
Petersburg, AK 99833

## Meeting Agenda Borough Assembly Regular Meeting

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Monday, November 17, 2025

6:00 PM

Assembly Chambers

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You are invited to a Zoom webinar!  
When: November 17, 2025 6:00 PM Alaska  
Topic: 11.17.2025 Assembly Meeting

Join from PC, Mac, iPad, or Android: <https://petersburgak-gov.zoom.us/j/87131844740?pwd=heeK58IT4ZbSVGIjju0PfkQi4MzmF.1>

Passcode:171120

Join via audio: (720) 707-2699 or (253) 215-8782

Webinar ID: 871 3184 4740

Passcode: 171120

1. **Call To Order/Roll Call**
2. **Voluntary Pledge of Allegiance**
3. **Approval of Minutes**
  - A. Regular Assembly Meeting Minutes, November 3, 2025**
4. **Amendment and Approval of Meeting Agenda**
5. **Public Hearings**
  - A. Ordinance #2025-14: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough to**
    - (1) Rezone with a Condition Precedent Government Lot 21 (parcel #01-010-430) From Open Space – Recreational (O.S.R.) to Single-Family Mobile Home (SFMH); and**
    - (2) to Rezone Lot 4, Block A, Skylark II Subdivision, Plat #90-14 (Parcel #01-010-243) from Single-Family Residential (S-F) to Open Space – Recreational (O.S.R.) and Government Lot 13 (Parcel #01-010-412) from Public Use (P-1) to Open Space - Recreational (O.S.R.)**

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

**B. Ordinance #2025-15: An Ordinance of the Petersburg Borough Adjusting the FY 2026 Budget for Known Changes**

Any public testimony regarding Ordinance #2025-15 should be given during this public hearing. A copy of Ordinance #2025-15 may be found under agenda item 14B.

**6. Bid Awards**

**A. Freezer Floor Repair - Mountain View Manor Elderly Housing - Intent to Award**

Mountain View Manor Director Lopez requests approval to award the Elderly Housing freezer floor repair project to Steelhead Enterprises in an amount not to exceed \$40,000. A memo from Director Lopez with the bidder information for the November 7, 2025 bid opening is attached to the meeting packet.

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

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

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

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

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

**A. Southeast Alaska Power Agency (SEAPA) Update**

Mayor and SEAPA Board Member Lynn and Utility Director and SEAPA Board Member Hagerman will provide an update on SEAPA activities.

**10. Consent Agenda**

**11. Report of Other Officers**

**A. Senator Sullivan Presentation**

Senator Sullivan will provide a presentation regarding the One Big Beautiful Bill Act. A handout provided by Senator Sullivan is attached to this packet.

**12. Mayor's Report**

**A. November 17, 2025 Mayor's Report**

**13. Manager's Report**

**A. November 17, 2025 Manager's Report**

**14. Unfinished Business**

- A. Ordinance #2025-14: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough to**
- (1) Rezone with a Condition Precedent Government Lot 21 (parcel #01-010-430) From Open Space – Recreational (O.S.R.) to Single-Family Mobile Home (SFMH);**
  - and**
  - (2) to Rezone Lot 4, Block A, Skylark II Subdivision, Plat #90-14 (Parcel #01-010-243) from Single-Family Residential (S-F) to Open Space – Recreational (O.S.R.)**

**and Government Lot 13 (Parcel #01-010-412) from Public Use (P-1) to Open Space - Recreational (O.S.R.) Second Reading**

If adopted in three readings, Ordinance #2025-14 will rezone the above parcels in connection with the sale of Government Lot 21 to Skylark Park LLC under Resolution 2025-20. The rezoning of Government Lot 21 is to allow for the planned development. The rezoning of Lot 4 and Government Lot 13 is to create open, recreational space adjacent to the planned development.

The condition precedent to the rezone of Government Lot 21 is the completion of the sale to Skylark Park LLC; if the sale is not timely completed, Government Lot 21 would maintain its current zoning.

Ordinance #2025-14 was unanimously approved in its first reading.

**B. Ord #2025-15: An Ordinance of the Petersburg Borough Adjusting the FY 2026 Budget for Known Changes - Second Reading**

If approved in three readings this supplemental budget would make changes to the following funds:

Close out Fund 745, Auto Meter Reading Capital Project, by transferring the remaining \$15,901.75 to Fund 763, the Electric Grid Resiliency Capital Project Fund.

Budget \$78,000 in revenue from PIA for the Banana Point Breakwater Improvement Project per Resolution #2025-21.

Budget \$66,000 for engineering expenses in the Wastewater Fund not-to-exceed \$66,000 for time and material to prepare bid ready documents for repairs to the outfall pipe in Frederick Sound.

Budget \$25,000 in the Wastewater fund to purchase one replacement variable frequency drive (VFD) due to failure of the existing unit at Pump Station 5 and rebuild the two failed VFDs to serve as backup units for future operational needs. A memo from Director Marohl regarding the VFDs is attached.

Budget \$195,000 in expenses for new light poles for the Downtown Street Light Capital Project. \$195,000 in cash is already reserved in this capital project fund for this purpose.

Ordinance #2025-15 was unanimously approved in its first reading

**15. New Business**

**A. Ordinance #2025-16: An Ordinance Amending Chapter 4.04 of the Municipal Code, Entitled “Purchasing”, to Update Bid and Proposal Submission Procedures - First Reading**

If approved in three readings, Ordinance #2025-16 will amend Chapter 4.04 of the Municipal Code to modernize and clarify the Borough’s purchasing requirements by allowing electronic submission of responses to Invitations to Bid and Requests for Proposals.

**B. Appointment to the Southeast Alaska Power Agency Board of Directors for 2026 of One Voting and One Alternate Member**

For calendar year 2026, the Petersburg Borough is entitled to one voting member seat and one alternate seat on the SEAPA Board of Directors. Letters of interest have been received from Bob Lynn, Karl Hagerman and Stephan Harbour.

**C. Consideration of Letter of Interest for Vacant School Board Seat**

A letter of interest in the vacant school board seat has been received from John Havrilek. If appointed, Mr. Havrilek will serve on the school board until the election of October 2026.

**16. Communications**

**A. Correspondence Received Since October 30, 2025**

**17. Assembly Discussion Items**

**A. Assembly Member Comments**

**B. Recognitions**

**18. Adjourn**



# Petersburg Borough

12 South Nordic Drive  
Petersburg, AK 99833

## Meeting Minutes Borough Assembly Regular Meeting

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Monday, November 03, 2025

12:00 PM

Assembly Chambers

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### 1. Call To Order/Roll Call

The meeting was called to order by Mayor Lynn at 12:00 noon.

#### PRESENT

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

### 2. Voluntary Pledge of Allegiance

The Pledge was recited.

### 3. Approval of Minutes

#### A. Regular Assembly Meeting Minutes October 20, 2025

The minutes of the October 20, 2025 meeting were unanimously approved as submitted.

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

Voting Yea: Mayor Lynn, Assembly Member Schwartz, Assembly Member 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 Stanton Gregor, Seconded by Assembly Member Schwartz.

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

**5. Public Hearings**

There were no public hearings

**6. Bid Awards**

**A. Banana Point Breakwater Improvements - Intent to Award**

The Assembly unanimously awarded the Banana Point Breakwater Improvement Project to Western Dock & Bridge of Ketchikan in an amount not to exceed \$978,000.

