



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda Borough Assembly Regular Meeting

Monday, September 15, 2025

6:00 PM

Assembly Chambers

You are invited to a Zoom webinar!
When: Sep 15, 2025 06:00 PM Alaska
Topic: 9.15.2025 Assembly Meeting

Join from PC, Mac, iPad, or Android:

[https://petersburgak-
gov.zoom.us/j/81983517021?pwd=VE3dcFMQSKDaEq2iyaFnS8aRbul7bd.1](https://petersburgak.gov.zoom.us/j/81983517021?pwd=VE3dcFMQSKDaEq2iyaFnS8aRbul7bd.1)

Passcode:266015

Webinar ID: 819 8351 7021

Passcode: 266015

1. **Call To Order/Roll Call**
2. **Voluntary Pledge of Allegiance**
3. **Approval of Minutes**
 - A. Regular Assembly Meeting Minutes September 2, 2025
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 September 15, 2025**

13. Manager's Report

A. **Manager's Report September 15, 2025**

14. Unfinished Business

A. **Ordinance #2025-13: An Ordinance of the Petersburg Borough Adjusting the FY 2026 Budget for Known Changes - Third Reading**

If approved in three readings, Ordinance #2025-13 will make the following changes to the FY2026 Budget. The Assembly unanimously approved Ordinance #2025-13 in its second reading.

Harbor Shed Roof -This project was originally budgeted for in FY2025. The construction project was delayed due to contractor availability. Construction is now scheduled for this fall. This adjustment to the FY2026 budget allocates \$180,000 to complete the project.

Blind Slough Hydro Dam Breach Study - This proposed expense of \$59,942 is to fund a professional services contract for the completion of a Dam Break Study in FY26. A proposal has been received from McMillen, the engineering firm that designed the Blind Slough hydro upgrades and also acts as our Chief Dam Safety Engineer. A copy of the proposal is attached to the Assembly packet.

GIS Project – This project helps support the Electric, Water and Wastewater departments. Additional funding (\$15,000 to be split between the three utilities) is needed to continue a support contract with RDI, the GIS experts that assisted with the in-the-field data collection effort this summer. This additional professional support will help Borough staff to complete utility maps and provide guidance as the utilities begin to use the GIS system and expand on its functionality. The increased budget will also allow for additional training of our in-house GIS Technicians to ensure effective management of the GIS data.

B. **Resolution #2025-17: A Resolution Urging Immediate Action for Effective Sea Otter Management to Restore Southeast Alaska's Shellfish Commercial Fisheries and Subsistence Harvests**

Postponed from the August 4, 2025 Assembly meeting to the September 15, 2025 meeting.

If approved, Resolution #2025-17 would request immediate action by federal and state authorities to establish and expedite a comprehensive and adaptive sea otter management strategy in Southeast Alaska.

15. New Business

16. Communications

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

Tuesday, September 02, 2025

12:00 PM

Assembly Chambers

1. Call To Order/Roll Call

PRESENT

Mayor Mark Jensen
Vice Mayor Donna Marsh
Assembly Member Scott Newman
Assembly Member Rob Schwartz

EXCUSED

Assembly Member Bob Lynn
Assembly Member Jeigh Stanton Gregor
Assembly Member James Valentine

2. Voluntary Pledge of Allegiance

The Pledge was recited.

3. Approval of Minutes

A. Regular Assembly Meeting Minutes August 4, 2025

The minutes of the August 4, 2025 meeting were unanimously approved as submitted.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Newman.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Newman, Assembly Member Schwartz

4. Amendment and Approval of Meeting Agenda

The agenda was approved as submitted.

Motion made by Assembly Member Newman, Seconded by Assembly Member Schwartz.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Newman, Assembly Member Schwartz

5. Public Hearings

A. Ordinance #2025-13: An Ordinance of the Petersburg Borough Adjusting the FY 2026 Budget for Known Changes

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.

Trevor Newton with Kimley-Horn, on behalf of Tidal Network, spoke about the land on Haugen Drive near the fire department and encouraged the Assembly to approve a direct sale for a communications tower.

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.

John Havrelik, speaking for himself, expressed concerns regarding the safety of scooters operating on public streets and sidewalks. He requested that the Assembly consider implementing an ordinance modeled after Wrangell Borough's regulations for scooters and e-bikes.

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. 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.

12. Mayor's Report

A. September 2, 2025 Mayor's Report

Mayor Jensen read his report into the record.

13. Manager's Report

A. September 2, 2025 Manager's Report

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

14. Unfinished Business

A. Ordinance #2025-13: An Ordinance of the Petersburg Borough Adjusting the FY 2026 Budget for Known Changes - Second Reading

If approved in three readings, Ordinance #2025-13 will make the following changes to the FY2026 Budget. The Assembly unanimously approved Ordinance #2025-13 in its first reading.

Harbor Shed Roof - This project was originally budgeted for in FY2025. The construction project was delayed due to contractor availability. Construction is now scheduled for this fall. This adjustment to the FY2026 budget allocates \$180,000 to complete the project.

