



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda Borough Assembly Regular Meeting

Monday, December 19, 2022

6:00 PM

Assembly Chambers

You are invited to a Zoom webinar.

When: Monday, Dec 19, 2022 06:00 PM Alaska

Topic: December 19, 2022 Assembly Meeting

Please click the link below to join the webinar:

<https://petersburgak-gov.zoom.us/j/83456021104?pwd=RWZaYlU3dGppM3ZKak1CQVFXOTRqUT09>

Passcode: 883179

Or Telephone: (720) 707-2699 or (253) 215-8782

Webinar ID: 834 5602 1104

Passcode: 883179

1. **Call To Order/Roll Call**
2. **Voluntary Pledge of Allegiance**
3. **Approval of Minutes**
 - A. December 5, 2022 Assembly Meeting Minutes**
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

A. Summary of SEAPA Board Meeting - December 8, 2022

Assembly Member Lynn will provide a report regarding the December 8, 2022 SEAPA Board Meeting attended by Member Lynn and Utility Director Hagerman.

12. Mayor's Report

A. December 19, 2022 Mayor's Report

13. Manager's Report

There is no written Manager's Report for this meeting.

14. Unfinished Business

A. Ordinance #2022-16: An Ordinance Repealing Chapters 4.26, 4.29, 4.31, and 4.32 of the Former City of Petersburg Code, and Amending Chapters 4.25 and 4.40 to Account for Borough Formation

If approved in three readings, City Code Chapters 4.26, 4.29, 4.31 and 4.32 will be repealed and Chapters 4.25 and 4.40 will be updated and moved to Borough Code. Ordinance #2022-16 was unanimously approved in its first reading.

15. New Business

A. Resolution #2022-23: A Resolution Adopting an Alternative Allocation Method for the FY23 Shared Fisheries Business Tax Program and Certifying that this Allocation Method Fairly Represents the Distribution of Significant Effects of Fisheries Business Activity in FMA 18: Central Southeast Area

Each year the Borough approves a version of this Resolution adopting the alternative allocation method for the current fiscal year's Shared Fisheries Business Tax Program. Finance Director Tow is requesting approval of Resolution #2022-23 for FY 2023.

B. Education Incentive Program

The Early Childhood Education Task Force requests Assembly approval of an Education Incentive Program for local childhood education professionals using \$40,000 of the funds previously set aside by the Assembly for the local childcare issue.

C. 2022 Borough Manager Performance Evaluation Timeline

Clerk Thompson requests amendment and/or approval of the attached timeline for Manager Giesbrecht's 2022 performance evaluation.

D. Selection of Assembly Member to Assist Mayor Jensen in the 2022 Borough Manager Performance Evaluation Conference

Traditionally, the Mayor and one other Assembly Member review and discuss the draft performance evaluation with Manager Giesbrecht and determine the content of the final evaluation to be submitted for approval to the Assembly. Clerk Thompson requests the Assembly select an Assembly Member to complete this upcoming task.

E. Appointed Member At-Large to the Petersburg Economic Development Council

The Borough Assembly has received one letter of interest, from Sarah Fine-Walsh, to serve as the Assembly's appointed Member At-Large to the PEDC. Without objection, Mayor Jensen will appoint Sarah Fine-Walsh to the three year term that begins January 1, 2023 and ends December 31, 2025.

16. Communications

17. Assembly Discussion Items

A. Southeast Sea Otter Stakeholder Work Group Quarterly Meeting Summary

Assembly Member Meucci requested this discussion item.

B. Assembly Member Comments

C. Recognitions

18. Adjourn



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes Borough Assembly Regular Meeting

Monday, December 05, 2022

12:00 PM

Assembly Chambers

1. Call To Order/Roll Call

Mayor Jensen called the meeting to order at 12:00 p.m.

PRESENT

Mayor Mark Jensen
Vice Mayor Bob Lynn
Assembly Member Thomas Fine-Walsh
Assembly Member David Kensinger
Assembly Member Donna Marsh
Assembly Member Jeff Meucci

EXCUSED

Assembly Member Scott Newman

2. Voluntary Pledge of Allegiance

The Pledge was recited.

3. Oath of Office for Robert Aikins, Jr.

Robert Aikins was given the Oath to be Petersburg's newest Police Officer.

4. Approval of Minutes

A. Regular Assembly Meeting Minutes November 21, 2022

The November 21, 2022 meeting minutes were unanimously approved.

Motion made by Assembly Member Meucci, Seconded by Vice Mayor Lynn.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh,
Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci

5. Amendment and Approval of Meeting Agenda

The agenda was approved as submitted.

Motion made by Assembly Member Meucci, Seconded by Assembly Member Fine-Walsh.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci

6. Public Hearings

There were no public hearings.

7. Bid Awards

There were no bid awards.

8. 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.

Brian Smith and Pat Blair, representing themselves respectively, spoke in favor of approval of Resolution #2022-20 which will allow a non-motorized skate park to be constructed for public use.

9. Persons to be Heard Unrelated to Agenda

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

No views were shared.

