



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes Borough Assembly Regular Meeting

Monday, March 03, 2025

12:00 PM

Assembly Chambers

1. Call To Order/Roll Call

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

PRESENT

Vice Mayor Donna Marsh
Assembly Member Bob Lynn
Assembly Member Scott Newman
Assembly Member Rob Schwartz
Assembly Member Jeigh Stanton Gregor
Assembly Member James Valentine

EXCUSED

Mayor Mark Jensen

2. Voluntary Pledge of Allegiance

The Pledge was recited.

3. Approval of Minutes

A. February 18, 2025 Assembly Meeting Minutes

The February 18, 2025 Assembly Meeting Minutes were unanimously approved.

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

Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor, Assembly Member Valentine

4. Amendment and Approval of Meeting Agenda

The agenda was approved as submitted.

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

5. Public Hearings

There were no public hearings.

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.

Glo Wollen, representing herself, supported adoption of Resolution #2025-05 and the Visitor Industry Management Plan.

Ellie Broschat, representing herself, urged the Assembly to support the American Cruise Lines partnership to ensure the Borough has ownership of the infrastructure and decision-making authority.

Molly Taiber, representing herself, spoke in support of the letter to our Federal Delegation under agenda item 15D.

Linda Slaght, representing herself, shared her support for the letter to our Federal Delegation.

Anthony Taiber, speaking for himself, supports the letter to our federal delegation, but would like to add comments regarding condemning cuts to NOAA and potential tariffs to the letter.

Liz Cabrera, Community & Economic Development Director, encouraged the Assembly to approve Resolution #2025-05 and adopt the Visitor Industry Management Plan as a starting point. She also spoke in support of the letter to our Federal Delegation and requested the Assembly include the Borough's federal funding list as an enclosure to the letter.

Liz Bacom, representing herself, urged the Assembly to approve the letter to our Federal Delegation.

Sarah Fine-Walsh, representing herself, spoke in support of the letter to our Federal Delegation, with the amendments proposed by Anthony Taiber and Liz Cabrera.

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.

No views were shared.

9. Boards, Commission and Committee Reports

There were no reports.

10. Consent Agenda

A. Rocky's Marine Tidelands Lease Renewal

Renewal of the tidelands lease for Rocky's Marine was unanimously approved by the Assembly.

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

Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor, Assembly Member Valentine

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 was unable to attend the meeting.

C. BDO Audit Report

BDO Auditor Bikky Shrestha thanked Finance Director Tow and the Finance Department staff for a smooth and organized audit. Mr. Shrestha reviewed the audit documents with the Assembly, stating that the Petersburg Borough was issued an unmodified opinion on the FY 2024 financial statements, which is the highest level of assurance the auditors can professionally render.

12. Mayor's Report

A. March 3, 2025 Mayor's Report

Vice Mayor Marsh read the Mayor's Report into the record.

13. Manager's Report

A. March 3, 2025 Manager's Report

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

14. Unfinished Business

A. Ordinance #2025-01: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough to Rezone Lot 13B, Plat #2008-15, (Parcel #01-014-700 Located at 1020 Sandy Beach Road) from Rural Residential (R-R) to Single-Family Residential (S-F) - Third and Final Reading

Ordinance #2025-01 was unanimously approved in its third and final reading.

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

Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor, Assembly Member Valentine

B. Ordinance #2025-02 - An Ordinance Adjusting the FY 2025 Budget for Known Changes - Third and Final Reading

If approved in three readings, Ordinance #2025-02 will 1) add a Homeland Security Cyber Grant of \$26,736 to the budget; 2) correct the Motor Pool payroll budget with an increase of \$82,595; 3) increase Power & Light's inventory budget by \$45,000 to replenish exhausted power poles and line extension supplies; 4) increase Power & Light's heat pump rebate program budget by \$15,000 to support customer's rebate applications to the end of this fiscal year; and 5) increase Motor Pool's travel and training budget by \$8,697 for CDL licensing.

