



Petersburg Borough

12 South Nordic Drive
Petersburg AK, 99833

Meeting Minutes Borough Assembly

Monday, November 3, 2014

12:00 PM

Assembly Chambers

1. Call To Order/Roll Call

Present: 6 - Assembly Member John Havrilek, Assembly Member Nancy Strand, Assembly Member Bob Lynn, Vice Mayor Cindi Lagoudakis, Assembly Member Jeigh Stanton Gregor and Assembly Member Kurt Wohlhueter

Excused: 1 - Mayor Mark Jensen

2. Voluntary Pledge

The Pledge was recited.

3. Approval of Minutes

A.

Attachments: [Oct. 20 2014 Minutes.pdf](#)

The minutes were unanimously approved, as submitted.

4. Amendment and Approval of Meeting Agenda

The agenda was amended to include discussion of providing local funding for Capital Improvement Projects (item 16D)

The agenda, as amended, was unanimously approved.

5. Public Hearings and Bid Awards

No items.

6. Visitors' Views Related to Agenda

Dave Kensinger asked to speak to agenda item 16C - Borough Service Areas

7. Visitors' Views Unrelated to Agenda

A. Susan Harai, Petersburg Indian Association - Presentation on PIA's Partnerships

Ms. Harai provided a video informing of PIA's contributions to the Borough since 2006. The video focused on the numerous road and sidewalk projects that have been performed by PIA members through federal highways funding.

8. Board, Commission and Committee Reports

No reports.

9. Consent Agenda

No items.

10. Report of Other Officers

No reports.

11. Mayor's Report**A.**

Attachments: [Mayor's Written Report.pdf](#)
 [Nelson & Holten Interest.pdf](#)

Vice Mayor Lagoudakis informed: 1) the total estimated cost for travel to DC for three representatives in February is \$8,690. The cost is under the \$9,000 already approved and includes adding the Vice Mayor to the travel schedule; 2) the next Assembly meeting will be November 24th at 7:00 p.m.; and DEC has yet to provide a public meeting date to discuss with the public the State's pesticide/herbicide regulations.

The Assembly appointed Don Nelson (as historian) and Janet Holten (as member at large, in replacement of archaeologist) to the Historic Preservation Committee.

12. Manager's Report

Manager Giesbrecht provided an oral report on the following: 1) Borough Clerk O'Rear has submitted her intent to retire on March 31, 2015. Giesbrecht advised that it was his plan to promote Deputy Clerk Debbie Thompson to the position. He asked Assembly members to provide him any feedback on the intended appointment; 2) a matrix had been prepared showing Borough services outside of Service Area 1. Prior to the document being made available to the public, Giesbrecht asked for Assembly feedback and approval of the document; and 3) the recent school bond refinance has saved the Borough in excess of \$280,000 in interest payments.

Discussion was held on the status of an ordinance regarding herbicide and pesticide use based on the Skagway ordinance. The Skagway ordinance does not apply to State land, but Petersburg would like a local ordinance to apply to State land. In addition, the Skagway ordinance is very restrictive and would require an expert to be on staff to administer the ordinance. It was unclear how aggressive Petersburg wants to be in its ordinance. Consensus was a draft local ordinance will be prepared and possibly discussed and amended at a future meeting or work session.

13. Unfinished Business

Ordinances for Third and Final Reading

A. Ordinance #2014-21: An Ordinance Adjusting the FY 2015 Budget for Known Changes.

Attachments: [Amended Ordinance #2014-21.pdf](#)
 [Ord. #2014-21 in first reading.pdf](#)

Vice Mayor Lagoudakis read the content of the budget amendment for the radio listening residents.

The ordinance was approved in final reading by a unanimous Roll Call Vote.

14. New Business**A. Resolution #2014-18: A Resolution Establishing Budget Policies to Provide for Sound Management of Borough Funds**

Attachments: [Resolution #2014-18-Budget Policies.pdf](#)

The policy was prepared to help the public better understand what the Borough does with its money and to assist in annual budget preparation and on-going budget administration.