10. Boards, Commission and Committee Reports

A. Early Childhood Education Task Force Report

Chelsea Tremblay and Katie Holmlund reported on the progress of the Early Childhood Education Task Force and requested that the Assembly, at its next regular meeting, approve an Education Incentive Program using the ARPA monies previously set aside by the Assembly for the local childcare issue.

11. Consent Agenda

There were no consent agenda items.

12. Report of Other Officers

A. Petersburg Medical Center Update

PMC CEO Hofstetter updated the Assembly on recent activities of the Medical Center.

13. Mayor's Report

A. December 5, 2022 Mayor's Report

Mayor Jensen read his report into the record.

14. Manager's Report

A. December 5, 2022 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.

15. Unfinished Business

There was no unfinished business.

16. New Business

A. Ordinance #2022-16: An Ordinance Repealing Chapters 4.26, 4.29, 4.31, and 4.32 of the Former City of Petersburg Code, and Amending Chapters 4.25 and 4.40 to Account for Borough Formation

The Assembly unanimously approved Ordinance #2022-16 in its first reading.

Motion made by Assembly Member Meucci, Seconded by Vice Mayor Lynn.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci

B. Resolution #2022-20: A Resolution Approving the Use of Borough Parcel #01-014-600 for the Purpose of Constructing a Non-Motorized Bike Park Track for Public Use and Recreation

By unanimous roll call vote, the Assembly approved Resolution #2022-20.

Motion made by Assembly Member Meucci, Seconded by Assembly Member Fine-Walsh.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci

C. Resolution #2022-21: A Resolution Approving the Fees Associated with Creating Engineer Designed Biddable Documents for the Community Center Sewer Line Repairs for an Amount not to Exceed \$65,432

Resolution #2022-21 was unanimously approved.

Motion made by Assembly Member Meucci, Seconded by Vice Mayor Lynn.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci

D. Resolution #2022-22: A Resolution Approving a Purchase Order for the Maintenance and Repair of the PMPL EMD 16 Generator for an Amount not to Exceed \$325,000

The Assembly unanimously approved Resolution #2022-22.

Motion made by Assembly Member Meucci, Seconded by Vice Mayor Lynn.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci

17. Communications

There were no communications.

18. Assembly Discussion Items

A. Assembly Member Comments

There were no Assembly comments.

B. Recognitions

Mayor Jensen extended Happy Birthday greetings to Finance Director Tow.

19. Adjourn

The meeting was adjourned at 12:43 p.m.

Motion made by Assembly Member Meucci, Seconded by Assembly Member Fine-Walsh.

Voting Yea: Mayor Jensen, Vice Mayor Lynn, Assembly Member Fine-Walsh, Assembly Member Kensinger, Assembly Member Marsh, Assembly Member Meucci

Summary of SEAPA December 8, 2022 Meeting

Karl Hagerman and I attended a long one day in person SEAPA meeting on December 8th in Ketchikan. It was the first in person meeting in about 3 years so lots of items to discuss.

CEO Retirement

- SEAPA's CEO Trey Atkinson announced his retirement to the Board at the October Zoom meeting to be effective at the end of calendar year 2022.
- The Board unanimously appointed Robert Siedman, Director of Engineering and Technical Services, as the acting CEO until such time as the permanent position is filled.
- The Board scheduled a January zoom meeting to take the next steps in filling the position.

2023 Operations Plan Approved

- The 2023 Operations Plan was approved by the board.
- The lake levels in both Tyee and Swan are essentially full as we go into the winter. This is the result of above average snowpack earlier in the year and a slightly above average rainfall coming into December.
- One of the items that we watch very closely is the guide curve for Tyee Lake since it is dedicated output for both Wrangell and Petersburg. As Tyee drafts during the winter, available power sales to Ketchikan will be curtailed when the lake level reaches the "curtailment curve", with sales to Ketchikan beginning again when the lake level rebounds to above the "sales curve". This ensures that Petersburg and Wrangell are not put in a position like 2019 where the sales were not curtailed until the lake was at a very low level. This operation plan keeps Tyee water available for the north end firm power needs in keeping with the Power Sales Agreement.
- There is a 10 foot difference in curtailment and sales curves, meaning that once curtailment to Ketchikan starts, the lake must fill by at least 10 feet before sales may be started for Ketchikan again.
- At the bottom end of the winter draft curtailment curve, there will still be 13 feet of water in Tyee lake above the FERC draft limit and 5 feet above the Board approved draft limit, keeping water available for emergencies and allowing Petersburg and Wrangell the opportunity to contribute diesel power to meet loads if the reservoir levels continue to drop.
- The 13 feet below the bottom end of the curtailment curve will give approximately 2 months reserve for our two communities.

Rate Study Approved

- Prior to the submarine cable failure, the Board had been discussing rate increases. The cable failure placed some urgency on the need to evaluate existing revenues and future revenue requirements to serve debt service caused by the large cable project.
- The Board earlier this year approved the contract for a rate study and the draft rate study was presented and approved by the Board at the December meeting.
- Meantime, the \$13.5 million bonding for the submarine cable was finalized, as well as \$5.9 million in bonding to construct a permanent agency office building in Ketchikan.
- The Board has always taken the position of very small increases in rates over time rather than one or two major increases and this continues to be favored by the Board.
- The rate study showed the Board that debt service for large projects requires additional revenue to be generated. Additionally, levelized payments into the Renewal and Replacement Fund (in

lieu of funding full depreciation) and annual transmission line clearing contracts have increased revenue requirements.