Blind Slough Hydro Dam Breach Study - This proposed expense of \$59,942 is to fund a professional services contract for the completion of a Dam Break Study in FY26. A proposal has been received from McMillen, the engineering firm that designed the Blind Slough hydro upgrades and also acts as our Chief Dam Safety Engineer. A copy of the proposal is attached to the Assembly packet.

GIS Project – This project helps support the Electric, Water and Wastewater departments. Additional funding (\$15,000 to be split between the three utilities) is needed to continue a support contract with RDI, the GIS experts that assisted with the in-the-field data collection effort this summer. This additional professional support will help Borough staff to complete utility maps and provide guidance as the utilities begin to use the GIS system and expand on its functionality. The increased budget will also allow for additional training of our in-house GIS Technicians to ensure effective management of the GIS data.

By unanimous Roll Call vote, Ordinance #2025-13 was unanimously approved in its second reading.

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

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Newman, Assembly Member Schwartz

15. New Business

A. Application to Purchase Borough Owned Land - Haugen Drive

The Borough has received an application requesting to purchase approximately 10,040 square feet of the Borough-owned property located at 1200 Haugen Drive. As outlined in Petersburg Municipal Code Section 16.12.080, a public hearing on the

application was held by the Planning Commission on August 12, 2025, and the Commission has submitted a recommendation to the Assembly to sell the property. The Planning Commission report is attached for reference.

The assembly directed Borough Manager Giesbrecht to negotiate a direct sale with Central Council of the Tlingit & Haida Indian Tribes of Alaska for a parcel of Borough owned land at 1200 Haugen Drive to construct a wireless tower to provide internet service to residents.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Newman.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Newman, Assembly Member Schwartz

B. Application to Purchase Borough Owned Land - School Reserve

The Borough has received an application requesting to purchase a portion of the Borough-owned property located at the Public School Reserve within the Dolphin Street parking lot. As outlined in Petersburg Municipal Code Section 16.12.080, a public hearing on the application was held by the Planning Commission on August 12, 2025, and the Commission has submitted a recommendation to the Assembly not to approve the sale of the property. The Planning Commission report is attached for reference.

The assembly denied the application from Grant Trask to purchase a portion of Borough owned property in the Public School Reserve.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Newman.
Voting Nay: Mayor Jensen, Vice Mayor Marsh, Assembly Member Newman, Assembly Member Schwartz

C. Approval of Election Officials for the October 7, 2025 Municipal Election

Clerk Regula requested Assembly approval of the following local residents willing to perform the duties of Election Official for the Petersburg Borough Municipal Election:

Joe Bertagnoli
Eric Castro
Tim Chittenden
Martha Cummins
Angela Davis
Sally Dwyer
Sue Flint
Susan Holmes
Mara Lutomski
Tina Sakamoto
Bev Siercks
Barb Steltz
Julianne Thompson
Marina Whitacre
Cena Worhatch

The Assembly unanimously approved the election official list for the October 7, 2025 election

Motion made by Assembly Member Newman, Seconded by Vice Mayor Marsh.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Newman, Assembly Member Schwartz

D. Canvass and Certification of Municipal Election

Clerk Regula requested that the Assembly select a date to canvass and certify the results of the October 7th municipal election, in accordance with Petersburg Borough Code section 2.36.050, which requires certification to occur within seven days of the election.

The Assembly set Friday, October 10, 2025 at noon for the canvass and certification meeting for the October 7, 2025 municipal election.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Schwartz.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Newman, Assembly Member Schwartz

16. Communications

A. Correspondence Received Since August 14, 2025

17. Assembly Discussion Items

A. Assembly Member Comments

There were no comments.

B. Recognitions

Member Marsh thanked the Petersburg Police Department for their response to the school during the lockdown last week.

Emergency Services Director Hankins thanked Barry Youngberg for being a good community partner during his years of service with DOT and wished him well in retirement.

18. Adjourn

The meeting was adjourned at 12:35 p.m.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Newman.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Newman, Assembly Member Schwartz

**Mayor's Report
For
September 15, 2025 Assembly Meeting**

1. **Absentee Voting Information:** Applications to request absentee ballots are available on the Borough website or upstairs in the municipal building.
2. **Early Voting Information:** Early voting will begin this Wednesday, September 17th from 11:00 am to 3:00 pm downstairs near the main entrance in the municipal building.
Early voting ends at noon on October 6th.
3. **Election Day – October 7, 2025:** Vote in person at the Parks and Rec Activities Room at 500 N 3rd St between 8:00 am and 8:00 pm on Tuesday, October 7th.
For more information on the election, go to www.petersburgak.gov and click on the orange banner at the top of the screen.

A sample ballot is attached to this report.



SAMPLE BALLOT FRONT

Item 12A.

INSTRUCTIONS TO VOTER: To vote for the issue/candidate of your choice, **fill in the oval next to the issue/candidate you want to vote for.** Place your ballot inside the secrecy sleeve and then take your ballot to the ballot box.

If you make a mistake while voting, return the ballot to the election official for a new one.
A vote which has been erased or changed will not be counted.



**PETERSBURG BOROUGH
BOROUGH OFFICIAL BALLOT
MUNICIPAL ELECTION
OCTOBER 7, 2025**

Instructions:

To vote, completely fill in the oval next to your choice like this: ●

Use a blue or black ink pen to mark your ballot. NO RED INK. If you make a mistake, ask for a new ballot.