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

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

**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.*

Mark Jensen, representing himself, spoke in favor of appointing Donna Marsh to the vacant Assembly seat.

Scott Newman, representing himself, expressed interest in being appointed to the vacant Assembly seat.

Raliegh Cook, representing himself, expressed interest in being appointed to the vacant Assembly seat.

Donna Marsh, representing herself, expressed interest in being appointed to the vacant Assembly seat.

Tony Vinson, representing himself, expressed interest in being appointed to the vacant Assembly seat.

John Murgas, representing himself, thanked Member Meucci for proposing a work session to consider the communications towers.

**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.*

Bill Tremblay, representing himself, requested the installation of a stop sign at the intersection of Chief John Lott Street and Sing Lee Alley. He expressed concerns about safety at the corner and the need for improved traffic control in the area.

Jackie Tyson, representing herself, spoke about her concerns about new installations of communication and cell phone towers in Petersburg and provided a handout to the assembly.

Judy Ohmer, representing herself, spoke about her concerns regarding the cell phone and communication towers in Petersburg and provided a handout to the assembly.

Mika Cline, representing herself, spoke about her concerns regarding communication towers in Petersburg and spoke in support of zoning and ordinances outside of service area one.

Gerry Merrigan, representing himself, spoke about the need for the Borough to consider adding zoning or platting authority outside of service area one. He provided a handout to the Assembly.

**9. Appointment to Vacant Assembly Seat**

**A. Selection of Candidate to Fill Assembly Vacancy**

After discussion, the Assembly nominated and approved the appointment of Scott Newman to fill the vacant seat on the Assembly. The motion passed with a vote of 5 in favor and 1 opposed. Member Newman will serve until the October 2026 municipal election.

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

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

Voting Nay: Assembly Member Schwartz

**10. Oath of Office**

Following his appointment, Scott Newman officially took the oath of office and assumed his duties as a member of the Assembly.

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

There were no reports.

**12. Consent Agenda**

There were no consent agenda items.

**13. Report of Other Officers**

**A. Petersburg Medical Center**

PMC CEO Hofstetter updated the Assembly on Medical Center activities.

**B. US Forest Service**

District Ranger Case provided an update on Forest Service activities.

**C. Petersburg School District**

Superintendent Taylor provided an update on School District activities.

**14. Mayor's Report**

**A. November 3, 2025 Mayor's Report**

Mayor Lynn read his report into the record.

**15. Manager's Report**

**A. November 3, 2025 Manager's Report**

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

**16. Unfinished Business**

There was no unfinished business.

**17. New Business**

- A. Ordinance #2025-14: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough to**
  - (1) Rezone with a Condition Precedent Government Lot 21 (parcel #01-010-430) From Open Space – Recreational (O.S.R.) to Single-Family Mobile Home (SFMH); and**
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If adopted in three readings, Ordinance #2025-14 will rezone the above parcels in connection with the sale of Government Lot 21 to Skylark Park LLC under Resolution 2025-20. The rezoning of Government Lot 21 is to allow for the planned development. The rezoning of Lot 4 and Government Lot 13 is to create open, recreational space adjacent to the planned development.

The condition precedent to the rezone of Government Lot 21 is the completion of the sale to Skylark Park LLC; if the sale is not timely completed, Government Lot 21 would maintain its current zoning.

Ordinance #2025-14 was unanimously approved, by roll call vote, in its first reading.

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

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

**B. Ord #2025-15: An Ordinance of the Petersburg Borough Adjusting the FY 2026 Budget for Known Changes**

If approved in three readings this supplemental budget would make changes to the following funds:

Close out Fund 745, Auto Meter Reading Capital Project, by transferring the remaining \$15,901.75 to Fund 763, the Electric Grid Resiliency Capital Project Fund. Budget \$78,000 in revenue from PIA for the Banana Point Breakwater Improvement

Project per Resolution #2025-21.

Budget \$61,000 for engineering expenses in the Wastewater Fund not-to-exceed \$61,000 for time and material to prepare bid ready documents for repairs to the outfall pipe in Frederick Sound.

Budget \$25,000 in the Wastewater fund to purchase one replacement variable frequency drive (VFD) due to failure of the existing unit at Pump Station 5 and rebuild the two failed VFDs to serve as backup units for future operational needs. A memo from Director Marohl regarding the VFDs is attached.

Budget \$195,000 in expenses for new light poles for the Downtown Street Light Capital Project. \$195,000 in cash is already reserved in this capital project fund for this purpose.

One amendment was made to Ordinance #2025-15 to increase the engineering appropriation for the Outfall Pipe project from \$61,000 to \$66,000 in order to include the construction cost estimate by the engineer for proper fund appropriation.

By unanimous roll call vote, Ordinance #2025 -15 passed in its first reading, as amended.

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

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

**C. Election of Vice Mayor**

Without objection, Member Stanton Gregor was elected as Vice Mayor.

**D. Assembly Member Appointments to Boards**

Without objection, Mayor Lynn appointed the following Assembly Members as liaisons to their respective boards:

- SE Conference - Member Meucci and Member Valentine
- Alaska Municipal League - Mayor Lynn and Manager Giesbrecht
- Harbor and Ports Advisory Board - Member Schwartz
- Hospital Board - Member Martin
- Public Safety Advisory Board - Member Newman
- Local Emergency Planning Commission - Member Newman
- Petersburg Economic Development Council - Member Valentine

**E. Appointment of Assembly Parliamentarian**

Without objection, Mayor Lynn appointed Vice Mayor Stanton Gregor to serve as parliamentarian to the Assembly.

**F. Letters of Interest for Board Appointments**

Without objection, Mayor Lynn appointed Andy Kittams to the vacant seat on the Harbor and Ports Advisory Board to serve until the October 2026 municipal election.

Without objection, Mayor Lynn appointed John Lichtenberger to the vacant seat on the Public Safety Advisory Board to serve until the October 2026 municipal election.

Without objection, Mayor Lynn appointed Mika Cline to the vacant seat on the Planning Commission to serve until the October 2026 municipal election.

**G. Utility Director Hire**

By unanimous roll call vote, Stephan Harbour was appointed to the Utility Director position to begin on December 30, 2025 at an annual salary of \$160,000. Director Hagerman will be retiring in July of 2026.

**H. Request for Work Session - Tidal Network Presentation**

Assembly Member Meucci requests that the Assembly schedule a work session open to the public to hear a presentation from Tidal Network regarding the proposed communications towers in Petersburg.

After extensive discussion, the Assembly voted 5 - 2 against scheduling a work session to discuss future communication towers in Petersburg.

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

Voting Yea: Assembly Member Schwartz, Assembly Member Meucci

Voting Nay: Mayor Lynn, Assembly Member Stanton Gregor, Assembly Member Valentine, Assembly Member Martin, Assembly Member Newman

**18. Communications**

**A. Correspondence Received Since October 16, 2025**

**19. Assembly Discussion Items**

**A. Assembly Member Comments**

Member Martin thanked everyone who put their names in for the vacant seats.

Mayor Lynn said that he will be scheduling a work session in December or January to discuss housing needs in Petersburg with the assembly and borough staff. At the next Assembly meeting Senator Sullivan will have a presentation about the Big Beautiful Bill. Mayor Lynn asks that assembly members or staff that have questions for the Senator send them to the clerk prior to the meeting.