- The Board is resigned to the need for wholesale rate increases to cover capital projects and operational needs of the agency after decades of rate stability.
- The rate study provides a model where actual expenses and revenues can be entered into the spreadsheet annually to update the understanding of financial health and revenue requirements. This update can be used to determine if future rate increases will be needed as the budget is being developed each year.

Wholesale Rate Increase Approved

- Resulting from the rate study the Board approved a wholesale rate increase to the municipalities of a quarter cent per kilo-watt hour. The current wholesale rate of 7.05 cents/kWh will increase to 7.3 cents/kWh beginning in January 2023.

Load Growth Study Approved

- The Board approved the award of a load-growth study which will be completed in 2023. The study will give the CEO and Board much better information to make a decision on beginning a new hydro project.

2023 Budget Approved

- The 2023 draft budget was reviewed and approved by the board.
- Supply line problems in 2022 were a real factor in establishing a new budget. Twelve of the 2022 projects are being carried into 2023 as a result of supply issues. Some of these projects with specialized electrical components may even go into 2024. Nine new projects were approved.

CBA approved.

- The Board also approved a new 3 ½ year Collective Bargaining agreement between the Agency and the International Brotherhood of Electrical Workers (IBEW).

FERC Relicensing

- Both Swan and Tyee Lakes were identified in the 2023 budget to begin the process of relicensing with FERC.
- The Boards discussion centered around the possibility of combining the re-licensing rather than keeping it on separate tracks. The hope is that by combining the two it would reduce duplication and save considerable money.
- The Board also discussed the need to hire engineering staff to work with FERC on the re-licensing, which is expected to take 3-4 years with costs upwards of \$3-4 million. Further discussions are needed.

Auditing Contractor

- BDO USA LLP was awarded a three-year contract for auditing services.

**Mayor's Report
December 5, 2022 Assembly Meeting**

- 1. Merry Christmas and Happy New Year!** On behalf of the Petersburg Borough Assembly, we wish you a warm and Merry Christmas and a safe and Happy New Year. Here's to 2023!



**PETERSBURG BOROUGH
ORDINANCE #2022-16**

**AN ORDINANCE REPEALING CHAPTERS 4.26, 4.29, 4.31, AND 4.32 OF THE FORMER
CITY OF PETERSBURG CODE, AND AMENDING CHAPTERS 4.25 AND 4.40 TO
ACCOUNT FOR BOROUGH FORMATION**

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

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

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

WHEREAS, Chapter 4.26 of the former City of Petersburg Code, addressing deferred payments for special assessments, has not been used for many years, and payment terms for assessments can be addressed under section 4.12.110 of the existing Borough Code (Local Improvement Districts, Terms for payment of assessments; assessment statements); and

WHEREAS, Chapters 4.29 (*Self-Insured Retention Trust Fund*), 4.31 (*Facilities Construction Fund*) and 4.32 (*Port Authority Replacement Reserve Fund*) of the former City of Petersburg Code address non-existent funds and are no longer required; if specific funds need to be established in the future under the terms of bonding or grants, they can be created at that time; and

WHEREAS, Chapter 4.25 (*Annual Motor Vehicle Registration Tax*) requires updating in order to move into the current municipal code, and to delete the word 'annual', in accordance with state law; and

WHEREAS, Chapter 4.40 (*Economic Fund*) requires updating in order to move its provisions into the current municipal code and to incorporate the recommendations of the Borough's financial advisor.

THEREFORE, THE PETERSBURG BOROUGH ORDAINS, Chapters 4.26, 4.29, 4.31 and 4.32 of the former City of Petersburg Code are hereby repealed in their entirety, and Chapters 4.25 and 4.40, as set out below, are hereby adopted as borough ordinances.

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

Section 2. Purpose: The purpose of this ordinance is to update the language of the municipal code.

Section 3. Substantive Provisions:

A. Chapter 4.26, Deferred Payments for Special Assessments, of the former City of Petersburg Code is hereby repealed in its entirety:

~~4.26.010 – Applicability.~~

~~This chapter shall provide for a property owner, meeting certain requirements as set forth in this chapter, to defer payment of special assessments, including principal and interest, levied under Chapter 4.12, 4.13, 4.16 or 4.20 of this code or by line extension policies as provided in Chapter 14.04, 14.08 or 14.16 of this code, under the conditions set out in this chapter.~~

~~4.26.020 – Criteria for eligibility.~~

~~The property owner must:~~

~~A. Have an annual family income that would qualify under the United States Department of Housing and Urban Development designation of lower income families adjusted for Alaska and the Petersburg/Wrangell region;~~

~~B. Actually reside within the boundaries of the property assessed on which is located only his/her permanent abode which is a single family residence;~~

~~C. Own or have a life tenancy in the assessed real estate;~~

~~D. No payment may be deferred which the city determines, after notice and hearing to the parties concerned, has been conveyed to the applicant primarily for the purpose of obtaining the exemption.~~

