



Petersburg Borough

12 South Nordic Drive
Petersburg AK, 99833

Meeting Minutes Borough Assembly

Monday, April 7, 2014

12:00 PM

Assembly Chambers

1. Call To Order/Roll Call

Vice Mayor Lagoudakis called the regular meeting to order at Noon.

Present: 5 - Assembly Member Cindi Lagoudakis, Assembly Member Nancy Strand, Assembly Member Kurt Wohlhueter, Assembly Member Bob Lynn and Assembly Member Jeigh Stanton Gregor

Excused: 2 - Mayor Mark Jensen and Assembly Member John Havrilek

2. Voluntary Pledge

The Pledge was recited.

3. Approval of Minutes

- A. Approval of Regular Meeting Minutes for March 17, 2014; Special Meeting Minutes of March 21, 2014 and April 1, 2014, and Board of Equalization Minutes of April 2, 2014

Attachments: [3-17-2014 Minutes.pdf](#)
[3-21-2014 Special Session Minutes.pdf](#)
[4-01-2014 Special Session Minutes.pdf](#)
[4-02-2014 Board of Equalization Minutes.pdf](#)

All minutes were approved, as submitted.

4. Amendment and Approval of Meeting Agenda

The Agenda was approved, as submitted.

5. Public Hearings and Bid Awards

- A. Public Hearing on Ordinance #s: 2014-02 and 2014-03: Amending the Zoning Map for Service Area 1 to Rezone Lots 3 and 4 of Tract B of the Olsen Subdivision from Single Family Residential to Commercial 2 (C-2)

Attachments: [April 2 P&Z Chairman Letter.pdf](#)

Vice Mayor Lagoudakis read a letter from Planning & Zoning Chairperson Thomason explaining why the Commission recommended rezoning of the parcels. The

Commission desired to resolve long standing issues of two single family residential lots being used for light commercial activities. Mayor Lagoudakis called for public comments to the proposed ordinances that would approve the rezoning request. The following persons made comments, either in support or opposition in rezoning the properties: Joe Aliberti, property owner of 126 Woodrow Wilson Dr (opposed); Jason Miller, property owner within the community (support); Aaron Miller, owner of Lot 4 (support) read a prepared statement and answered questions posed by assembly members; Richard Burrell, property owner requesting rezone (support); Chris Fry, Planning & Zoning Commission member (support); Planning & Zoning Chairperson Susan Thomason (support); April Miller, mother to petitioner Miller (support) and Pete Litsheim, community resident (support).

6. Visitors' Views Related to Agenda

The following individuals spoke to agenda item 13C - 2014/15 Budget Considerations. All spoke in support of retaining the current proposed budget for the Community Services Fund and opposed an across the board percentage cut. Sue Paulson, Chris Fry, Sara Holmgrain, Rob Thomason, Ginger Evens, Liz Woodyard, Matt Pawuk, Karen Christensen, John Bringham and Kari Baekkelund. At conclusion of comments, consensus was the community will need to make a determination of what level of funding will be made for Community Services. It was suggested to conduct a series of public meetings to attain direction from the public on long term goals and plans for the community.

7. Visitors' Views Unrelated to Agenda

None.

A recess was called at 1:05 p.m and reconvened at 1:12 p.m. with the same assembly members in attendance.

8. Board, Commission and Committee Reports

No reports.

9. Consent Agenda

No items.

10. Report of Other Officers

No reports.

11. Mayor's Report

No report.

12. Manager's Report

A. 04-07-2014 Report

Attachments: [Manager report 04072014](#)

Manager Giesbrecht reviewed his written report. The report is attached and made part of these official minutes.

13. Unfinished Business

Ordinances for Second Reading

- A.** Ordinance #2014-02: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough, to Rezone Lot 3 of the Subdivision of Tract B of the Olsen Subdivision from Single Family Residential (S-F) to Commercial-2 (C-2) with Special Limitations.

Attachments: [Ord. #2014-02.pdf](#)
 [Map.pdf](#)
 [March 12, 2014 Letter from Millers.pdf](#)
 [Burrell Zoning History.pdf](#)
 [Miller Zoning History.pdf](#)
 [Property Owner Notification of this Meeting.pdf](#)
 [Attachments from 1-21-2014 Meeting.pdf](#)

Discussion on the motion to approve the ordinance included: the lot was residential zoned when purchased; the argument that the proposed change to commercial would create a buffer between existing industrial and residential uses is not justified as residential use will continue to be next to this spread of a non conforming use; both sides have valid statements; approving the rezone would not set a precedent and rezoning requests must be addressed on a case by case basis.