To vote for a person whose name is not printed on the ballot, fill in the oval and print the person's name on the blank line provided for a write-in candidate.

| | |
|--|---|
| MAYOR One 3 Year Term (Vote for no more than 1) | HOSPITAL BOARD Three 3 Year Terms (Vote for no more than 3) |
| <input type="radio"/> Bob Lynn | <input type="radio"/> Joni Johnson |
| <input type="radio"/> Scott Newman | <input type="radio"/> Cindi Lagoudakis |
| ASSEMBLY Two 3 Year Terms (Vote for no more than 2) | <input type="radio"/> Joseph Stratman |
| <input type="radio"/> Ralieg H. Cook | <input type="radio"/> Write-in |
| <input type="radio"/> Donna Marsh | <input type="radio"/> Write-in |
| <input type="radio"/> Bob Martin | <input type="radio"/> Write-in |
| <input type="radio"/> Jeff Meucci | PLANNING COMMISSION Two 3 Year Terms (Vote for no more than 2) |
| <input type="radio"/> Tony Vinson | <input type="radio"/> Write-in |
| SCHOOL BOARD Two 3 Year Terms (Vote for no more than 2) | <input type="radio"/> Write-in |
| <input type="radio"/> Sarah Pawuk Holmgrain | PLANNING COMMISSION One 2 Year Term (Vote for no more than 1) |
| <input type="radio"/> Write-in | <input type="radio"/> Sarah Fine-Walsh |
| <input type="radio"/> Write-in | <input type="radio"/> Write-in |
| | HARBOR AND PORTS ADVISORY BOARD Two 3 Year Terms (Vote for no more than 2) |
| | <input type="radio"/> Casey Knight |
| | <input type="radio"/> Wally McDonald |
| | <input type="radio"/> Write-in |
| | <input type="radio"/> Write-in |

VOTE BOTH SIDES OF BALLOTS

SAMPLE BALLOT BACK

Item 12A.

INSTRUCTIONS TO VOTER: To vote for the issue/candidate of your choice, **fill in the oval next to the issue/candidate you want to vote for.** Place your ballot inside the secrecy sleeve and then take your ballot to the ballot box.

If you make a mistake while voting, return the ballot to the election official for a new one.
A vote which has been erased or changed will not be counted.

+

| | |
|--|--|
| LIBRARY BOARD Two 3 Year Terms (Vote for no more than 2) | PETERSBURG BOROUGH - BALLOT PROPOSITION |
| <input type="radio"/> Barb Fish <input type="radio"/> Debra Dzijuksuk O'Gara <input type="radio"/> Write-in <input type="radio"/> Write-in | PROPOSITION NO. 1 Limiting Eligibility for the Senior Sales Tax Exemption to Low-Income Seniors. This change would limit eligibility for the borough sales tax senior exemption to those who qualify for the State of Alaska Senior Benefits Payment Program. Shall Section 4.28.130, <i>Senior citizen exemption</i> , of the Borough Code be amended to limit eligibility to low-income seniors? <input type="radio"/> Yes <input type="radio"/> No |
| PARKS AND RECREATION ADVISORY BOARD Two 3 Year Terms (Vote for no more than 2) | |
| <input type="radio"/> Chrystine Lynn <input type="radio"/> Michele Pfundt <input type="radio"/> Write-in <input type="radio"/> Write-in | |
| PARKS AND RECREATION ADVISORY BOARD One 2 Year Term (Vote for no more than 1) | |
| <input type="radio"/> Sunny Rice <input type="radio"/> Write-in | |
| PUBLIC SAFETY ADVISORY BOARD Two 3 Year Terms (Vote for no more than 2) | |
| <input type="radio"/> Devren Bennett <input type="radio"/> Stan Hjort <input type="radio"/> John Lichtenberger <input type="radio"/> Write-in <input type="radio"/> Write-in | |

VOTE BOTH SIDES OF BALLOTS



**Borough Manager's Report
Assembly Meeting 15 September 2025**

- ❖ Last of the tour ship season is 9/22, thanks for another good year!
- ❖ Still seeing transient vessels heading south, stopping in for weather etc. The Harbor has approximately a dozen vessels wanting to winter over in Petersburg, so staff is actively monitoring permanent stall holder schedules to “sub-let” stalls that are empty during the winter months.
- ❖ Outlying lodge operations are coming through the Harbor to store their vessels and winter over equipment.
- ❖ Harbor maintenance is finalizing much of the seasonal upkeep and preparing for winter weather.
- ❖ Rock N Road moved the Scow Bay generator from AML to the pole yard on September 5th. PMPL is working with available contractors to source the construction of the permanent generator pad so that the unit can be lifted onto the pad and protected for the winter. A temporary shelter is on order to keep the generator warm and dry over the course of the winter.
- ❖ PMPL recently brought an Altec mechanic to Petersburg to complete annual electrical insulation testing on the line trucks and our high voltage line tools.
- ❖ PMPL staff has been implementing the iWorq software that public works has used for many years. The utility is now using a module to track our inventory and is working on developing software-based work orders and inspection reporting.
- ❖ Karl is out on PTO from September 10 – 24th.
- ❖ Replaced a culvert in an anadromous fish stream near Sandy Beach Shelter 1 at the request of and oversight from ADF&G.
- ❖ Still waiting on word from NC Machinery regarding transmission repairs on the grader.
- ❖ Garbage bears are still very active and we are continuing our public education campaign to encourage folks to keep garbage secured, as required by Borough code. We also have bear straps for garbage cans at Public Works. These are available to Sanitation customers free, upon request.
- ❖ We are ordering steel doors for the large dumpster at the elementary school. Bears have resorted to ripping off the locked plastic doors to gain access.