~~4.26.030 – Availability of funds.~~

~~Deferred payments shall be funded by specific appropriation made by the city council from available city funds. To determine availability of funds, the city treasurer shall provide the city council a financial report as to the availability of funds for appropriation in accordance with criteria outlined in this section. This report will accompany the application for deferment:~~

~~A. Water, sewer and electric deferred payments shall be funded by the appropriate utility operating fund.~~

~~B. Road improvement deferred payments shall be funded from the general fund.~~

~~C. In the event that funds are not available in the appropriate utility fund, funds from the general fund may be used to cover the applicable deferred assessments.~~

~~4.26.040 – Application for deferment.~~

~~A person seeking a deferment of payment shall file an application with the city treasurer and furnish suitable proof that the applicant meets the criteria set forth~~

~~in Section 4.26.020. Based upon the availability of funds, the city council shall approve or disapprove the application at a regular council meeting. A claimant receiving the exemption must file with the city by March 15th of each subsequent year a separate application providing proof of eligibility as of January 1st in order to retain the exemption. Within the same year the city, for good cause shown, may waive the claimant's failure to make timely application and approve the application as if timely filed.~~

~~4.26.050 – Security required.~~

~~Every property owner who qualifies and obtains a deferment of payment of special assessments under this chapter shall execute a mortgage, deed of trust or other appropriate security agreement in favor of the city, together with a promissory note payable on demand, to secure the eventual payment of any payment deferred hereby.~~

~~4.26.060 – Immediate payment in case of sale or other transfer.~~

~~If any property or interest therein, given as security under Section 4.26.050 is sold, leased or otherwise transferred or conveyed, then the balance of any deferred payment for special assessment including principal and interest shall become due and payable within thirty days from the date of such sale, lease or transfer.~~

~~4.26.070 – Probate proceedings.~~

~~Upon the decease of any person whose payment of special assessment has been deferred, the deferral will remain in effect in the event that there is a surviving spouse. Otherwise, the entire balance of any assessment including principal and interest shall immediately become due and payable from the decedent's estate. The deferred assessment shall be preferred against any other lien against the assessed real estate. This preference shall exist whether or not probate or intestacy proceedings are opened.~~

~~4.26.080 - Preemption by state law.~~

~~If at some future date legislation is passed by the state to exempt persons meeting some or all of the criteria set forth in Section 4.26.020, from assessments for water, sewer and electric utilities, and the state agrees therein to reimburse municipalities for such assessments, then any mortgage or other security agreement required under Section 4.26.050 shall become null and void and of no further effect.~~

B. Chapter 4.29, Self-Insured Retention Trust Fund, of the former City of Petersburg Code is hereby repealed in its entirety:

~~4.29.010 – Authorization.~~

~~There is hereby created a city of Petersburg self-insured retention trust fund.~~

~~4.29.020 – Annual assessment.~~

~~The self-insured retention trust fund shall be financed by a one percent assessment annually against the July 1st appropriations levels for the following city operational funds:~~

~~General fund~~

~~Sales tax fund~~

~~Electric utility fund~~

~~Water utility fund~~

~~Wastewater utility fund~~

~~Sanitation utility fund~~

~~Small boat harbor fund~~

~~Port facility fund~~

~~Motor pool fund~~

~~Elderly housing fund~~

~~-~~

~~4.29.030 – Accumulated funds.~~

~~The self-insured retention trust fund shall accumulate funds at this rate until an adequate level of funds are available to supplement existing commercial coverage. The city council shall determine if an adequate level of funding has been reached during the annual budget process.~~

~~4.29.040 – Settlement of uninsured claims.~~

~~Appropriations from the self-insured retention fund shall be for the purpose of settling uninsured claims against the city including legal costs, and claims adjusting.~~

C. Chapter 4.31, Facilities Construction Fund, of the former City of Petersburg Code is hereby repealed in its entirety:

~~**4.31.010 – Creation of facilities construction fund.**~~

~~There is created a facilities construction fund.~~

4.31.020 – Purpose.

~~The purpose of this chapter is to create the facilities construction fund for the purpose of segregating funds for facilities construction from the general operational funds of the city.~~

4.31.030 – Accounting of funds.

~~Grant funds from the state of Alaska designated for municipal construction projects shall be accounted for in this fund.~~

D. Chapter 4.32, Port Authority Replacement Reserve Fund, of the former City of Petersburg Code is hereby repealed in its entirety:

~~4.32.010 – Authorization.~~

~~There is created a city of Petersburg port authority enterprise fund and the port authority reserve replacement fund.~~

~~4.32.020 – Purpose.~~

~~The port authority enterprise fund is created to account for revenues and expenditures within the department of harbors and ports. Harbor and port revenues and expenditures will be accounted for separately within the enterprise fund. The port authority reserve replacement fund is created for the purpose of accumulating reserve funds to finance scheduled harbor and port facility replacement needs.~~

E. Chapter 4.25 of the former City of Petersburg Code is hereby amended as follows, with the obsolete language struck through, and the new language in red, bolded and underlined:

Chapter 4.25 - **BIENNIAL**ANNUAL MOTOR VEHICLE REGISTRATION TAX

4.25.010 - **Biennial**Annual motor vehicle registration tax.