Member Meucci requested that the clerk provide a copy of the 2023 housing study to all Assembly Members for review prior to the Housing Work Session.

**B. Recognitions**

There were no recognitions.

**20. Adjourn**

The meeting was adjourned at 1:43 pm.

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

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



MVM - PETERSBURG ELDERLY HOUSING DEPARTMENT

# Memorandum

To: MAYOR LYNN AND BOROUGH ASSEMBLY  
From: MICHELLE LOPEZ, ASSISTED LIVING & ELDERLY HOUSING DIRECTOR  
Date: 11/12/2025  
CC: STEVE GIESBRECHT, BOROUGH MANAGER

Petersburg Elderly Housing issued an Invitation to Bid for the MVM Elderly Housing- Freezer/Cooler Room Floor Project on October 16, 2025.

Early in 2025, during a routine inspection of the area, significant rot to the subfloor under the cooling units was found. While the structure of the floor is sound, the units will need to be completely removed to tear out and repair the subfloor.

On November 7, 2025, the Petersburg Borough received and opened all bids which met the submission deadline. A bid from one company was received, with the summary of the bid opening below.

<b>Bidder</b>	<b>Bidder's Location</b>	<b>Bid Amount</b>
Steelhead Enterprises	Petersburg, Alaska	\$ 40,000.00

After a review of the submitted bid, Steelhead Enterprises is recommended for this award.

**Suggested Assembly Motion:** I move to award the MVM Elderly Housing- Freezer/Cooler Room Floor Project to Steelhead Enterprises for the price of \$40,000.

Funding for this project is available in Kitchen Rehab Fund 470.000.506517.

Thank you for your consideration.

## SEAPA Notes from the October 30, 2025 Meeting

- The contract for the Tyee 3<sup>rd</sup> turbine was issued in June 2025. Two change orders were discussed and approved by the Board. These involved the addition of generator panels to the contract that were originally planned to be supplied during the construction phase, and the supply of a Hydraulic Pressure Unit motor starter cabinet. Both of these change orders allow the equipment supply contractor to maintain efficiency and continuity when integrating the generating equipment with ancillary equipment. All changes fall within the Board approved contract contingency at this time.
- The Board discussed funding options for the overall Tyee third turbine project. Since SEAPA does not have full funding at the present time, several options were discussed including the use of prospective grant funds and tax credits, and potential debt financing. The Board ultimately authorized the CEO to seek financing proposals with a focus on ensuring timely project completion and flexible terms, when combined with the various grants that are still in the funding stack.
- The Board approved a change to the budget that purchases two turbine air coolers, one for each project site. These purchases are the start of an ongoing project to replace all of the original air coolers at the Swan and Tyee projects, of which there are 8 total at each facility. The significance of improving the cooling of the turbine windings should be seen in an improved efficiency of the turbines that will allow higher outputs while controlling winding temperatures.
- The Board was presented a draft budget for FY2026 and will consider its adoption at the December meeting.
- The Board completed the performance evaluation of the CEO, and directed the Chair and the Treasurer to discuss compensation with the CEO. The CEO continues to perform at a very high level, and to the benefit of all member communities.

Compiled by Bob Lynn and Karl Hagerman



Transformative  
legislation for  
Alaska's future

Item 11A.  
Sen. Sullivan's full  
Alaskans on the OBBB:



### **Growing Alaska's Economy & Good-Paying Jobs**

From my time serving as Alaska's Commissioner of Natural Resources to now serving as Alaska's U.S. Senator, I have always focused on unleashing Alaska's vast resource wealth to create sustainable, private sector economic growth and good-paying jobs. The OBBB renews the historic leasing program in the Arctic National Wildlife Refuge (ANWR) Coastal Plain that we secured in the 2017 Tax Cuts & Jobs Act and expands leasing opportunities in the National Petroleum Reserve of Alaska (NPR-A) and Cook Inlet. The OBBB also dramatically increases the State of Alaska's share of revenues from federal leases. Finally, the OBBB restores practical permitting timelines to promote economic growth, create good-paying jobs, and strengthen the nation's energy security. Specifically, the OBBB:

- Mandates **4 lease sales in ANWR** in 10 years, minimum of 1.6 million acres. (State share increases from 50 to 70% after 2034).
- Mandates **5 lease sales in NPR-A** in 10 years, minimum of 20 million acres. (State share increases from 50 to 70% after 2034).
- Mandates **6 lease sales in Cook Inlet** in 10 years, minimum of 6 million acres. (State share increases from 27 to 70% after 2034).
- **Streamlines NEPA** regulatory process with new fee-base system.

Regarding other key resource sectors in Alaska, the OBBB also:

- Mandates **40 long-term timber harvest contracts** on public lands, likely including the Tongass National Forest in Southeast.
- Provides **\$5 billion** to grow America's critical minerals supply chains, including Alaska mining.
- Establishes a new **Energy Dominance Financing Program** that can be utilized to continue advancing the **Alaska LNG Project**.

### **Building Up Our Alaska-based Military**

As a retired Marine Corps Colonel and the Chairman of the Readiness and Management Support Subcommittee of the Senate Armed Services Committee, taking care of our troops, building up our Alaska-based military, and advancing a policy of "Peace Through Strength" have always been three of my highest priorities. The OBBB makes a historic investment in our military, including:

- **\$9 billion** for service member housing, child and health care.
- **\$9 billion** for air superiority, benefitting Eielson Air Force Base and Joint Base Elmendorf-Richardson (JBER).
- **\$25 billion** for a down payment on the new Golden Dome missile defense system, with **\$1.975 billion** for improved radars and **\$800 million** for next-generation interceptors—much of which will come to Alaska, the cornerstone of America's missile defense system.
- **\$115 million** to revitalize Arctic infrastructure, like the Naval Air Station at Adak in the Aleutians.
- **\$12 billion** for the Pacific Deterrence Initiative.
- **\$29 billion** for U.S. Navy shipbuilding.

### **Delivering Tax Relief for Families & Small Businesses**

As Alaska's U.S. Senator, I have always fought to ensure hard-working Alaskans are able to keep more of their paycheck, young families have the support they need to raise the next generation, and our small businesses are able to grow and hire more workers. Building on the tax relief in the 2017 Tax Cuts and Jobs Act (TCJA), the OBBB:

- Avoids a **\$4.5 trillion** tax hike on all Americans (an increase of **\$2,380** on every Alaskan, and a 25% hike on 58,000+ businesses).
- Saves a family of four **\$7,600 - \$10,900** per year.
- Preserves a **doubled standard deduction**, indexed to inflation.
- **Eliminates taxes on tips and overtime**.
- Expands **tax relief for small business**—99% of Alaska businesses.
- Permanently boosts the **Child Tax Credit** to \$2,200.
- Enhances and improves the **Child & Dependent Care Tax Credit** and the **Employer Child Care Credit**.
- Increases **Dependent Flexible Spending Accounts** by \$2,500.
- Solidifies tax credits for **affordable housing, opportunity zones, and new markets**; and adds tax credit emphasis on economically disadvantaged and rural communities.
- Offers **charitable deductions** for those taking standard deduction.