- ❖ Traffic at the baling facility continues to be high, with lots of garbage being generated by various construction projects.
- ❖ We are having some issues with the jail cell water flow valves.
- ❖ Apex Refrigeration will be replacing the HVAC condensers on the municipal building before the end of September.
- ❖ An outhouse door has been replaced at Wilson Creek Campground, along with 3 outhouse windows at Wilson Creek and Green's Camp.
- ❖ Devise Engineering will conduct the required dam inspection on September 16-17th
- ❖ Work continues on the Pump Station 4 and Force Main Upgrade project. Foundation for the new building is nearly complete. Mattingly Electric is set to begin running conduit for the new building. The forced main has been pressure tested and buried.
- ❖ Aaron will be attending Southeast Conference in Sitka September 15-19
- ❖ Working on moving several residents out of Assisted Living who require more care than we can provide.
- ❖ Working on two apartments in Assisted Living now that the carpet is in so we can rent them out.
- ❖ Financial auditors were in the office most of last week.
- ❖ Greg Johnson reached out to us, and we should have a signed contract for the Assembly to approve in the next week or so.
- ❖ Parks and Rec Dive-In movie nights will resume in October! These family events are now scheduled for Saturday nights, check our fall Aquatic and Gym schedules and fliers for more information.
- ❖ Hosted our pre-bid meeting with engineers and contractors yesterday for the Aquatic sewer line repair slated for June 2026 start date.

**PETERSBURG BOROUGH
ORDINANCE #2025-13**

**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> |
|---|--|------------------------|----------------------------|-----------------------|
| <u>FISCAL YEAR 2026 REVENUE / EXPENSE BUDGET ADJUSTMENTS</u> | | | | |
| | | | | |
| Harbor Shed Roof – Continuation from prior year. | | | | |
| 450.000.506555 | Harbor Shed Roof adj. to Harbor Office | \$0 | \$180,000. | \$180,000. |
| This project was originally budgeted for in FY2025. The construction project wasn't started in FY2025 because the contractor couldn't get to it until this fall. This is to add the expense to the FY26 budget. | | | | |
| | | | | |
| Petersburg Municipal Power and Light | | | | |
| 410.000.501410 | Professional Services for Blind Slough Hydro Dam Break Study | \$56,000. | \$59,942. | \$115,942. |
| This new expense is to fund a professional services contract for the completion of a Dam Break Study in FY26. A proposal has been received from McMillen, the engineering firm that designed the Blind Slough hydro upgrades and also acts as our Chief Dam Safety Engineer. A copy of the proposal is attached to the Assembly packet. | | | | |
| | | | | |
| Petersburg Municipal Power and Light | | | | |
| 410.000.501960 | Electric Department Transfer Out | -\$20,000. | -\$5,000. | -\$25,000. |
| 420.000.501960 | Water Department Transfer Out | -\$5,000. | -\$5,000. | -\$10,000. |
| 430.000.501960 | Wastewater Department Transfer Out | -\$5,000. | -\$5,000. | -\$10,000. |
| 757.000.40224X | GIS Capital Project – Transfer In | \$30,000. | \$15,000. | \$45,000. |

**PETERSBURG BOROUGH
ORDINANCE #2025-13**

Additional funding is needed to continue a support contract with RDI, the GIS experts that helped with the in-the-field data collection effort this summer. This additional professional support will help Borough staff to complete utility maps and provide guidance as the utilities start to use the GIS system and expand on its functionality. The increased budget will also allow for additional training of our in-house GIS Technicians who will be managing the GIS data.

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 15th day of September.

Mark Jensen, Mayor

ATTEST:

Rebecca Regula, Borough Clerk

Adopted:
Published:
Effective:

August 5, 2025

Karl Hagerman
Utility Director
Petersburg Municipal Power & Light
Petersburg Borough
PO Box 329, Petersburg, Alaska 99833

Subject: Crystal Lake Dam, Blind Slough Hydroelectric Project (P-201-AK)
Re: Proposal to Perform a Dam Breach Inundation Analysis and Hazard
Potential Classification Review

Dear Mr. Hagerman,

McMillen, Inc. (McMillen) is pleased to submit the enclosed letter proposal to Petersburg Municipal Power & Light (PMPL) to perform a dam breach inundation analysis and hazard potential classification review for Crystal Lake Dam. We have developed the following scope of work (SOW), cost estimate, and schedule for PMPL review. The proposal is based on our project understanding, our initial review of the recently acquired LiDAR, and previous conversations between PMPL and McMillen.