There is levied an **biennial**annual motor vehicle registration tax within the **borough**city pursuant to the provisions of AS 28.10.431 and as such statute may be hereafter amended, revised or replaced.

F. Chapter 4.40 of the former City of Petersburg Code is hereby amended as follows, with the obsolete language struck through, and the new language in red, bolded and underlined:

Chapter 4.40 - ECONOMIC FUND

4.40.010 - ~~Creation of an e~~**E**conomic fund.

The former City of Petersburg economic fund shall hereafter be designated as the Petersburg Borough economic fund. ~~There is created the city of Petersburg economic fund.~~

4.40.020 - Objective.

The intent of the economic fund is to provide a long-term source of funds to engender economic development and job creation within and surrounding the **borough**city. The economic fund shall segregate funds received from the Southeast Alaska Economic Fund established by Congress in the FY 1996 Appropriations Act from the city's general fund and ~~to~~ account separately for the receipt and expenditure of the funds. Growth and income is the investment objective of this fund. Investment transactions shall be made to insure long-term growth and future income recognizing that short-term market losses may result. All participants in the investment process shall seek to act responsibly as custodians of the public trust. Investment officials shall avoid any transaction that might impair public confidence in the **borough**city, within the investment objective of this fund.

4.40.030 - Use of funds.

The primary purpose of the economic fund is to fund projects which have economic development potential and long-term economic viability. Annually the **borough assembly**city council may determine the amount of funding to be made available from the proceeds earned from investment of the principal of the economic fund. The **borough assembly**city council may set priority funding areas to be considered each year. In the event that a funding proposal would exceed five percent of the market value of the economic fund, such expenditure shall require ratification by the **qualified voters of the borough**electorate.

4.40.040 - Permissible investments.

Proceeds of the economic fund may be invested in:

A. Investments listed in Section 4.36.040 of this code;

B. Up to sixty percent in domestic equity mutual stock funds with a minimum of a five-year track record and at least five hundred million dollars in asset value;

C. Bond mutual funds investing in high grade corporate government bonds with a minimum of a five-year track record and at least five hundred million dollars in asset value or high grade corporate debt obligations of U.S. domiciled corporations with a minimum credit rating of AA- or AA3 from Standard and Poor's or Moodys.

D. Investment Portfolio.

Asset Class Benchmark(s)	Allocation	Acceptable Range	Benchmark
Cash	1%	0%—10%	Citygroup 3-Month Treasury
Fixed Income	28% 50%	0%—30% 30%—60%	Barclays Capital Gov Bond
<u>Fixed Income</u>	<u>22%</u>	<u>0%—30%</u>	<u>Bloomberg US Agg Bond Index</u>
Large Growth	17%	12%—22%	Russell 1000 Growth
Large Value	16%	12%—22%	Russell 1000 Value
Mid-Cap	11%	5% - 17%	Russell Mid-Cap
Small-Cap	0%	0%—0%	Russell 2000
International	5%	0%—13%	MSCI EAFE
TOTAL	100%		

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 3rd day of January, 2023.

ATTEST:

Mark Jensen, Mayor

Debra K. Thompson, Clerk

Adopted:
Noticed:
Effective:

**FY 23 SHARED FISHERIES BUSINESS TAX PROGRAM
ALTERNATIVE METHOD RESOLUTION
PETERSBURG BOROUGH
RESOLUTION # 2022-23**

**A RESOLUTION ADOPTING AN ALTERNATIVE ALLOCATION METHOD FOR THE
FY23 SHARED FISHERIES BUSINESS TAX PROGRAM AND CERTIFYING THAT
THIS ALLOCATION METHOD FAIRLY REPRESENTS THE DISTRIBUTION OF
SIGNIFICANT EFFECTS OF FISHERIES BUSINESS ACTIVITY IN FMA 18:
CENTRAL SOUTHEAST AREA**

WHEREAS, AS 29.60.450 requires that for a municipality to participate in the FY 23 Shared Fisheries Business Tax Program, the municipality must demonstrate to the Department of Commerce, Community and Economic Development that the municipality suffered significant effects during calendar year 2021 from fisheries business activities; and

WHEREAS, 3 AAC 134.060 provides for the allocation of available program funding to eligible municipalities located within fisheries management areas specified by the Department of Commerce, Community and Economic Development; and

WHEREAS, 3 AAC 134.070 provides for the use, at the discretion of the Department of Commerce, Community and Economic Development, of alternative allocation methods which may be used within fisheries management areas if all eligible municipalities within the area agree to use the method, and the method incorporates some measure of the relative significant effect of fisheries business activity on the respective municipalities in the area; and

WHEREAS, the Petersburg Borough proposes to use an alternative allocation method for allocation of FY23 funding available within the FMA 18: Central Southeast Area in agreement with all other municipalities in this area participating in the FY23 Shared Fisheries Business Tax Program.

NOW THEREFORE BE IT RESOLVED THAT: The Assembly of the Petersburg Borough by this resolution certifies that the following alternative allocation method fairly represents the distribution of significant effects during 2021 of fisheries business activity in FMA 18: Central Southeast Area:

All municipalities share equally 50% of allocation; all municipalities share remaining 50% on a per capita basis.