### **Strengthening Alaska's Health Care System**

I've fought for years to increase **Alaska's Medicaid Federal Medical Assistance Percentage (FMAP)** to better reflect our high cost of living and health care delivery. My FMAP provision, valued at \$200 million in additional annual federal Medicaid dollars for Alaska, was initially included in the OBBB with White House and Senate Republican support. However, Sen. Chuck Schumer and Senate Democrats challenged my provision under the rules of budget reconciliation and successfully stripped it out. In response to this deliberate sabotage by Senate Democrats, my team and I quickly pivoted. We successfully negotiated a doubling of the OBBB's **Rural Health Transformation Fund to \$50 billion**. Between the fund's two formulas, Alaska is expected to receive approximately **\$280 million annually for 5 years** to help modernize our health care system, stabilize rural providers, improve patient outcomes, and reduce the state's Medicaid backlog.

Finally, the OBBB institutes a commonsense, **20-hour-per-week work, volunteer or study requirement** for able-bodied individuals utilizing Medicaid to ensure they are contributing to our communities. At the same time, the bill includes numerous exemptions from these work requirements, including: parents or guardians of children 14 and under, seniors, Alaska Native people, caregivers for incapacitated individuals, individuals who are medically frail or dealing with a substance use disorder, pregnant women, and individuals living in areas of high unemployment. The OBBB also grants states like Alaska with flexibility and a delayed deadline to ease the implementation of these new requirements.

## Making the Largest Investment in U.S. Coast Guard History

As Chairman of the Commerce Subcommittee in charge of the Coast Guard, I've fought to ensure that our Coast Guardsmen have the resources and infrastructure they need to fulfill their many critical missions and protect Alaska's coastal communities, especially in light of escalating Russian and Chinese incursions, including joint operations, near Alaska's airspace and waters. The OBBB provides a historic **\$25 billion** investment in the U.S. Coast Guard that includes:

- **16 new icebreakers**, 3 of which will be Polar Security Cutters (heavy).
- **22 new cutters**, including offshore patrol and fast response cutters.
- **40+ new helicopters, 6 new C-130J aircraft.**
- **\$4.379 billion** to repair and replace shoreside facilities and aging infrastructure, benefitting Alaska's coastal communities.
- **\$300 million** for homeporting of Juneau icebreaker, *USCGC Storis*.

## Securing the Border & Fighting the Flow of Deadly Fentanyl

Our southern border was, until very recently, in a state of chaos, a result of the Biden administration's open border policies. President Biden allowed about 11 million illegal immigrants to enter the U.S. I have long highlighted the deadly impacts of this crisis on urban and rural parts of Alaska, which has seen the highest increase in the rate of drug overdose deaths of any state in the country. Since taking office, President Trump has brought illegal border crossings down by 99%. To support the President's efforts, the OBBBA allocates:

- **\$46 billion** for a southern border wall.
- **\$48 billion** in additional law enforcement funding.
- **\$8 billion** for Border Patrol vehicles; **\$6 billion** for new technology.

## Upgrading Alaska's Aviation Safety System

Alaska faces an aviation accident rate that is 2.35 times higher than the national average. The OBBB delivers major, long-overdue investments to address these challenges head-on, building on a broader federal aviation safety overhaul announced by President Trump and Secretary of Transportation Sean Duffy in 2025, which included the addition of 174 new weather stations specifically for Alaska. The OBBB makes a **\$12.5 billion** investment in a nationwide Air Traffic Control overhaul, including:

- **\$80 million** for 50+ Automated Weather Observing Systems (AWOS), 60+ Visual Weather Observing Systems (VWOS), 64+ weather camera sites.
- **\$40 million** for the FAA Alaska Aviation Safety Initiative (FAASI).

## Achieving Historic Savings for Our Children's Future

Last year, we paid out more in interest on our nation's \$36 trillion debt—upwards of \$950 billion—than we did to fund our military, about \$870 billion. This \$950 billion did not go to building bridges, roads, ports, or sewer projects in Alaska. This money went to bond holders, many of whom live in Asia, not America. The OBBB represents one of the largest spending reductions in history—**\$1.2 trillion**, and will reduce the deficit by **\$360 billion over ten years**, according to the nonpartisan Congressional Budget Office. Importantly, this bill accomplishes these savings principally by unleashing private sector growth, eliminating waste, fraud, and abuse, but not by cutting essential services.

## Protecting Alaska's Most Vulnerable Communities Item 11A.

My team and I worked hard to ensure the OBBB protects Alaska's most vulnerable communities, especially our seniors, Alaskans with disabilities, and those struggling to make ends meet. Among other provisions, the OBBB:

- Provides seniors with a **\$12,000 tax deduction** per couple.
- Includes a **2.5% "doc fix"** to strengthen Medicare access.
- Repeals Biden-era nursing home staffing mandates that threatened Alaska's long-term care facilities.
- Maintains 100% federal Medicaid coverage for Alaska Native people and exempts them from work requirements.
- Permanently extends the tax-free savings provisions for **Achieving a Better Life Experience (ABLE) accounts** for individuals with disabilities, and expands home- and community-based services.
- Expands **telehealth access** by allowing copays to be covered outside of overall health insurance deductibles.

The OBBB also includes measures to ensure states are properly administering the **Supplemental Nutrition Assistance Program (SNAP)** and that benefits are reaching those who need them most. States that have high SNAP "error rates," like Alaska, are granted additional time and flexibility to come into compliance with new requirements and modernize their programs. Finally, as with Medicaid, the OBBB institutes commonsense work or volunteer requirements for SNAP, but also includes numerous exemptions.

## Just the Facts

Answering false claims made about the OBBB.

-  **CLAIM:** The OBBB cuts Medicare, Medicaid and Social Security.
-  **TRUTH:** The OBBB makes no changes to Medicare or Social Security. The major Medicaid reforms in the bill limit states' use of provider taxes and state-directed payments—a scheme to get enhanced federal Medicaid payments. Alaska is the only state that has never used provider taxes or state-directed payments, and is therefore not impacted by these reforms. The federal matching rates and funding formulas for Alaska's Medicaid remain consistent under the OBBB. In fact, because of the Rural Health Transformation Fund, Alaska will net hundreds of millions more dollars to support its Medicaid program than without the OBBB. It's also important to note, Senate Democratic Leader Chuck Schumer tried to strip out nearly every provision beneficial for Alaska under the rules of budget reconciliation—including my FMAP provision to dramatically increase federal Medicaid dollars for Alaska. Therefore, it is simply a fact that the only people trying to cut Medicaid funding for Alaska throughout the OBBB process were Senator Schumer and Senate Democrats.
-  **CLAIM:** The OBBB is a big tax cut for the wealthiest Americans.
-  **TRUTH:** Millionaires and billionaires will pay the exact same marginal tax rate after enactment of the OBBB as they did before.
-  **CLAIM:** The Medicaid/SNAP work requirements equal benefit cuts.
-  **TRUTH:** If a young, able-bodied, childless adult chooses not to work, volunteer or study for 20 hours per week in order to be eligible for Medicaid or SNAP, that is their choice, but it is not a "cut." Likewise, if an Alaskan gets a good-paying job with private health coverage and graduates from Medicaid, that is also not a cut. Rather, that should be our collective goal as Alaskans.