PROJECT UNDERSTANDING

The most recent dam breach and inundation mapping study for Crystal Lake Dam was performed in 1985. Since then, methods and procedures for preparing dam breach studies have improved significantly. Updated dam breach inundation mapping would provide a better understanding of the potential downstream impacts, including time to flood wave arrival, and magnitude and extent of flooding. Of particular interest are the hatchery facilities and residences approximately 1.5 miles downstream of the dam. The analyses performed as a part of this study will also improve emergency response planning based on a better understanding of flood wave arrival times and magnitude.

The Crystal Lake Dam has a High hazard potential classification. Prior to 2011, the dam had a Significant classification, and PMPL voluntarily completed a Part 12D Inspection. During review of the 2009 Part 12D, FERC questioned the Significant classification and recommended that an updated dam breach study be performed to resolve this question¹. At the time, PMPL elected to re-classify the dam as High hazard and forgo an inundation study.

¹ McMillen, Inc. (2024) Blind Slough Hydroelectric Project, FERC No. 0201-AK, 2024 Periodic Inspection Report. January.

Previous reviews of terrain data indicated that it was generally lacking sufficient detail in the powerhouse and hatchery area to adequately define the structures, storage ponds, and other features which would be of specific interest for the hydraulic analyses. In 2025, new LiDAR data became available; the LiDAR was determined to be of adequate quality to characterize the topography around the dam, Crystal Creek downstream reach, and the potential downstream inundation areas around the hatchery and powerhouse. After conversations with the FERC Project Engineer and the Chief Dam Safety Engineer (CDSE) during the 2025 annual inspection, it was determined that performing another study, using modern techniques and utilizing the new LiDAR, would result in a more accurate representation of a potential dam breach. This updated study could also be used to inform a review of the dam's hazard potential classification.

PROJECT GENERAL ASSUMPTIONS

Based on the information provided by PMPL and our Project Understanding, the following assumptions have been made in the development of this SOW. These assumptions impact the overall Project and budget. However, McMillen will gladly entertain any discussion on these assumptions to ensure they align with PMPL goals.

- All meetings will take place virtually using Microsoft Teams.
- No site visits will be performed as part of this SOW.
- McMillen assumes the project notice to proceed to be granted within two months of submitting this proposal. If the award process is prolonged, the project's budget and schedule may need to be reassessed for potential adjustments due to the delay.
- The total duration of the project is anticipated to be 4 months.
- All technical documents will be reviewed internally by qualified McMillen personnel before submission to PMPL.
- All materials will be prepared and submitted electronically.

PROJECT APPROACH

McMillen's Project approach is identified in the following tasks and activities. The tasks will be completed in the order described, excluding Project Management, which is included for the duration of the Project.

- Task 1.0 – Project Management
- Task 2.0 – Hydraulic Modeling and Inundation Mapping
- Task 3.0 – Hazard Potential Classification

- Task 4.0 – Report Preparation

The following narratives provide our Project approach and assumptions for each work task. The narratives are the basis of the development of our labor-hour estimate.

TASK 1.0: PROJECT MANAGEMENT

Steven Klawitter, PE, will serve as the McMillen PM responsible for the overall coordination and direction of the work. He has led and performed numerous dam breach and inundation analyses. The hydraulic analyses will be performed by Gibson De Jode, EIT, with oversight and direction provided by Mr. Klawitter. Project Quality Assurance/Quality Control (QA/QC) will be performed by Cyrus Niamir, PE, the CDSE and most recent Part 12D Independent Consultant for the Blind Slough Hydroelectric Project.

Task 1.0 includes administration, project setup, accounting, and invoicing. Project Management will also cover the coordination between team members who are performing reviews, analyses, mapping, and report writing. All project deliverables will be reviewed internally by a qualified McMillen team member (QA/QC). This task also includes provisions for two meetings, one to kick off the Project at the start of the work and one to discuss the results prior to issuing the final report.

DELIVERABLES

- Invoices (PDF format).
- Monthly progress reports with each invoice (PDF format).

ASSUMPTIONS

- The Project duration is anticipated to be four months.

TASK 2.0: HYDRAULIC MODELING AND INUNDATION MAPPING

Task 2.0 will consist of developing a two-dimensional hydraulic model using HEC-RAS version 6.4 or newer. The model terrain will be based on the newly available LiDAR data where available and supplemented by other publicly available terrain sources as necessary. The model domain will extend from the dam down Crystal Creek to Blind Slough and along Blind Slough to west to the Wrangell Narrows and east towards the Sumner Strait to capture the full extents of the failure flood waves. The total downstream reach is approximately 14 miles split between the Crystal Creek and both east and west portions of Blind Slough.

