



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes Borough Assembly Regular Meeting

Monday, March 04, 2024

12:00 PM

Assembly Chambers

1. Call To Order/Roll Call

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

PRESENT

Mayor Mark Jensen
Vice Mayor Donna Marsh
Assembly Member Thomas Fine-Walsh
Assembly Member Bob Lynn
Assembly Member Scott Newman
Assembly Member Rob Schwartz
Assembly Member Jeigh Stanton Gregor

2. Voluntary Pledge of Allegiance

The Pledge was recited.

3. Approval of Minutes

A. February 5, 2024 Assembly Meeting Minutes

The February 5, 2024 Assembly meeting minutes were unanimously approved.

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

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

4. Amendment and Approval of Meeting Agenda

The agenda was approved as submitted.

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

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly

Member Stanton Gregor

5. Public Hearings

A. Public Hearing for Ordinance #2024-01: An Ordinance Amending Section 16.12.160, *Required Authorization for Disposal of Borough Real Property*, of the Petersburg Municipal Code to Increase the Assessed Property Value Requirement for Sale or Exchange of Borough Property to be Ratified by the Voters of the Petersburg Borough

No testimony was given.

B. Public Hearing for Ordinance #2024-02: An Ordinance Amending Section 16.12.030 of the Petersburg Municipal Code to Allow for Disposal of Borough Land for a Public Benefit Purpose

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.

Michele Pfundt, representing herself, stated her opposition to the increase in attorney fees in the General Fund in Ordinance #2024-03.

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.

Michele Pfundt, representing herself, shared her concerns regarding the lawsuits against the Borough.

Bob Martin, representing himself and in his capacity as the Harbor Advisory Board Chair, thanked the Assembly for the joint work session with the board regarding the sale of Borough tidelands. The Harbor Advisory Board postponed the approval of the Island Refrigeration application to purchase tidelands until they have ironed out the zoning language. The board approved granting the lease assignment to Fierce Allegiance Development as long as it complied with the lease requirements that it be used for loading fish. He also announced that the Fish and Game Advisory Committee will be meeting on March 20, 2024, at 6:00 pm in the Assembly Chambers to discuss king salmon sport fishing restrictions.

Brock Snider with Island Refrigeration thanked the Assembly for the care with which they are considering the sale of borough tidelands and that he supports the marine industrial use zoning overlay.

9. Boards, Commission and Committee Reports

There were no reports.

10. Consent Agenda

A. Reno/Schonberg Lease Renewal

The Reno/Schonberg Lease of Tideland Parcel T-25 ATS9 is set for renewal effective March 1, 2024, at an annual rate of \$1,164.

The Assembly unanimously supported the renewal.

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

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

B. Petersburg Port Dock Corner Dolphin Engineering Services Proposal

In the FY 2024 budget, the Assembly approved use of \$100,000 of the Marine Passenger Fee and Commercial Passenger Vessel Fund for design of a Passenger Tourship Mooring Dolphin at the Port Dock. PND Engineers, Inc., provided a proposal for engineering services for this project for a cost not to exceed \$100,000.

The Assembly unanimously approved the proposal.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Newman.

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

11. Report of Other Officers

A. Petersburg Medical Center Update

PMC CEO Hofstetter was unable to attend in person due to travel but provided a written update on activities at the Medical Center.

B. US Forest Service Update

District Ranger Born updated the Assembly on US Forest Service activities.

C. Petersburg School District Turf Field

Director Cabral was not available to attend the meeting.

12. Mayor's Report

A. March 4, 2024 Mayor's Report

Mayor Jensen read the Mayor's report into the record.

13. Manager's Report

A. March 4, 2024 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 #2024-01: An Ordinance Amending Section 16.12.160, Required Authorization for Disposal of Borough Real Property, of the Petersburg Municipal Code to Increase the Assessed Property Value Requirement for Sale or Exchange of Borough Property to be Ratified by the Voters of the Petersburg Borough - Second Reading

If adopted in three readings, Ordinance #2024-01 would increase the assessed property value requirement for sale or exchange of Borough land to be ratified by Borough voters from \$500,000 to \$2,000,000. The last time the requirement was amended was in 1990, when it was increased from \$100,000 to \$500,000. The Assembly approved Ordinance #2024-01 by a vote of 4-1 in its first reading.

A motion to amend the ordinance to decrease the assessed property value requirement to \$1,500,000, was approved by a vote of 6-1.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Schwartz.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz
Voting Nay: Assembly Member Stanton Gregor

Ordinance #2024-01 was unanimously approved in its second reading, as amended.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Fine-Walsh.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

B. Ordinance #2024-02: An Ordinance Amending Section 16.12.030 of the Petersburg Municipal Code to Allow for Disposal of Borough Land for a Public Benefit Purpose - Second Reading

If adopted in three readings, Ordinance #2024-02 will provide for disposal of Borough real property for less than the assessed or appraised value, or for other forms of consideration in addition to or in lieu of, in whole or in part, direct monetary payment to the Borough, when the proposed disposal is for a project meeting both of the following requirements: (1) the project consists of economic development consisting of installation, construction, or operation of new or expanded industrial, manufacturing, or commercial facilities; construction of affordable housing; or construction of large residential housing developments creating twenty (20) or more residential lots that would address the shortage of reasonably priced housing within the borough; and (2) the assembly determines the project will result in a significant short- or long-term

public benefit to the Petersburg Borough. "Public benefit", as used hereunder, means a project that provides one or more positive economic or noneconomic impacts on the community that in the assembly's determination outweigh maximizing the direct monetary payment to the borough. Ordinance #2024-02 was approved in its first reading by a vote of 4-1.