**Mayor's Report  
For  
November 17, 2025 Assembly Meeting**

1. **Housing Work Session:** The Assembly and Borough staff will hold a work session on January 7, 2025, at noon to discuss housing solutions in Petersburg. The purpose of this session is to review current plans and projects and determine whether additional actions or new plans are necessary to address housing needs.
2. **Seeking Letters of Interest:** The Petersburg Borough is accepting letters of interest from citizens who wish to serve the community by filling one vacant seat on the Public Safety Advisory Board until the October 2026 Municipal Election. Letters of interest should be submitted to the clerk at the Borough offices located at 12 S. Nordic Drive; by sending to PO Box 329, Petersburg, AK 99833; or by emailing to [bregula@petersburgak.gov](mailto:bregula@petersburgak.gov).
3. **Happy Thanksgiving:** The Borough Assembly wishes everyone a happy and healthy Thanksgiving holiday. May we all remember and cherish what we are thankful for in our lives.
4. **Chamber Tree Lighting Event:** The Chamber of Commerce will be hosting the Tree Lighting Event on Friday, November 28<sup>th</sup> in the Municipal Building parking lot. The event begins with food vendors on Nordic Drive at 5:00 p.m., parade line-up with candles between IGA and Petersburg Properties at 5:15 p.m., and the parade kick-off at 5:30 p.m. Come and enjoy the fun!



**Borough Manager's Report**  
**Assembly Meeting 17 November 2025**

- ❖ We are working on updating the Assisted Living waitlist, sending out letters for verification of applicants to remain on either an active or inactive waitlist.
- ❖ Assisted Living is looking for part-time and fill-in employees to help care for our wonderful elderly residents. Applications for employment can be found on the Petersburg Borough website.
- ❖ Steelhead Enterprises submitted the low bid for the Elderly Housing Freezer/Cooler Room Floor Replacement Project, with a completion date of May 1, 2026.
- ❖ We are looking for local professionals skilled in plumbing, flooring, electrical and drywall/handyman/minor construction eager for smaller projects, to add to our list. Must be registered with Petersburg Borough and properly licensed and bonded. Please contact Michelle Lopez at 907-772-3445.
- ❖ Due to unsafe travel weather, Parks and Rec Youth Basketball were unable to travel to Wrangell and will be rescheduling the tournament game and some practices. Please contact Julie Anderson for more information.
- ❖ Thank you to Petersburg IGA and Hammer & Wikan for the donations for a very successful Pumpkin Plunge, as well as to the Parks and Recreation Advisory Board for their participation!
- ❖ We are preparing for the Holiday Jingle & Mingle to happen on Saturday, Dec. 6th from 4-6 pm at Sandy Beach as a multi-department collaboration.
- ❖ Jim Rehfeldt of Alaska Energy Engineering, LLC will be conducting an energy audit of the Community Center thanks to an energy conservation grant from the Department of Energy. Audit scheduled for Nov. 24th - 26th.
- ❖ PMPL is working with Rock N Road Construction for moving Scow Bay Generator #2 onto the concrete pad. The concrete is curing well and will be ready to accept the placement of the generator later in November.
- ❖ PMPL anticipates that the Scow Bay #2 design build contract will be ready for the Assembly's approval at the first meeting in December.
- ❖ Interested residents can get on the waiting list for the Alaska Heat Smart ACES program, which provides substantial heat pump rebates to qualifying applicants. You can get on the waiting list by visiting [www.akheatsmart.org/aces/](http://www.akheatsmart.org/aces/).

- ❖ PMPL staff have been working on changing out Borough high-pressure sodium streetlights for LED units purchased with a federal grant.
- ❖ Reminder to boat owners that have not operated their boats in the last 12 months, starting in January there will be a storage fee added to their monthly bill that is equivalent to their monthly moorage fee.
- ❖ Derelict vessels continue to be a nuisance. Last week the abandoned F/V Valkyrie a 36 ft. fiberglass vessel owned by Don Richards ended up drifting into the Harbor. Due to the situation, Harbor Staff were forced to grab it. Discussions with the USCG went nowhere. Rather than towing it out and letting it continue to be a navigation hazard or litter on Wrangell Narrows/Fredrick Sound, we decided to haul it out at Scow Bay and demo it with the help of Public Works crew. These costs are covered by the Harbor and will be recouped from storage fees assigned to dormant vessels coming from the new ordinances.
- ❖ Reminder to boat owners, harbor staff will be cleaning up floats of water hoses and clutter to make way for snow removal. Also boat owners need to call the Harbor Office with boat watching information as vessel owners start to travel out of town.
- ❖ Reminder for people not to park in the snow removal areas, otherwise vehicles will be towed.
- ❖ Staff and I are working on some proposed restrictions for the new Airport Subdivision lots. These ideas will be gathered and then shared with the Assembly for approval or edits.
- ❖ The Borough's Christmas tree is being cut and placed this week.
- ❖ Rock n Road has completed delivery of 1000 tons of winter traction sand. Residents are allowed to receive 10 buckets of sand per year at no charge. Check in at the public works office for more information.
- ❖ The new dump truck has been upfitted for the sander. With this new system we have full hydraulic control over the feed belt and dispersing disk, a great upgrade from the old system.
- ❖ The installation of fiber communication between the water plant and the storage tank has been completed. Thank you to PMPL and RMC Engineering for this upgrade.
- ❖ RMC has also installed new variable frequency drives for the sludge collectors in Sediment Basin #2.
- ❖ n the Pump Station 4 and Force Main Upgrade project: Installation of the electrical control systems is ongoing and coming along nicely despite a few minor issues. Siding and roofing should be going on soon.
- ❖ SCADA communications with several of our lift stations has been restored using a dwindling supply of now obsolete spare parts.
- ❖ All Public Works staff is attending American Red Cross CPR/First Aid training this month. Thank you to Aaron Hankins and PVFD for providing this training.
- ❖ Notice of Award has been sent to Western Dock & Bridge for the Banana Point Breakwater Improvement.

**PETERSBURG BOROUGH  
ORDINANCE # 2025-14**

**AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP FOR SERVICE AREA 1 OF THE PETERSBURG BOROUGH TO (1) REZONE WITH A CONDITION PRECEDENT GOVERNMENT LOT 21 (PARCEL #01-010-430) FROM OPEN SPACE – RECREATIONAL (O.S.R.) TO SINGLE-FAMILY MOBILE HOME (SFMH); AND (2) TO REZONE LOT 4, BLOCK A, SKYLARK II SUBDIVISION, PLAT #90-14 (PARCEL #01-010-243) FROM SINGLE-FAMILY RESIDENTIAL (S-F) TO OPEN SPACE – RECREATIONAL (O.S.R.) AND GOVERNMENT LOT 13 (PARCEL #01-010-412) FROM PUBLIC USE (P-1) TO OPEN SPACE - RECREATIONAL (O.S.R.)**

**WHEREAS**, the Petersburg Borough owns three parcels of land described as follows:

Government Lot 21, Section 33, Township 58 South, Range 79 East, Copper River Meridian, Petersburg Recording District, State of Alaska

Lot 4, Block A, Skylark II Subdivision, Plat #90-14, Petersburg Recording District, State of Alaska

Government Lot 13, Section 33, Township 58 South, Range 79 East, Copper River Meridian, Petersburg Recording District, State of Alaska; and

**WHEREAS**, Government Lot 21 (PID #01-010-430) is currently zoned Open Space – Recreational (O.S.R.); and

**WHEREAS**, Skylark Park, LLC owns an adjoining parcel, Government Lot 14, which was recently rezoned to permit certain higher density residential development; and