PASSED and APPROVED by the Borough Assembly of Petersburg, Alaska this 19th day of December, 2022.

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, Borough Clerk



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community,
and Economic Development
DIVISION OF COMMUNITY AND REGIONAL AFFAIRS
Fairbanks Office

455 Third Avenue, Suite 140
Fairbanks, Alaska 99701-3110
Main: 907.451.2718
Fax: 907.451.2742

November 15, 2022

Petersburg Borough
PO Box 329
Petersburg, AK 99833

Dear Municipal Official:

The Department of Commerce, Community, and Economic Development is pleased to announce availability of the **FY 2023 Shared Fisheries Business Tax Program**. The purpose of the program is to allocate a share of state fish tax collected outside municipal boundaries with municipalities affected by fishing industry activities. Municipalities around the state will share approximately \$2.4 million based on 2021 fisheries activity as reported by fish processors on their fish tax returns. Details of how the program works are included in the application under *Program Description*.

Historically, your municipality along with the other communities in your fisheries management area FMA 18: Central Southeast has filed using the Alternative Method found on the last four pages of this application. A breakdown is included that details the communities in your FMA, in addition to the anticipated payment based on the agreed upon allocation method for your FMA. If this agreement is still in place with your FMA, you will only need to have your Council/Assembly pass the enclosed alternative method sample resolution in order to participate in the program.

If your FMA intends to change the alternative method of allocation, the new proposal must be submitted to our office no later than **January 15, 2023**. If an agreement cannot be made with all communities in your FMA, you will need to file using the standard method and claim your significant effects. Instructions on both of these methods are detailed in the application packet.

**DEADLINE FOR SUBMISSION OF COMPLETED APPLICATION IS
FEBRUARY 15, 2023**

Applications can be scanned and emailed to caa@alaska.gov with the subject line "**Petersburg, FY23, SFBT**". If you have any questions about the program or require assistance in completing the application, please contact me at kimberly.phillips@alaska.gov or call (907) 451-2718.

Sincerely,

A handwritten signature in black ink, appearing to read "Kimberly Phillips".

Kimberly Phillips
Grants Administrator 3

Enclosure

FMA 18: Central Southeast

		FY 22 Landing Tax Allocation		Reference Number	
		\$0.00			
Community	Population	50% Divided	50% per capita	Calculated Allocation	Total Distribution
		50% divided share	50% per capita share		
City of Coffman Cove	187	\$4,203.25	\$476.21	\$0.00	23-SF18-01 \$ 4,679.46
City of Kake	557	\$4,203.25	\$1,418.44	\$0.00	23-SF18-02 \$ 5,621.68
City of Kupreanof	23	\$4,203.25	\$58.57	\$0.00	23-SF18-03 \$ 4,261.82
City of Pelican	92	\$4,203.25	\$234.28	\$0.00	23-SF18-04 \$ 4,437.53
Petersburg Borough	3,368	\$4,203.25	\$8,576.83	\$0.00	23-SF18-05 \$ 12,780.08
City of Port Alexander	61	\$4,203.25	\$155.34	\$0.00	23-SF18-06 \$ 4,358.59
City and Borough of Sitka	8,387	\$4,203.25	\$21,358.04	\$0.00	23-SF18-07 \$ 25,561.29
City and Borough of Wrangell	2,096	\$4,203.25	\$5,337.60	\$0.00	23-SF18-08 \$ 9,540.85
City of Whale Pass	84	\$4,203.25	\$213.91	\$0.00	23-SF18-09 \$ 4,417.16
Totals	14,855	\$37,829.23	\$37,829.23	\$0.00	\$ 75,658.46
Community Count	9				

* All municipalities share 50% of allocation equally; share remaining 50% on a per capita basis.

Education Incentive Program

This program is modeled after the Juneau HEARTS program with adjustments to fit Petersburg*. The objective is to improve the quality of care through encouraging educators to pursue degrees in the early childhood education field as well as enroll in continuing education credits related to the early childhood field.

1. Incentivize early childhood training – degree pursuing or continuing education credits – for childcare professionals.
2. Improve staff retention by increasing earnings with a bonus each six months.

This serves as a trial program to inform the longer-term approach toward decreasing the turnover rate of early childhood educators as well as increasing staff training to strengthen the quality of childcare in Petersburg. Bottom line, providing a monetary value for continuing education in the early childhood field serves strengthens the education for the 0-5 age group and 5-12 age group outside of school hours.

Tier 1: Current Child Development Associate (CDA) or current Childcare Associate (CCA) or Alaska Early Childhood Family Child Care Credential or 6 SEED early childhood (EC) credits. Similar to SEED levels 6-7.

\$2,000/year (A \$1,000 check 2x/year)

Tier 2: Associate's Degree related to Early Childhood Education or Montessori/Waldorf certificate or Bachelor's Degree in unrelated field AND 12 SEED early childhood credits. Similar to SEED levels 8-9.