Considerable discussion was held on whether the proposed policy adequately addressed providing for ongoing service operations while setting aside funds for future capital improvement needs. Cutting services and/or increasing fees may need to be considered to eliminate the need for bonding or tax increases for capital needs. However, the community does not appear willing to allow services to lessen. It was noted that the Borough is currently in good financial condition and does have a reasonable amount of reserves on hand to provide funding toward some CIP needs. The proposed policy document is expected to aid the Assembly in establishing its monetary goals.

A motion to amend subsection G of the proposed resolution to place revenue from the Tobacco Excise Tax in to the General Fund, versus establishing a Special Revenue Fund passed by a 5-1 Roll Call Vote, Member Lagoudakis opposed. Lagoudakis preferred the funds be dedicated toward the community services portion of the budget. The resolution, as amended, was unanimously approved by Roll Call Vote.

A recess was called at 1:07 p.m.

The meeting reconvened at 1:12 p.m.

B. Award of Professional Services Contract for Architectural/Engineering of Electric Department Building Headquarters Upgrade

Attachments: [Recommendation on RFP Award.pdf](#)
[RFP Evaluation.pdf](#)
[RFP for Architectural-Engineering for P&L Building Upgrade.pdf](#)
[Millar & Associates Proposal.pdf](#)

The RFP sought to: bring the building entry and upstairs to present day fire, safety and ADA codes; modify the building corner to reduce or eliminate the blind spot for traffic; and improve building energy efficiency.

Five proposals were received. The department recommended that a contract be awarded to Millard and Associates of Ketchikan in the not to exceed amount of \$52,531. Funds for the project are budgeted in line item #410 000 501410.

The Assembly accepted the recommendation and unanimously approved a Professional Service Agreement with Millard & Associates in the amount not to exceed \$52,531.

15. Communications

Vice Mayor Lagoudakis informed she was contacted by an individual questioning the maintenance to the trail between Mountain View Manor and the Post Office. She advised the Borough is looking into the matter to see what can or cannot be done about the condition of the trail.

16. Assembly Discussion Items

A. Recognitions

The water, wastewater, parks & rec and harbor departments were recognized for jobs well done over the past few weeks.

B. Alaska Mental Health Trust Land Office Letter of September 17, 2014 - Papke's Landing Parcels

Attachments: [Land Trust Letter.pdf](#)
[Borough Letter to Land Trust.pdf](#)

No new information. Assembly Member Stanton Gregor voiced his support in acquiring the property for the future.

C. Borough Services and/or Borough Service Areas

From now through December 15 the Assembly will set aside this time to address Borough Services and/or Borough Service Areas. Residents are encouraged to submit questions, concerns, comments and opinions regarding Services and Service Areas in relationship to Borough Charter requirements.

Attachments: [PSA on Service Areas.pdf](#)
[Charter provisions for Service Areas.pdf](#)

Borough Attorney Sara Heideman attended this portion of the meeting via telephone

to assist the Assembly in interpreting and understanding the Charter provisions for service areas. The majority of the balance of the meeting, approximately 1 and 1/2 hour, was dedicated to the subject matter. Much of the discussion pertained to emergency services, whereas the Charter allows for the services to continue to be provided at the same level as prior to Borough formation. Increase in service would require the establishment of service areas. The Borough Services Matrix prepared by Manager Giesbrecht was slightly changed and authorized to be posted on the Borough's website for public information and discussion.

Dave Kensinger, a property owner both inside and outside Service Area 1, thanked the Assembly for the discussion and the matrix as several of his concerns were addressed.

D.**Capital Project Funding**

Assembly Member Lynn asked consideration be given to a resolution that would dedicate local funding to specific Capital Improvement Projects should the legislature choose to fund them in fiscal year 2015/16. He related several state legislators have indicated they look more favorably upon projects that show local financial support. If the projects are not chosen for funding by the State, the resolution to dedicate local funds would not have an impact on Borough finances. Lynn informed there were two projects he would like included in such a resolution; 1/3 local funding to the School's Food Service Preparation and Renovation Project; and \$150,000 to the Children Center's Building Expansion.

Consensus was a draft resolution dedicating local contributions to specific capital projects should be prepared for discussion and consideration at the next meeting.

17. Adjourn

The meeting adjourned at 2:12 p.m.