**WHEREAS**, Skylark Park, LLC filed an application to purchase Government Lot 21 to develop residential lots in conjunction with Government Lot 14, provided that Government Lot 21 is rezoned to permit such development; and

**WHEREAS**, if Government Lot 21 is rezoned, the applicant's stated intended use is to subdivide the parcel into 75' X 100' lots for placement of manufactured homes, a term not currently defined in the municipal code, thus requiring a rezone to Single-Family Mobile Home (SFMH) with conditions; and

**WHEREAS**, the Planning Commission conducted a duly noticed public hearing on the proposed rezone of Government Lot 21 on October 10, 2023, and considered and reviewed applicant materials, public comments and testimony, and staff report; and

**WHEREAS**, a recommendation to rezone Government Lot 21 to Single-Family Mobile Home (SFMH) with conditions failed by a vote of 3-1 by the Planning Commission; and

**WHEREAS**, Lot 4 (PID #01-010-243) is currently zoned Single-Family Residential (S-F), and Government Lot 13 (PID #01-010-412) is currently zoned Public Use (P-1); and

**WHEREAS**, in conjunction with the rezoning of Government Lot 14 to permit residential development, the Planning Commission initiated a zoning change of Lot 4 and Government Lot 13, under PMC 19.84.020(B), to establish green belt buffers between an

**PETERSBURG BOROUGH  
ORDINANCE # 2025-14**

established neighborhood and the proposed higher-density residential development, noting that the greenbelt could also serve as a future playground for residents of both neighborhoods consistent with Chapter 7 of the Borough's Comprehensive Plan; and

**WHEREAS**, the Planning Commission conducted a duly noticed public hearing on the proposed rezones on December 12, 2023, and considered public comments and testimony, and staff report; and

**WHEREAS**, the Planning Commission voted 6-0 to recommend rezoning of both Lot 4 and Government Lot 13 to Open Space – Recreational (O.S.R.); and

**WHEREAS**, on October 20, 2025, the Assembly voted, by a vote of 6 - 0, to approve the sale of Government Lot 21 to Skylark Park, LLC, on the terms set out in a Conveyance and Improvement Agreement; and

**WHEREAS**, the sale is contingent upon the rezoning of Government Lot 21 from Open Space - Recreational (O.S.R.) to Single-Family Mobile Home (SFMH);

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

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

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

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

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

**Section 3. Substantive Provisions.**

A: Rezone.

The Official Zoning Map for Service Area 1 of the Petersburg Borough, codified and referenced in Section 19.08.020 of the Municipal Code, is hereby amended for the following described property from Open Space – Recreational (O.S.R.) to Single-Family Mobile Home (SFMH) with conditions as set out below:

Government Lot 21, Section 33, Township 58 South, Range 79 East,  
Copper River Meridian, Petersburg Recording District, State of Alaska.

Conditions of Rezoning:

The principal permitted uses on Government Lot 21 are restricted to 1) one-family and two-family dwellings (as defined in PMC 19.04.210, and 19.04.240), and 2) newly constructed manufactured homes. Mobile homes that do not meet the definition of Newly Constructed Manufactured Homes, as set out herein, are a prohibited use.

**PETERSBURG BOROUGH  
ORDINANCE # 2025-14**

The definition of ‘Newly Constructed Manufactured Homes’ for purposes of this rezoning is as follows:

*“Newly Constructed Manufactured homes” are transportable, factory-built dwelling units constructed by the manufacturer no more than 2 years prior to placement of the home onto the rezoned parcel, in conformance with the federal Manufactured Home Construction and Safety Standards, as evidenced by an affixed certification label in accordance with 24 CFR 3280.11.*

**B: Rezone.**

The Official Zoning Map for Service Area 1 of the Petersburg Borough, codified and referenced in Section 19.08.020 in the Municipal Code, is hereby amended for the following described property from Single Family Residential (S-F) to Open Space – Recreational (O.S.R.):

Lot 4, Block A, Skylark II Subdivision, Plat #90-14, Petersburg Recording District, State of Alaska.

**C: Rezone.**

The Official Zoning Map for Service Area 1 of the Petersburg Borough, codified and referenced in Section 19.08.020 in the Municipal Code, is hereby amended for the following described property from Public Use (P-1) to Open Space – Recreational (O.S.R.):

Government Lot 13, Section 33, Township 58 South, Range 79 East, Copper River Meridian, Petersburg Recording District, State of Alaska.

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

**Section 5. Effective Date.** This Ordinance will be effective immediately upon adoption, except that the rezoning set out in Section 3(A) herein for Government Lot 21 shall not be effective until immediately prior to the sale of Government Lot 21 by the Borough to Skylark Park, LLC. If that sale, conclusively demonstrated by the recording of the deed to Skylark Park, LLC, does not occur within 90 days of the date of this ordinance, the rezoning of Government Lot 21 shall not be implemented and Section 3(A) of this ordinance shall be deemed void and of no further force and effect.

**PASSED and APPROVED by the Assembly of the Petersburg Borough, Alaska this 1<sup>st</sup> day of December, 2025.**

\_\_\_\_\_  
**Bob Lynn, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Rebecca Regula, Borough Clerk**

Adopted:  
Published  
Effective:

**PETERSBURG BOROUGH  
ORDINANCE #2025-15**

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

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

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

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

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

<u>Account Number</u>	<u>Account</u>	<u>Original Budget</u>	<u>Increase (Decrease)</u>	<u>Amended Budget</u>
<b>FISCAL YEAR 2026 REVENUE / EXPENSE BUDGET ADJUSTMENTS</b>				
<b>Electric Capital Projects – Transfer of Funds</b>				
745.000.501960	Auto Meter Reading Capital Project - Transfer Out	\$0	<b>(\$15,901.75)</b>	(\$15,901.75)
763.000.402240	Grid Resiliency Capital Project – Transfer In	\$122,000.	<b>\$15,901.75</b>	\$137,901.75
Transfer remaining Electric Auto Meter Reading Capital Project funds of \$15,901.75 to the Electric Grid Resiliency Project.				
<b>Banana Point Breakwater Capital Project</b>				
761.000.402261	Revenue from Petersburg Indian Association	\$0.	<b>\$78,000.</b>	\$78,000.
The Assembly approved Resolution #2025-21 to accept \$78,000 from PIA for the Banana Point Breakwater Improvement Project at the October 20th Assembly Meeting.				
<b>Wastewater Outfall Repair</b>				
430.000.501961	Outfall Pipe Engineering	\$0	<b>\$66,000.</b>	\$66,000.
Engineering cost not-to-exceed \$66,000 for time and materials to prepare bid ready documents for repairs to the outfall pipe in Frederick Sound.				
<b>Wastewater Variable Frequency Drives</b>				
430.000.506519	Replacement Variable Frequency Drives	\$23,200.	<b>\$25,000.</b>	\$48,200.
Purchase one replacement variable frequency drive that failed at pump station 5 and rebuild the failed VFDs to be used as backup for future breakdowns.				

**PETERSBURG BOROUGH  
ORDINANCE #2025-15**

<b>Electric – Downtown Street Lighting Project</b>				
748.000.501440	Professional Services	\$0	<b>\$6,200</b>	\$6,200
748.000.501440	Advertising and Printing	\$0	<b>\$1,500</b>	\$1,500
748.000.506508	Street Lights	\$0	<b>\$187,300</b>	\$187,300
This project was put on hold for a few years as the department addressed other priorities. Expenses from this fund were not initially planned for FY26 but PMPL will be working on sourcing the new light poles in 2026, based on a Borough internal committee’s input from a number of years ago, The Downtown Street Light capital project fund balance is currently \$195,000.				