\$3,500/year (A \$1,750 check 2x/year)

Tier 3: Bachelor's Degree or higher related to Early Childhood Education or Master's Degree or higher in unrelated field AND 24 SEED early childhood credits. Similar to SEED level 10+

\$5,000/year (A \$2,500 check 2x/year)

Bridge: This is a one-time only opportunity that provides a grace period for individuals who meet all requirements but who do not meet the Tier criteria. If the individual obtains the necessary education credentials prior to the one-year anniversary of the program, they would receive a retroactive bonus for the first period as well as the bonus for the second period at the appropriate Tier level.

Requirements:

1. All childcare professionals must have a high school diploma, GED or equivalent.
2. Employment in the childcare profession for a minimum of six months, working at least 15 hours a week. Full-time employees will receive the full bonus; employees working a reduced schedule will be prorated (e.g. 20 hours/week = 50%).
3. The year is calculated from the date of hire.
4. Own or be employed by a licensed childcare facility that operates at least 30 hours a week.
5. If caring for fewer than six full-time children the incentive will be prorated.

Administration:

Petersburg Medical Center will administer the program. Thread has a career ladder established as a State of Alaska standard and the Tiers are attached to the ladder. (Thread Alaska vets the courses for appropriate content and tracks the educator's training for SEED classification).

* One key difference: the Juneau HEARTS program provides a wage increase for the three tiers. The Petersburg program requests ARPA funds to provide a bonus based on the tiers, with the hope that a long-term program can be implemented. This program serves as a trial run (recognizing that many variables influence staff retention).

Rough cost: \$40,000/year



To: Assembly Members

From: Debbie Thompson, Borough Clerk

Date: December 6, 2022

Re: 2022 Manager Performance Evaluation

It's evaluation time, and we will be using the same format for Manager Giesbrecht's evaluation as we did last year.

Please try to use the "Evaluator has No Basis for Judgement" column sparingly. If you do not have a sense whether the Manager "inspires trust and confidence with staff", for instance, please take the extra steps to speak to Department Heads so you can answer the question.

Your completed evaluation form is due back to my office by end of day, Wednesday, January 4, 2023.

If you have any questions, please contact me.

Thank you.

Evaluation Calendar:

Evaluations Issued	12/6/2022
Evaluations completed and returned to Clerk	1/6/2023
Selection of Assembly Member to assist Mayor at evaluation conference	At December 19, 2022 Assembly Meeting
Clerk completes combined evaluation form	1/9-13/2023
Mayor, selected assembly member and manager conduct conference and prepare draft evaluation	1/16-27/2023
Assembly addresses the draft evaluation	In Executive Session on February 6, 2023

Debra Thompson

From: Sarah Fine <sarahfine90@gmail.com>
Sent: Thursday, December 8, 2022 12:40 PM
To: Debra Thompson
Subject: Letter of Interest PEDC Member at Large

Hi Debbie:

Here is my letter of interest to serve as member at large on the Petersburg Economic Development Council.

Best,
Sarah Fine-Walsh
--
Sarah L. Fine
907-650-7589
sarahfine90@gmail.com

SOUTHEAST SEA OTTER STAKEHOLDER WORKGROUP QUARTERLY MEETING

September 8, 2022 9:00 am – 12:00 pm AK

Virtual Meeting

SUMMARY/NOTES

Participants: Jen Cate, Kathy Hansen, Co-chairs; Jeff Meucci, Carter Johnson, Colin Power, Bo Meredith, Joe Eisaguirre, Lynn Lee, Andrew Johnson, Evan Wetherington, Mandy Migura, Taylor White, Tim Tinker, Mike Jackson, Ben Weitzman, Mike Miller.

No one had any objections to the meeting being recorded.

Kathy agreed to check with SARDFa about their continued participation with Phil's retirement.

Introductions of participants on the meeting platform. During introductions Mike Jackson from Kake mentioned he knew the oral history of sea otters before the Russians were here. Following introductions Andrew Johnson (new member representative for Defenders of Wildlife replacing Katy Bear) gave a power-point presentation (on file) about himself and the group he represents. Andy lives in California and has been working with sea otters for over 40 years, managing the Monterey Bay Aquarium sea otter research and conservation program. Will advocate for the sea otters as part of the nearshore ecosystem and that the sea otters are not a problem to "fix". Mike Miller commented following the presentation that handicrafts and economic opportunities are part of the MMPA but agrees that handicraft and economic opportunities are not to be used for predator control.

KEY ACTION ITEMS FROM MEETING:

- Combine goals 1 and 3 and hold an in person meeting in Juneau/virtual for this new combined committee to work further on the goals with the intent of producing a product/story board that could be available on multiple sites.
- Continuation of trying to add group representation – tourism & artists

Presentations:

Taylor White is working on an NPRB project "Diverse knowledge systems for the examination of localized dynamics of sea otter and abalone populations in Sitka Sound, Alaska" (Power point presentation on file). The project beginnings and motivations were the limited current and historical local information on abalone and sea otters. The core question is "What are the local abalone population and ecosystem trends following local sea otter re-establishment, harvest, and or/occupation length?" The project aims to 1.) pair local and indigenous knowledge with quantitative information on abalone and sea otter populations and harvest to understand key trends of current, historical and future populations; 2.) Support tribal and stakeholder sovereignty in the management and future research of these important species. Taylor mentioned that there are distinct populations between Sitka, Prince of Wales and Ketchikan.