The motion to approve the ordinance in second reading failed by a 2-3 vote. Members Lynn, Lagoudakis and Strand opposed.

- B.** Ordinance #2014-03: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough, to Rezone Lot 4 of the Subdivision of Tract B of the Olsen Subdivision from Single Family Residential (S-F) to Commercial-2 (C-2) with Special Limitations.

All attachments with Ordinance #2014-02 also apply to this ordinance.

Attachments: [Ord. #2013-03.pdf](#)

There was no additional discussion to the rezone request.

The motion to approve the ordinance in second reading failed by a 2-3 vote. Members Lynn, Lagoudakis and Strand opposed.

- C.** Fiscal Year 2014/15 Budget Considerations

This agenda item has been scheduled for both meetings in April to provide opportunity for assembly members to further discuss and consider FY 2014/15 budget items.

Vice Mayor Lagoudakis provided a synopsis of the borough's reserves; the allowable actions that can be taken to use the reserves; and that a 1% budget cut would equal 4 jobs from the borough's services. Assembly members expressed their appreciation to members of the public that came to this meeting or made phone calls to assembly members. It was agreed that there are many fiscal issues the community must be educated on and matters that must be addressed for the future due to continued decline of state and federal funding. It is hoped to begin community wide discussions to address and prioritize the needs.

A motion of intent to approve the 2014/15 budget, as currently proposed, was unanimously passed by Roll Call Vote. Official adoption of the budget will be by future ordinance.

D. Juneau Appeal of Petersburg Borough Boundaries

Attachments: [Order Affirming Local Bound Action on Petersburg Borough Formation.pdf](#)
[Juneau Appeal.pdf](#)

Juneau has filed its appeal of the Superior Court's affirmation of the Petersburg Borough boundaries with the Supreme Court. Petersburg attorneys will file any and all necessary responses in a timely manner.

14. New Business

A. Ordinance # 2014-06: An Ordinance Providing for Chapter 4.50 (E-911 Emergency Communications Fund) of the Municipal Code and Updating Current Language to Reflect Borough Incorporation.

Attachments: [Ord. # 2014-06 - E911 in First Reading.pdf](#)

The ordinance provided for an enhanced 911 system on a borough-wide basis and provided for the continued imposition, collection and remittance of an E911 surcharge that would apply to each phone number within the borough. During discussion it was noted that the current \$1.00 surcharge was not being correctly assessed by some phone companies. Of the approximate 1,700 phone subscribers in Petersburg, our community was only being credited for approximately 400 to 500 subscribers. The balance was going to Juneau. AT&T is currently correcting their records. The ordinance would also provide for the surcharge to go to the maximum of \$2.00 per line in the future. It was noted that funds derived from the surcharge can only be expended on improving, providing for or maintaining the E911 system.

By a unanimous Roll Call Vote, the ordinance was approved in its first reading.

B. Ordinance # 2014-07: An Ordinance Adjusting the FY 2014 Budget for Known Changes

The Ordinance has been amended since its introduction to include: an increase in revenues of \$180,281 from the National Forest Receipt program; a transfer of \$20,000 from the Waste Water Fund to the Pump Station #5 Project to finish out the project; and an increase of \$26,042 to the Motor Pool Fund for down payment on a new Grader.

Attachments: [Ord. #2014-007 - Budget Amendment in First Reading.pdf](#)
[Ord. #2014-07, as amended for 2nd Reading.pdf](#)

The ordinance provided for the recycling revenue for scrap metals in the amount of \$79,653.04 and the added expense of \$20,100 for curbside recycling collection.

This Ordinance was unanimously approved in first reading by Roll Call Vote.

- C.** Resolution # 2014-04: A Resolution Designating Departments and Their Functions that Must Comply with HIPPA (Health Information Portability and Accountability Act)

Attachments: [Res. #2014-04.pdf](#)

The resolution declared that Petersburg Borough is a "hybrid" entity of HIPAA and designated three borough departments and their functions that are most subject to the Act. Those departments are: Mt. View Manor; Administration and the EMS Division of the Fire Department.

The resolution was unanimously approved by Roll Call Vote.

- D.** Resolution #2014-05: A Resolution Amending the Participation Agreement with the Public Employees' Retirement System

Attachments: [Res. #2014-05.pdf](#)

This was a "house-keeping" resolution acknowledging borough formation and assigning borough administrative personnel who can execute necessary documents and administrative tasks of the agreement.