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

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

**Passed and approved by the Petersburg Borough Assembly, Petersburg, Alaska this 1st day of December, 2025.**

\_\_\_\_\_  
**Bob Lynn, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Rebecca Regula, Borough Clerk**

Adopted:  
Published:  
Effective:



PUBLIC WORKS DEPARTMENT

# Memorandum

To: MAYOR LYNN AND BOROUGH ASSEMBLY

From: AARON MAROHL, PUBLIC WORKS DIRECTOR

Date: 10/29/2025

CC: STEVE GIESBRECHT, BOROUGH MANAGER

The Wastewater Treatment Utility uses variable frequency drives (VFDs) at several of our lift stations to adjust the speed of the pumps and control flowrates to protect downstream processes. In recent months, we have had two drives fail at two different stations.

For Scow Bay Pump Station 1 we had previously purchased a spare drive so that in the event of a failure we are able to swap it out and return to service. The failed drive can be returned to the manufacturer and repaired.

At Pump Station 5 a drive failure coincided with a power failure in late September. We do not have a spare, so we are currently operating on 2 pumps. This drive is identical to the drives being installed at pump station 4. We plan to purchase a new drive to replace the failed one at PS5. We will also send the failed drive back to the manufacturer to be repaired and it will serve as a spare for both PS4 and PS5.

The multiple VFD failures we have seen could not be anticipated at the time the FY26 budget was presented to the Assembly. For that reason, I am requesting \$25,000 be added to the Machinery & Equipment capital outlay fund for the purchase of one new VFD and the repair of two additional drives.

Thank you for your consideration.

**Public Works Department**

PO Box 329, Petersburg, AK 99833 – Phone (907) 772-4430 Fax (907) 772-4102

[www.petersburgak.gov](http://www.petersburgak.gov)

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**MEMORANDUM**

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**TO:** MAYOR LYNN AND BOROUGH ASSEMBLY  
**FROM:** STEPHANIE PAYNE, PARKS AND RECREATION DIRECTOR  
**SUBJECT:** BUDGET AMENDMENT  
**DATE:** 11/12/2025  
**CC:** STEVE GIESBRECHT, BOROUGH MANAGER

The Parks and Recreation Department is requesting an additional \$11,000 from the Parks and Recreation repair and maintenance fund to cover repairs to the bleacher roof and dugout at the Mort Fryer Ballfield that were damaged on September 26<sup>th</sup> by the windstorm. We have obtained an estimate of \$11,000 from Reliable Repair Services, LLC for the necessary repairs.

These repairs are essential to maintain the safety and usability of the facilities. It is critical that the work be completed before winter, as snow load could cause additional damage to the adjacent structure if repairs are delayed. Prompt action will help prevent further deterioration and ensure the area remains accessible for community events.

Thank you for your consideration.

**PETERSBURG BOROUGH  
ORDINANCE #2025-16**

**AN ORDINANCE AMENDING CHAPTER 4.04 OF THE MUNICIPAL CODE, ENTITLED  
“PURCHASING”, TO UPDATE BID AND PROPOSAL SUBMISSION PROCEDURES**

**WHEREAS**, the Borough seeks to modernize and clarify its bidding procedures to reflect current practices and technologies;

**Therefore**, the Petersburg Borough Ordains, Sections 4.04.060 and .070 of the Petersburg Municipal Code are hereby amended to update submission procedures for Invitations to Bid and Requests for Proposals, specifically to allow for electronic submissions.

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

**Section 2. Purpose:** The purpose of this ordinance is to modernize and clarify the Borough’s purchasing requirements by allowing electronic submission of responses to Invitations to Bid and Requests for Proposals, while maintaining the integrity and confidentiality of the bidding process.

**Section 3. Substantive Provisions:** Sections 4.04.060, *Bid procedure*, and 4.04.070, *Competitive Proposals*, of the Borough Code are hereby amended to read as follows (the proposed new language is in red and underlined and the language proposed for deletion is struck through):

4.04.060 - Bid procedure.

A. All competitive bids shall be solicited by the borough manager or manager's designee, who shall publish ~~give prospective bidders~~ a notice of invitation to bid not less than two weeks before the date of the opening of bids. Invitations to bid shall be solicited by publication in a newspaper calculated to reach prospective bidders or on an online platform. The publication shall contain at least a general description of the item to be purchased or of the work required and shall designate the place where detailed requirements and specifications may be obtained and the time and place where the sealed bids will be opened. The manager may also solicit bids by sending notice electronically or by mail to any known prospective bidder. The invitation to bid may include criteria to determine the acceptability of bids such as inspection, testing, quality, delivery and suitability for a particular purpose.

B. The borough may elect to accept bids in hard copy form, through an online bidding platform, or both:

1. If accepted in hard copy form: All ~~B~~ bids shall be submitted in writing in sealed envelopes that show clearly on the outside of the envelope the item bid and the time for opening. ~~All bids shall be in writing.~~ Hard copy bids, if allowed, Bids may not be submitted by electronic mail or other in

**PETERSBURG BOROUGH  
ORDINANCE #2025-16**

electronic ~~means form will not be accepted~~, but modifications to hard copy bids already submitted to the borough and not yet opened may be submitted electronically. Modifications shall not reveal the total amount of the original or revised bid. Modifications shall state a plus or minus to the affected bid item or items only.

2. If accepted through an online bidding platform: Bids shall be submitted through the secure online portal designated by the borough.

C. Bids received after the due date and time noticed shall not be accepted and shall not be opened; if received in hard copy form, the late bid shall be returned to the bidder unopened.

D. After bid opening, changes in bid prices or other provisions of bids prejudicial to the interest of the borough shall not be permitted.

E. Bids shall be opened at the time and place designated in the invitation to bid, either in person or via an electronic communications platform that provides real-time video conferencing. Bid openings shall be open to the public and a record made of the bidder name and amount bid.

*[There are no changes to paragraphs F through M]*

4.04.070 - Competitive proposals.

A. If not awarded by bidding, the borough may make purchase and award contracts by competitive proposals when the borough manager or manager's designee determines the request for proposals is more advantageous to the borough than competitive sealed bids. Competitive proposals allow the borough to subjectively evaluate proposals made for a purchase, or specific scope of work, with award of the purchase or contract based upon qualitative criteria detailed in the request for proposal as well as a proposed price.

B. A request for proposal must contain the date and time for ~~delivering~~ submitting proposals, a specific description of the supplies, construction, services or professional services to be provided and the terms under which the purchases are provided. The request shall provide a description of the factors that will be considered by the borough when evaluating the proposals received including the relative importance of price and other evaluation factors.

C. Notice of request for proposal shall be given in the same manner as notice of invitation to bid.

D. Requests for Proposals may be submitted and accepted in the same manner as provided for Invitations to Bid in paragraphs 4.04.060B(1) and (2) of this Chapter. ~~All proposals shall be~~

**PETERSBURG BOROUGH  
ORDINANCE #2025-16**

~~submitted in sealed envelopes that show clearly on the outside of the envelope the request for proposal title and the deadline for submission. All p~~Proposals shall be in writing and shall conform to the requirements of the request for proposals to be considered responsive. ~~Proposals submitted in electronic form will not be accepted, but modifications or additions to proposals already submitted to the borough and not yet opened may be submitted electronically. Modifications or additions shall not reveal the total cost of the original or revised proposal. Modifications to proposed costs shall state a plus or minus to the affected proposal item or items only.~~ Submitted proposals shall be opened, in public, at the designated time and place, either in person or via an electronic communications platform that provides real-time video conferencing.