The Assembly unanimously approved Ordinance #2025-02 in its third and final reading.

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

Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor, Assembly Member Valentine

15. New Business

A. Resolution #2025-03: A Resolution Authorizing Temporary Lease of Borough Owned Tidelands at the Scow Bay Turnaround to Andrew Rutherford

Andrew Rutherford filed an application to temporarily lease 5,000 square feet of Borough-owned tidelands located at the Scow Bay Turnaround for demolition and rebuild of a floating airplane hangar. The Planning Commission held a public hearing on the application on February 22, 2025, and recommends the Assembly approve a temporary tideland use permit, with conditions, as outlined in their report and in the resolution.

By unanimous roll call vote, the Assembly approved Resolution #2025-03.

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

Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor, Assembly Member Valentine

B. Resolution #2025-04: A Resolution Authorizing the Sale of Borough-Owned Property Described as: Lot 16, Block 2, State Land Survey 81-7, Wrangell Narrows, According to Plat 82-11 (PID #02-283-130), and Lot 13B, Plat 2008-15 (PID #01-014-700 Located at 1020 Sandy Beach Road) by Public Outcry Auction

In previous meetings, the Assembly approved the sale of two Borough-owned lots by public outcry auction. Clerk Thompson has suggested the auction be held on Monday, April 21, 2025, at 5:00 p.m., just prior to the 6:00 Assembly meeting.

Resolution #2025-04 was amended to update the assessed value and minimum bid amount to reflect the current assessed value of the property (from \$20,100 to \$23,700 for the assessed value and from \$20,700 to \$24,300 for the minimum bid).

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

The Assembly unanimously approved Resolution #2025-04, as amended.

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

C. Resolution #2025-05: A Resolution Adopting a Visitor Industry Management Plan for Petersburg Drafted by the Visitor Industry Working Group

In 2019 and 2020, the Visitor Industry Working Group, which was comprised of 17 local residents, researched and made recommendations on how to best respond to potential visitor industry growth to address the goal of maintaining the balance between Petersburg's quality of life and the visitor economy. The Working Group published a Visitor Industry Management Plan in early 2021 which, if adopted by the Assembly, can serve as a guide in navigating the future of Petersburg's visitor industry.

Buy unanimous roll call vote, the Assembly approved Resolution #2025-05, adopting the Visitor Industry Management Plan for Petersburg.

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

D. Letter to Senator Murkowski, Senator Sullivan, and Representative Begich Regarding the Trump Administration's Federal Spending Reduction Plans

At the request of Assembly Members Stanton-Gregor and Lynn, a letter to our Federal Delegation regarding the recent and proposed cuts to federal departments, employment, and funding has been drafted.

An amendment was approved to add Petersburg's federal funding list as an attachment to the letter to our Federal Delegation.

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

Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor, Assembly Member Valentine

An additional amendment to add information about funding cuts to NOAA was unanimously approved.

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

Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor, Assembly Member Valentine

The letter to our Federal Delegation was unanimously approved, as amended.

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

Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor, Assembly Member Valentine

16. Communications

A. Correspondence Received Since February 13, 2025

17. Assembly Discussion Items

A. Fish Box Tax

The Assembly discussed the idea of instituting a Fish Box Tax or Fee to help raise revenue for the Borough.

B. Marine Passenger Fee

Increasing the Marine Passenger Fee to \$10 was discussed.

C. Sales Tax Cap

The Assembly discussed submitting the question of increasing the sales tax cap to the voters again at this year's municipal election.

D. Assembly Member Comments

There were no comments.

E. Recognitions

Assembly Member Stanton Gregor recognized Hannah Flor, our KFSK reporter, who was attending her last Borough Assembly meeting, for her stellar reporting. Ms. Flor is moving out of Petersburg.

18. Adjourn

The meeting was adjourned at 1:23 p.m.