By a vote of 6-1, Ordinance 2024-02 was approved in its second reading.

Motion made by Assembly Member Fine-Walsh, Seconded by Vice Mayor Marsh.
Voting Yea: Mayor Jensen, Assembly Member Fine-Walsh, Assembly Member Lynn,
Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton
Gregor
Voting Nay: Vice Mayor Marsh

15. New Business

A. Ordinance #2024-03: An Ordinance Adjusting the FY 2024 Budget for Known Changes

If adopted in three readings, Ordinance #2024-03 will 1) transfer funds approved by the Assembly in the FY 2023 budget to begin the GIS Capital Project; 2) utilize \$9,000 of the Property Development Fund for conceptual plan design for parking and traffic flow improvements to better serve the Stedman Elementary School and the Petersburg Children's Center; 3) increase the Fire Department's Machine and Equipment budget by \$11,500 to purchase mounting cradles for Getec Tablets used for computer aided dispatch and for two Starlink Mobile units; 4) transfer \$367,599 from the General Fund FY 2023 Surplus to the Assisted Living Facility to cover the facility's operating deficit; 5) transfer \$41,616 from the Electric Department reserves to their Travel & Training budget to cover new employee moving/hiring expenses and EMD training for our Power Generation/Mechanic/Operator position; 6) transfer \$10,000 from the Sanitation Department reserves to their Machinery & Equipment budget to purchase two 20' shipping containers to store household hazardous waste items at the Landfill; 7) transfer \$12,700 to the Community Development Department to provide Petersburg with an ICC-certified official while the new Building Official is working through his credentials and \$5,000 to the Community Development Travel & Training budget to send two employees to the International Code Council conference for continuing education credits and additional training; 8) transfer \$23,399 to the Finance Department's Auditing Expenses budget to cover the Borough auditor's fees for FY 2024; 9) transfer \$60,000 to the Borough's Attorney Fees budget to cover extra expenses incurred by the Kerr and Koenigs lawsuits; and 10) transfer \$30,017 to the Borough's Property Insurance budget due to increased property insurance premiums.

By a vote of 6-1 Ordinance #2023-03 was approved in its first reading.

Motion made by Assembly Member Stanton Gregor, Seconded by Vice Mayor Marsh.
Voting Yea: Mayor Jensen, Assembly Member Fine-Walsh, Assembly Member Lynn,
Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton
Gregor

Voting Nay: Vice Mayor Marsh

B. Ordinance #2024-04: An Ordinance Amending Section 10.20.010, *Discharge of Firearms Prohibited*, of the Petersburg Municipal Code, to Remove Prohibition of Discharge of Firearms in the Frederick Point East Area

Ordinance #2024-04, if approved in three readings, will remove the prohibition of the discharge of firearms in the Frederick Point East area to include immediately adjacent lands.

By a vote of 7-0, Ordinance #2024-04 was approved in its first reading.

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

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

C. Limited Notice To Proceed (NTP) to Dawson Construction for the WERC Project

PMC CEO Hofstetter requests authorization to issue an NTP to Dawson Construction for an amount not to exceed \$3,300,000 to provide foundation work and to install underground mechanical, electrical and plumbing, and to procure structural steel and long lead mechanical and electrical equipment for the Wellness, Education & Resource Center. The \$3,300,000 is secured through the \$20,000,000 Department of Treasury grant which was awarded to PMC in December of 2023.

By unanimous roll call vote, the Assembly approved the Notice to Proceed to Dawson Construction.

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

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

D. Support for Reappointment of John Jensen to the North Pacific Fishery Management Council

Mayor Jensen requests Assembly approval to send the attached letter of support for reappointment of John Jensen to the North Pacific Fishery Management Council to Governor Dunleavy and the Office of Boards & Commissions.

The letter to Governor Dunleavy was unanimously approved.

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

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

Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

E. Support for Southeast Alaska Solid Waste Authority's (SEASWA) Grant Application for a Regional Solid Waste Management Planning Grant Offered by the Denali Commission

Public Works Director and SEASWA Chair Cotta requests approval of a letter of support for SEASWA's application for a grant offered by the Denali Commission for regional solid waste management planning.

By unanimous roll call vote, the Assembly approved a letter of support to SEASWA.

Motion made by Assembly Member Lynn, Seconded by Vice Mayor Marsh.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

F. Approval to Hire a Grant Writer for the Banana Point Breakwater

Manager Giesbrecht requests approval to use approximately \$5,000 to hire a grant writer to complete a Denali Commission grant for the Banana Point Breakwater. There is \$4,397 in Special Revenue Fund 200 specifically budgeted for the Banana Point Breakwater.

By unanimous roll call vote, the Assembly approved hiring a grant writer to complete the Denali Commission grant for the Banana Point Breakwater.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Lynn.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor

16. Communications

A. Correspondence Received Since February 1, 2024

17. Assembly Discussion Items

A. Assembly Member Comments

Member Schwartz says many people in the community would like to move the 6:00 pm Assembly meetings to a later time.

Member Fine-Walsh confirmed that the Fierce Allegiance lease assignment would be scheduled for the March 18, 2024 meeting.

B. Recognitions

There were no recognitions.

18. Adjourn

The meeting was adjourned at 7:49 pm.