*[There are no changes to paragraphs E through G]*

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

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

Passed and approved by the Petersburg Borough Assembly, Petersburg, Alaska this 17<sup>th</sup> day of November, 2025.

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Bob Lynn, Mayor

ATTEST:

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Rebecca Regula, Clerk

Adopted:  
Published:  
Effective:

November 5, 2025

To: Petersburg Borough Assembly

Thru: Ms. Becky Regula, Borough Clerk  
Petersburg Borough  
P.O. Box 329  
Petersburg, Alaska 99833

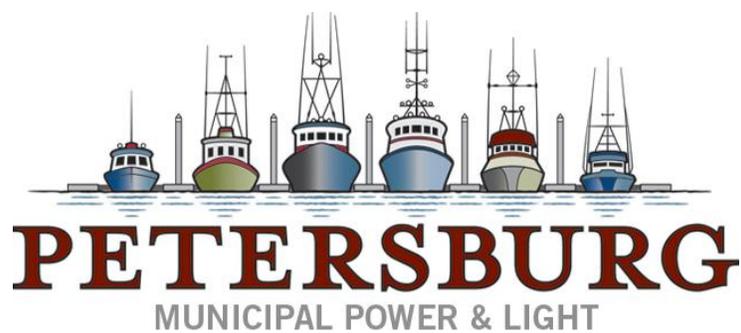
Subject: Letter of Interest to Continue Serving as the Voting Member on the SEAPA Board of Directors

I would like to continue serving Petersburg's interests as the voting member on the SEAPA Board of Directors for calendar year 2026. I recommend Mr. Hagerman as my alternate and support the transition to Mr. Harbour upon Mr. Hagerman's retirement. The transition would give me an opportunity to begin providing the background on the on-going projects but more importantly to help develop an understanding of the legal framework which SEAPA operates.

Mr. Hagerman and I with our longevity and continuity on the board have favored moving forward with the third turbine that will increase the power output to the three communities. We support the multiple aspects of the grid resiliency projects now moving forward and would like to see the various projects completed.

Thank You,

Bob Lynn



November 5, 2025

Ms. Becky Regula, Borough Clerk  
Petersburg Borough  
PO Box 329  
Petersburg, Alaska 99833

Re: Letter of Interest to Serve on the SEAPA Board of Directors

Dear Becky,

I would like to express my interest in continuing to represent Petersburg on the SEAPA Board of Directors.

I look forward to maintaining continuity on the Board of Directors as the Agency moves forward with various important and long lead-time projects. I believe that the Utility Director has unique insight to the cooperative and collaborative efforts that exist between PMPL, SEAPA and the utilities in Wrangell and Ketchikan. This insight is valuable to the Board of Directors and enables Petersburg to have technical and operational knowledge of our operation available during Board discussions and deliberations.

However, as it is no secret that I do plan on retiring from the Petersburg Borough's service in June of 2026, I would like to propose that my successor at PMPL, Stephan Harbour, be appointed as Petersburg's Alternate Board Member upon my retirement. Mr. Harbour has been involved in PMPL's weekly operations meetings with SEAPA staff since his hiring in 2023 and is looking forward to learning more about the administrative structure and long-term planning of the agency.

Please let me know if you have any questions for me and please forward my interest to the Mayor and Borough Assembly for their consideration.

Thank you,

A handwritten signature in blue ink that reads "Karl Hagerman". The signature is fluid and cursive, with a long horizontal stroke at the end.

Karl Hagerman  
Utility Director

Cc: Bob Lynn, SEAPA Chairperson, Board of Directors  
Stephan Harbour. PMPL

November 5, 2025

Ms. Becky Regula, Borough Clerk  
Petersburg Borough  
PO Box 329  
Petersburg, Alaska 99833

Re: Letter of Interest to Serve on the SEAPA Board of Directors

Dear Becky,

I would like to express my interest in serving as Petersburg's representative on the SEAPA Board of Directors upon Karl Hagerman's retirement in the summer of 2026.

I share Karl and Bob Lynn's belief that maintaining continuity on the Board is vital as SEAPA continues to manage and plan for complex, long-term projects that directly impact all member utilities. Through my work with Petersburg Municipal Power & Light, I've had the opportunity to participate in ongoing coordination with SEAPA staff and gain valuable perspective on the agency's operations, planning, and collaborative structure with our partners in Wrangell and Ketchikan.

I also believe it is important for the Director of Power & Light to serve on the SEAPA Board. This position provides a direct connection between local operations and regional planning, ensuring that Petersburg's technical, operational, and community priorities are clearly represented in discussions that shape SEAPA's future.

I am committed to supporting SEAPA's mission and ensuring Petersburg continues to have strong, informed representation that reflects both our local priorities and our shared regional interests. I would be honored to contribute to that effort as a member of the Board.

Please let me know if you have any questions, and thank you for forwarding my letter to the Mayor and Assembly for consideration.

Sincerely,

Stephan Harbour  
Utility Director (Designate)  
Petersburg Municipal Power & Light

Cc: Karl Hagerman, Utility Director  
Bob Lynn, SEAPA Chairperson, Board of Directors

**From:** john h <bbhondo49@outlook.com>  
**Sent:** Saturday, November 8, 2025 6:00 AM  
**To:** bregula@petersburgak.gov  
**Subject:** school board

I would like to be considered for the open seat on the school board. I have 30 years' experience working in schools and a doctorate in education. I was a special education teacher for 8 years, a college prof. for 2 years, a special ed. Director, a principal and assistant superintendent.

Thank you for any consideration,

John Havrilek

November 3, 2025

Re: Opposition of Sale of Borough Lot on Haugen Drive for Cell Tower Development

To the Mayor and Assembly Members

I am writing to express my opposition to the proposed sale of the Borough-owned lot on Haugen Drive for the purpose of the construction of an additional cell tower. The area in question is located within a mixed residential and business district, and the placement of new telecom infrastructure at this site would significantly impact this multi-use area.

My husband and I own a commercial property and operate business activities in this area, and we are directly invested in the long-term stability, usability, and value of the surrounding properties. The proposed tower location would introduce industrial-scale infrastructure in a setting that serves as homes to families, small businesses, and community services. This area functions as an important gateway corridor for Petersburg, and decisions made here will shape how our town looks and feels.

I fully recognize the importance of reliable communications and understand that infrastructure requires maintenance and development. However, the issue at hand is not whether Petersburg should have telecommunications capacity-it is where such structures are placed. The Haugen Drive lot is not an appropriate location for a tower of this scale. There are already multiple service providers available to this commercial and residential neighborhood that meet service needs without disrupting community character.

Approving this sale would set a precedent for future industrial encroachment to residential zones. As a member of our community, I ask that the Assembly consider the irreversible nature of this decision and the importance of preserving the qualities that make Petersburg a healthy and connected community.

I respectfully request that the Borough Assembly deny the sale of the Haugen Drive lot for this purpose.

Thank you for your time and consideration.

Sincerely,



Gwynne Short