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

Voting Yea: Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz, Assembly Member Stanton Gregor, Assembly Member Valentine

Debra K. Thompson, Borough Clerk

Date Approved

Borough Manager's Report
Assembly Meeting 03 March 2025

- ❖ We continue to have a problem with the lap pool with CO2 use. We are trying to figure out why we are going through so much. We have checked our system thoroughly and still can't understand what is causing the problem.
- ❖ Certified Harbor Staff for First Aid/CPR/AED - they all did great!
- ❖ The last Dive-In movie is scheduled for next Wednesday. Later in the year it becomes too light outside for good viewing on the pool deck.
- ❖ Getting geared up for Walk Southeast, Petersburg won the competition last year! Trophy is in our lobby for viewing 😊
- ❖ After 5 years, we finally have Convergent coming down to do an HVAC system health check, software update, and staff training! Looking at the dates between March 21st - 27th.
- ❖ Mild weather has allowed us to get an early start on spring sand pickup.
- ❖ The Streets crew and Water Dept assisted the Sing Lee Alley condos with emergency repairs to their deteriorated 4" water service line, which ruptured last week causing a brief spike in water demand. The repairs are temporary, and we are working with the condo ownership on a plan for a permanent fix.
- ❖ Motor Pool budgets are done and have been provided to user departments for their review.
- ❖ Waste oil inventory is where we want to see it this time of year, with enough supply to finish out the season but tanks empty to the point where we're able to accept the large influx we get from the harbors in the spring and summer. Thanks to the Sanitation crew and Building Maintenance crew for keeping the burners running this season!
- ❖ Director Cotta assisted Southeast Conference with selection of RESPEC as the consultant who will undertake the upcoming Regional Solid Waste Management Planning study. This project is being funded by a \$500,000 grant from Denali Commission that was jointly awarded to SEASWA and Southeast Conference.
- ❖ The return of rainy conditions has reduced pressure on the water delivery crew and truck.
- ❖ Additional underwater inspection of our wastewater outfall line on Sandy Beach has revealed some problems, including a broken section. This damage appears old and was probably caused by a boat anchor. It is likely that we will need to repair the line soon, and we are working on a budget for this project.
- ❖ We are still waiting to see when the Section 243 grant funding may be released by DOE. As this grant has an impact on funding for the Scow Bay Generation project, that project is also on hold until the

Section 243 funds are received.

- ❖ Work on the GIS project is focused on evaluating different software offerings to make sure that the Borough selects the best option for the future. Our project manager is tracking down information to get a sense of what all existing software used by the Borough.
- ❖ The line crew set up temporary electrical service for the USFS contractor working on the federal building remodel.
- ❖ OSHA walked Assisted Living and decided that we need an eye wash installed into the kitchen because we use bleach to sanitize.
- ❖ The state audit of Assisted Living is complete.
- ❖ Timeclocks in Assisted Living began on the 27th, which is the new pay period. All paper timecards are going to be gone, and we will be doing everything through Paylocity. This should save staff some time.
- ❖ Spring maintenance list in the Harbors are getting organized as the weather starts to cooperate.
- ❖ Harbor Staff looks forward to working with Reid Brothers to complete the Shed roof project, all requirements have been reviewed and Letter to Proceed has been delivered.
- ❖ Tour ship schedule is almost firmed up, 87 stops scheduled this year considerably less than the 100-115 of the last 5 years. This includes the 31 stops of American Cruise Lines, which has doubled their scheduled stops.
- ❖ Harbor staff met with Petro Marine and American Cruise Lines at an annual discussion on operations at the Port Dock last week.
- ❖ The waiting list continues to grow, and staff is receiving inquiries about the timing of the Scow Bay development.
- ❖ Harbor staff remind customers to submit their lease agreements sent out at the first of the year.
- ❖ Several of the staff and I are continuing to work with our federal lobbyist and delegation staff on the impacts of the Trump Administration actions.
- ❖ We continue to have issues with the Municipal Building HVAC system. It appears we will need a new compressor unit. We are working on getting a quote now.