Resolution # 2014-05 was unanimously approved.

- E.** Resolution #2014-06: ; A Resolution Declaring Saturday, May 3, 2014, as a Sales Tax-Free Day in the Petersburg Borough

Attachments: [Res. #2014-06.pdf](#)
[Support Letters for Sale Tax-free Day.pdf](#)

Savann Guthrie explained the reasons for selecting May 3 as a tax-free day. The Chamber looks for a date in both the spring and fall that will most benefit community members, not community visitors. Discussion was held on the estimated loss of income to the borough for each tax-free day and the benefits to the individual merchants. It was believed the local sales tax-free day is good for the local economy as the money is recirculated within the community.

Resolution #2014-06 was unanimously approved.

- F.** Approval of Change Order #2 -Landfill Slope Stabilization Project

Attachments: [Landfill Slope Stabilization CO2 with Backup 3.25.14](#)

Public Works and PND Engineers had recommended approval of the Change Order. Rock N Road Construction, contractor of the project, had approved of the change. The change would result in a lump sum contract value of \$546,000.00, a reduction of \$46,559.94 from the previous project value. The savings was gained by going to a "flat rate" versus time and materials.

By unanimous Roll Call Vote, the change order was unanimously approved.

G. Authorization to Send Letter to SEAPA Requesting Consideration in the Reduction of the Wholesale Electric Rate

Attachments: [Letter to SEAPA.pdf](#)

During review of the electric department budget and in consideration of the recommendations made in the 2013 Electric Revenue Requirement Study, the Assembly requested a letter be drafted asking SEAPA to consider reducing the wholesale power rate to the member communities versus issuing annual rebates.

The assembly voted unanimously to send the letter to SEAPA.

15. Communications

None.

16. Assembly Discussion Items

A. Assembly Review and Comment to Borough's Draft RFP for a Comprehensive Plan Update

Attachments: [Draft RFP - Comprehensive Plan.pdf](#)

An updated Comprehensive Plan would address items such as: waterfront development; municipal land selections, housing, the visitor industry, quality of life issues, new zoning districts and development of a Harbor Master Plan. Manager Giesbrecht wanted to give opportunity to the assembly to review and make suggestions for change in the proposed RFP that would seek professional help in formulating the Plan. A committee to review proposals received from RFP process will be formed. The document will be placed on the borough's website to seek public input on the draft document and to possibly gain the public's opinion on priorities for a Comp Plan.

Approval for the final document will be sought at the next meeting.

B. Transfer of Three Marine Facilities from State to Borough (Papke's Landing, Kupreanof Dock and Entrance Island Dock)

Discussion was held of the probability of the State wanting the borough to take ownership of the harbor facilities at Papke's Landing, at Kupreanof and Entrance Island at Hobart Bay. It is expected that the State will want the borough to take all of the facilities, not just one or two. However, no formal letter has yet been received from the State. Preliminary dollar figures coming from the State to the borough to take over the facilities is 3 million in deferred maintenance money, considerably less money than the expenses to improve the facilities. All three facilities have challenges - Papke's Landing involves three state agencies and the dock is in very poor condition; the City of Kupreanof needs to weigh-in on the dock facility there; and the float at Entrance Island is in very bad condition.

It was suggested the Borough seek public comments regarding acquisition of the facilities via the website.

C. Recognitions

Assembly Member Lynn read a prepared statement praising borough property tax clerk Ambre Burrell for her excellent work and conduct during this year's tax assessment process. He praised Ambre's timeliness, thoroughness and responsiveness in working with area residents.

D. Congratulations to Diane Murph

Attachments: [Certificate.pdf](#)

Diane earned the Girl Scouts prestigious "Gold Award". In recognition of Diane's achievement, Mayor Jensen had provided a Certificate of Merit.

17. Executive Session

A. Executive Session

By unanimous Roll Call Vote, the Assembly approved to adjourn to Executive Session to discuss with the Borough Manager and Negotiating Team the bargaining positions and negotiating points to be considered in the upcoming contract negotiations with the Petersburg Municipal Employees Association.

Assembly to Executive Session at 2:22 p.m.

Regular Session reconvened at 3:14 p.m.

18. Adjourn

It was noted at the time of adjourning this meeting that it was probable there would not be a quorum to conduct a business meeting on April 21. By a unanimous vote, the assembly meeting for April 21, 2014 was cancelled.

The meeting adjourned at 3:14 p.m.

Date Approved: _____

Kathy O'Rear, Borough Clerk