The dam breach parameters will be developed based on previous experience, previous studies at Crystal Lake Dam, and standard engineering practices including FERC Engineering Guidelines. The developed parameters will be entered into HEC-RAS to simulate the dam breach scenario. An

iterative approach will be taken to determine the appropriate model domain configurations, computational time steps, model refinement areas, boundary conditions, and baseflow conditions. Three model scenarios will be evaluated including:

1. Sunny day dam breach at full pool (EL. 1292.0, NAVD88)
2. Probable Maximum Flood (PMF) with dam breach
3. PMF with no dam breach

The third model scenario (PMF with no dam breach) will be used to inform the general understanding of the incremental impacts between the PMF without breach and PMF with breach. Discussion of this comparison will be provided in the report developed as part of Task 4.0. This simplified analysis will not be intended to serve as a full Incremental Hazard Evaluation as would be required under FERC Engineering Guidelines Chapter 2 to revise the Inflow Design Flood (IDF) to a storm less than the PMF. In addition to the three base case scenarios, McMillen will prepare a sensitivity analysis of the selected HEC-RAS modeling parameters. This analysis will be conducted for breach formation time, breach size, and terrain roughness based on the sensitivity analyses recommended in FERC Engineering Guidelines Chapter 2, Appendix II-A (2015). Three sensitivity analysis runs will be performed, and results will be compared to the base case parameters. Details of the model results, model development, and selected modeling parameters will be included in the report prepared in Task 4.0.

The detailed downstream routing results will be utilized to develop separate sets of inundation maps for the sunny-day breach and PMF breach scenarios. McMillen's GIS team will primarily perform this task. Our GIS team has extensive experience developing detailed inundation maps to provide critical information to end-users. Inundation maps will be developed at a variable scale to provide increased resolution in areas of interest such as the fish hatchery. Map features will include selected cross sections at critical locations that report the peak flow, peak water depth, peak water velocity, and time to flood wave arrival and peak flood flow. These maps will meet FERC requirements (Engineering Guidelines Chapter 6) and will be acceptable for inclusion in the Project's Emergency Action Plan (EAP). The inundation maps will be included as an appendix to the report prepared as part of Task 4.0. Revisions will be made to the maps based on comments received during PMPL's review.

DELIVERABLES

- Electronic copy of the HEC-RAS model.
- Analyses will be summarized as part of Task 4.0 reporting.
- Digital copies of inundation maps showing sunny-day and PMF failure conditions (PDF format), consistent with FERC Engineering Guidelines Chapter 6, will be appended to Task 4.0 reporting.

ASSUMPTIONS

- The existing PMF study will be provided by PMPL and is acceptable for use in this analysis.
- PMPL will provide the lake elevation-storage curve and the spillway rating curve.
- Downstream culverts and bridge crossings will be assumed to fail during the breach and will not be included in the hydraulic model.
- Sensitivity analysis will be conducted for time of breach, breach size, and roughness. Three sensitivity analysis runs will be performed.
- Two sets of inundation maps will be prepared, consistent with FERC requirements.

TASK 3.0: HAZARD POTENTIAL CLASSIFICATION

The FERC hazard potential classification system categorizes dams based on the probable loss of human life and the impacts on economic, environmental, and lifeline interests. The key difference between a Significant and a High classification determination is the expected loss of human life; Significant is characterized by no probable loss of human life, while High is conversely characterized by probable loss of human life. The dam breach hydraulic modeling and inundation mapping described in Task 2.0 will be used to inform loss of life estimates. The loss of life estimates will be performed using methods presented in the US Bureau of Reclamation Guidelines for Estimating Life Loss (RCEM, 2015) and will consider the FERC Engineering Guidelines (specifically Chapters 1, 2, and 18).

Loss of life calculations will be compared to the hazard potential classification definitions and discussions and McMillen will perform a formal review of the dam's High hazard potential classification. Topics such as impact of failure, mis-operation of the dam, property damage, and environmental concerns will be covered as part of this review.

DELIVERABLES

- Analysis and rationale will be included as part of Task 4.0 reporting.

ASSUMPTIONS

- Estimates of the number of personnel working and residing at the hatchery are available.
- Recent Sudden Failure Assessments and Evacuation Drills are available and can be relied upon for this analysis.

TASK 4.0: REPORT PREPARATION

The work performed in Task 2.0 and Task 3.0 will be summarized in a Dam Breach Inundation Mapping and Hazard Potential Classification Review Report for Crystal Lake Dam. The calculations

and inundation maps will be included as appendices to the report. McMillen will develop a draft report and associated appendices for review by PMPL. Based on this review, a revised final report and supporting documents will be developed, signed, and sealed for submittal to PMPL.

DELIVERABLES

- Draft report and attachments (PDF and Word format).
- Final report and attachments (PDF format).
- Final GIS files in accordance with FERC requirements for submittal to FERC with the final report and attachments.

ASSUMPTIONS

- A revised final report will be issued within two weeks of receiving comments from PMPL.
- This proposal covers efforts to prepare documents for delivery to FERC. Additional effort based on comments received from FERC is not included.

SCHEDULE

The work will begin upon Notice to Proceed (NTP) which is assumed to occur on October 1, 2025. Table 1 provides a schedule breakdown for each task. The Project is anticipated to occur between October 2025 and January 2026.