After the presentation questions were asked including if the bar graph that shows harvest increase – was it a driver in the abalone rebound? Lynn asked about ocean temperatures and the sea star wasting disease. She saw an increase in recruitment during the heat wave. Asked about the size structure as well as the density. Taylor answered that it is med size and juveniles but not a large increase in the legal-size abalone. Tim chatted that it sounds like you have much of the data to develop a size structured ODE type model for abalone that could include sea otter predation and harvest as well as natural mortality. Mike pointed out that Sitka Sound was protected from abalone harvest sooner than other parts of SE and that there is a present day local active harvest on abalone which would be harvesting legal size as well as some illegal harvest in amount and size.

Mike Miller gave an update on statewide group's work on the MMPA with the agency and delegation as well as further defining harvest initiatives within existing structures using area delegation of authority. Working in concert with agency on messaging have been also working to stabilize funding for MMPA and the agency for MMPA species. It appears that the group is making progress and getting past some of the hurdles.

Sea Otter Population Survey Update: Final report is still expected in March of 2023. The survey group was able to do the survey transect with reasonably good weather May 26th – June 17th with 124 hours of flight time and approximately 7,586 km of transects flown, completing the intended survey design. Still working on Waldo imagery to continue machine learning and validation of machine results and in preparation for data analysis and population modeling. See previous paper (on file) [SE Alaska: Diffusion Model: Estimated Sea Otter Range Expansion/Recolonization \(2021\)](#).

National Park Service bought the same type of camera system for Glacier Bay surveys which they do on an annual/bi-annual basis. By using the same protocol, it is easy to integrate their results with the SE survey.

The imagery also provided documentation of sightings of [Cetaceans](#), seals, sea lions, bears and seabirds/ducks.

Other Updates:

Lynn mentioned that [the Haida Gwaii project, Xaayda Gwaay.yaay Kuugaay Gwii Sdiihlt'l'ixa - Haida Gwaii Kuu Sea Otter Project, is in the initial stage of will be finishing, expected up](#) in March of 2023. Community interests and social ecological considerations are part of the modeling. Jen asked how Lynn got all the interested parties together. Lynn said the main group is about 40-45 people and their willingness to be open to other perspectives on a polarizing issue [where no one gets completely what they want as well with as no pre-determined](#) answers going into the project allowed the group to explore different approaches, learning as they went. [Importantly, the project team is not making or recommending management decisions; instead, the final project discussions and outcomes are](#)

~~is~~ meant to inform management decisions, ~~but not make or recommend management decisions by the Haida Nation and Canadian federal government.~~

Green Crab (invasive species) were brought up with quite a lively discussion and interest in continuing to monitor this situation. Sea otters will eat green crab but is not a preferred prey choice. Tim expects a manuscript to be published in the next month or so on the Elk Horn Slough/green crab where trapping was also used to capture green crab. Carter (PhD student) is trapping Dungeness crab in Thomas Bay, Farragut, Duncan and ? with one of the questions being looked at, are crab going deeper in the presence of sea otters? An emerging issue is the lack of Dungeness crab. The SE commercial crab summer crab season was cut short. Tammy Davis is the ADF&G sportfish biologist that tis the lead invasive species specialist. They are out on the grounds looking and testing for green crab in the Ketchikan area. The group asked for Bo to give an update on what ADF&G is seeing at the next quarterly meeting.

WORKPLAN Discussion:

At the last meeting a draft workplan was developed with 5 goals identified and sub-groups to work on the various goals.

Goal 1: Improve information sharing

Goal 2: Collaboration with other Southeast Groups

Goal 3: Management case studies – Sitka and Kake

Goal 4: Prioritize research projects within this working group so it is directly beneficial to this working group

Goal 5: Regular and routine SE population surveys

The group started with Goal 1: Improve information sharing. This group did some work and Mandy said that Alaska Wildlife Alliance might be willing to host a website but would cost around \$5-10K. There was a discussion about how the various interest groups don't like going to another groups website to get information, so if an NGO hosts the website, commercial groups won't likely access the information and if a commercial group hosted it wouldn't get NGO interests and the public likely accessing the information. Questions were asked about cost of a website, what data and who is in charge of what data, who is currently hosting the old southeast stakeholder workgroup website and final report. The pitfalls of a website fading into obscurity and how to prevent that. Ben said what he sees as the most helpful is more a storyboard product that provides a lot of information including the Sitka case study that could be hosted in multiple locations/websites and reach the broadest audience. This idea brought combining the sub-working groups for goal 1 and goal 3 together and start working on the story. Step 1 get the Sitka story down – week of November 11 was pinpointed for having an in-person meeting in Juneau with a virtual component. Mike said that AFN is having a work-session which is open on the 21st that might be of interest to this group. Another consideration will be funding both internally in FWS and externally. NOAA has some rebuilding initiative funding opportunities we might look at.

Closing Discussion/Next Meeting:

Ideas for the next quarterly meeting brought up during the meeting is Mike Jackson to give a talk/presentation about the oral history of sea otters before the Russians, Bo to give a follow up on ADF&G efforts to search for invasive green crab, Lynn [to update on Haida Gwaii's](#) project, and updates on progress of sub-groups on the goals.