Table 1. Proposed Schedule

| Milestone | Time (Business Days) | Start | End |
|--|----------------------------|------------|------------|
| Notice to Proceed | | 10/1/2025 | |
| 1.0 Project Management | | | |
| Progress Reports and Invoicing | 78 | 10/1/2025 | 1/16/2026 |
| Project Setup and Task Coordination | 78 | 10/1/2025 | 1/16/2026 |
| External Meetings | 78 | 10/1/2025 | 1/16/2026 |
| 2.0 Hydraulic Modeling and Inundation Mapping | | | |
| Data Collection and Review | 7 | 10/3/2025 | 10/17/2025 |
| Breach Parameter Development | 20 | 10/20/2025 | 11/14/2025 |
| Hydraulic Model Development | 25 | 10/20/2025 | 11/21/2025 |
| Sensitivity Analysis | 10 | 11/24/2025 | 12/5/2025 |
| Inundation Mapping | 20 | 11/17/2025 | 12/12/2025 |
| 3.0 Hazard Potential Classification | | | |
| Life Loss Calculations | 10 | 12/1/2025 | 12/12/2025 |
| Hazard Classification Review | 10 | 12/1/2025 | 12/12/2025 |
| 4.0 Report Preparation | | | |
| Draft Report | 25 | 11/17/2025 | 12/19/2025 |
| Final Report | 10 | 1/5/2026 | 1/16/2026 |

BUDGET

Table 2 provides a budget summary for each task discussed above. Attachment A provides a detailed breakdown of tasks, hours, and billing rates used to support the proposed budget. The not-to-exceed amount for the Crystal Lake Dam Breach Inundation Mapping and Hazard Potential Classification Review is \$59,942. The Project will be invoiced monthly on a time and materials basis.

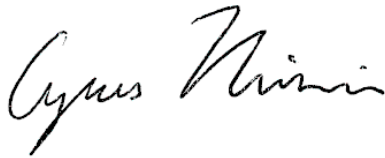
Table 2. Proposed Project Budget

| Task No. | Description | Budget |
|----------|---|-----------------|
| 1.0 | Project Management | \$5,148 |
| 2.0 | Hydraulic Modeling and Inundation Mapping | \$30,154 |
| 3.0 | Hazard Potential Classification | \$7,360 |
| 4.0 | Report Preparation | \$17,280 |
| | Total | \$59,942 |

CONCLUSION

We appreciate the opportunity to provide you with a detailed SOW, cost estimate, and schedule for execution of the dam breach inundation analysis and hazard potential classification review for Crystal Lake Dam. If you have any questions or need additional information, please contact Cyrus Niamir at niamir@mcmillen.com or 720-481-9165. We look forward to serving PMPL on this Project.

Sincerely,



Cyrus Niamir, PE
Dam Safety / Geotechnical Discipline Lead

Encl. Attachment A: Detailed Budget Breakdown

ATTACHMENT A: DETAILED BUDGET BREAKDOWN

| Staff | C. Niamir (QA/QC) | S. Klawitter (PM) | G. De Jode (H&H) | Z. Uhlmann (GIS) | Tech. Editor | Admin. | | | |
|--|----------------------|----------------------|---------------------|---------------------|--------------|--------|-------|--------------|--------------|
| Rates | \$ 217 | \$ 185 | \$ 130 | \$ 110 | \$ 120 | \$ 105 | Hours | Total Labor | TOTAL |
| 1.0 Project Management | 4 | 16 | 2 | 2 | - | 8 | 32 | \$ 5,148 | \$ 5,148 |
| Progress Reports and Invoicing | | 4 | | | | 4 | 8 | \$ 1,160 | \$ 1,160 |
| Project Setup and Task Coordination | 2 | 10 | 2 | 2 | | 4 | 20 | \$ 3,184 | \$ 3,184 |
| External Meetings | 2 | 2 | | | | | 4 | \$ 804 | \$ 804 |
| | | | | | | | | \$ - | \$ - |
| 2.0 Hydraulic Modeling and Inundation Mapping | 2 | 32 | 112 | 84 | - | - | 230 | \$ 30,154 | \$ 30,154 |
| Data Collection and Review | 2 | 4 | 12 | 4 | | | 22 | \$ 3,174 | \$ 3,174 |
| Breach Parameter Development | | 2 | 20 | | | | 22 | \$ 2,970 | \$ 2,970 |
| Hydraulic Model Development | | 8 | 48 | | | | 56 | \$ 7,720 | \$ 7,720 |
| Sensitivity Analysis | | 2 | 16 | | | | 18 | \$ 2,450 | \$ 2,450 |
| Inundation Mapping | | 16 | 16 | 80 | | | 112 | \$ 13,840 | \$ 13,840 |
| | | | | | | | | | |
| 3.0 Hazard Potential Classification | 10 | 14 | 20 | - | - | - | 44 | \$ 7,360 | \$ 7,360 |
| Life Loss Calculations | 4 | 8 | 16 | | | | 28 | \$ 4,428 | \$ 4,428 |
| Hazard Classification Review | 6 | 6 | 4 | | | | 16 | \$ 2,932 | \$ 2,932 |
| | | | | | | | | \$ - | \$ - |
| 4.0 Report Preparation | 10 | 36 | 56 | - | 8 | 2 | 112 | \$ 17,280 | \$ 17,280 |
| Draft Report | 8 | 24 | 40 | | 8 | | 80 | \$ 12,336 | \$ 12,336 |
| Final Report | 2 | 12 | 16 | | | 2 | 32 | \$ 4,944 | \$ 4,944 |
| | | | | | | | | | |
| Total Hours | 26 | 98 | 190 | 86 | 8 | 10 | 418 | | |
| Total Budget | 5,642 | 18,130 | 24,700 | 9,460 | 960 | 1,050 | | \$ 59,942.00 | \$ 59,942.00 |

**PETERSBURG BOROUGH
Resolution #2025-17**

**A RESOLUTION URGING IMMEDIATE ACTION FOR EFFECTIVE SEA
OTTER MANAGEMENT TO RESTORE SOUTHEAST ALASKA'S
SHELLFISH COMMERCIAL FISHERIES AND SUBSISTENCE HARVESTS**

WHEREAS, the Petersburg Borough is an island fishing community located in Southeast Alaska with approximately 3,000 residents, whose economy and subsistence lifestyle heavily depend on sustainable marine resources; and

WHEREAS, in the late 1960s, approximately 400 sea otters were reintroduced by the Alaska Department of Fish and Game (ADF&G) in cooperation with the U.S. Fish and Wildlife Service (USFWS) to six locations in Southeast Alaska without a comprehensive, long-term ecological management strategy; and

WHEREAS, the sea otter population, left unmanaged, has expanded exponentially from an estimated 5,800 in 2003 to over 11,000 by 2010, with ongoing growth rates of 12-14% per year, the sea otter population is estimated to have grown far in excess of 70,000 otters; and

WHEREAS, sea otters consume approximately 25–30% of their body weight in shellfish daily, resulting in annual predation of millions of pounds of shellfish resources including crab, abalone, urchins, sea cucumbers, and clams, significantly depleting these stocks for human use; and

WHEREAS, the Southeast Alaska Dungeness crab populations have been severely decimated by sea otters, causing over two-thirds of the original harvest area to become barren, compelling the crab fishing fleet to compete within a significantly smaller footprint and placing further unsustainable pressure on the remaining crab populations; and

WHEREAS, the unchecked proliferation of sea otters has severely impacted local ecological balance, drastically reducing shellfish availability for subsistence, personal use, sport, and commercial harvests, leading to the closure of numerous fisheries and severe impacts on community food security; and

WHEREAS, Alaska's sustainably managed marine resources form a fundamental component of coastal economies, and the depletion of shellfish resources due to sea otter predation has resulted in substantial economic losses exceeding tens of millions of dollars and adversely impacted employment opportunities in fishing, processing, and associated industries; and

WHEREAS, indigenous communities in Southeast Alaska have sustainably managed marine ecosystems, including traditional sea otter hunting, for thousands of years, maintaining ecological balance and abundant shellfish resources; and

WHEREAS, the U.S. Marine Mammal Protection Act (MMPA), while essential for sea otter recovery, now imposes severe restrictions that prevent effective management of the sea otter population, creating conflicts with Alaska's constitutional mandate for sustained-yield resource management; and

WHEREAS, under current MMPA regulations, Alaska Native communities face significant economic constraints due to restrictions on selling intact sea otter pelts, limiting traditional economic activities; and

**PETERSBURG BOROUGH
Resolution #2025-17**

WHEREAS, Section 119 of the MMPA allows for cooperative management agreements involving Alaska Native organizations and federal and state agencies, providing a framework for responsible local management and ecological balance;

NOW, THEREFORE, BE IT RESOLVED THAT THE ASSEMBLY OF THE PETERSBURG BOROUGH OF Petersburg, ALASKA, strongly urges immediate action by federal and state authorities, in collaboration with Alaska Native and non-Native stakeholders, to establish and expedite a comprehensive and adaptive sea otter management strategy to restore ecological balance and protect critical shellfish populations; and

BE IT FURTHER RESOLVED, that federal and state managing agencies must prioritize equitable disaster assistance and financial relief for Southeast Alaska's crab and dive fisheries, commensurate with support historically provided to salmon fisheries, recognizing the severe economic impacts of unmanaged sea otter populations; and

BE IT FURTHER RESOLVED, federal authorities are urged to amend MMPA regulations to expand allowable uses of sea otters harvested by Alaska Native subsistence hunters, enhancing economic opportunities through the sale of intact pelts and value-added products, thereby supporting traditional livelihoods; and

BE IT FURTHER RESOLVED, the Assembly supports initiatives to enhance shellfish populations, including community-driven ecological recovery and shellfish enhancement projects, as essential components of sustainable marine resource management; and

BE IT FURTHER RESOLVED, that the Assembly affirms strong support for the efforts of the Shellfish Preservation Alliance (SPA) and similar organizations advocating for ecological balance, sustainable resource use, and economic revitalization; and

BE IT FINALLY RESOLVED, the Assembly urgently calls on state and federal agencies to implement these management actions without delay, ensuring the restoration of balanced ecosystems and sustainable economies vital to the communities of Southeast Alaska.

PASSED AND APPROVED by the Petersburg Borough Assembly this 15th day of September, 2025.

Mark Jensen, Mayor

ATTEST:

Rebecca Regula, Borough Clerk