



Petersburg Borough

12 South Nordic Drive
Petersburg AK, 99833

Meeting Minutes Borough Assembly

Monday, March 2, 2015

12:00 PM

Assembly Chambers

1. Call To Order/Roll Call

Mayor Jensen called the meeting to order at 12:00, Noon.

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

By Phone: 1 - Assembly Member Kurt Wohlhueter

2. Voluntary Pledge

The Pledge was recited.

3. Approval of Minutes

A. February 2, 2015 Regular Meeting Minutes

Attachments: [February 2, 2015 Regular Meeting Minutes.pdf](#)

The minutes were unanimously approved.

B. February 6, 2015 Special Meeting Minutes

Attachments: [February 6, 2015 Special Meeting Minutes.pdf](#)

The minutes were unanimously approved.

4. Amendment and Approval of Meeting Agenda

The agenda was amended to include the Oath of Office for new Borough Clerk Debra Thompson; and to make a presentation to Police Sergeant Kerr.

The Agenda, as amended, was unanimously approved.

A. Oath of Office

Retiring Borough Clerk O'Rear administered the Oath of Office to new Borough Clerk Debra Thompson.

B. Appreciation - Life Saving

Police Chief Swihart presented Officer Kerr with a framed commendation recognizing Kerr's life saving CPR skills used on two individuals within recent months.

C. Open Records Appreciation

Ron Loesch of Petersburg Pilot, presented retiring Clerk O'Rear with a plaque recognizing her commitment to open records laws and practice.

5. Public Hearings and Bid Awards**A. Community Discussion on Local Control/Regulations of Marijuana**

Attachments: [Marijuana Act Passed by Voters.pdf](#)
 [Summary of Act.pdf](#)
 [Juneau Moritorium Ord.pdf](#)

No public comments were received.

B. Public Hearing on Ordinance #2015-04: An Ordinance Adjusting the FY 2015 Budget for Known Changes.

No public comments were received.

C. Public Library Landscaping Project Bid Award

Attachments: [Public Library Landscaping Bid Award Recommendation.pdf](#)

Librarian Alcock explained funding for the land scaping project would come from two sources - balance of legislative grant funds and private donations.

By a Roll Call Vote of 6-1, Member Havrilek opposed, the bid was awarded to Reid Brothers Construction for the amount not to exceed \$199,332 as recommended by Librarian Alcock and bid review committee. Member Havrilek opposed as he believed with the expected economical decline in the next few years, the money could be better spent.

6. Visitors' Views Related to Agenda

Wes Davis of Ruger's Trucking, expressed his opposition to converting to a cart-based recycling program (agenda item 13B, Ord. #2015-04 - budget amendment). He believed it in the Borough's interest to retain the current blue-bag program because the cart program could hinder participation in recycling resulting in higher costs in the future. He did not believe the cart program could be managed without added labor expenses. He questioned the projected expenses of the new program as prepared by the public works department and encouraged the borough to retain the blue bag program for at least another year to gain more information to use in future decisions.

Matt Bryner, Vice President of Petersburg Little League, expressed support for Resolution #2015-04 (agenda item 14E). The resolution would transfer management of the skate park to Little League to be used as an enclosed batting cage.

7. Visitors' Views Unrelated to Agenda

None.

8. Board, Commission and Committee Reports

A. Swan Lake Reservoir Expansion Project Update

Trey Acteson, CEO and Joel Paisner, Legal Counsel for SEAPA, provided an update on the Swan Lake Reservoir Project and the new 7 million dollar bond issue necessary for the project. While acquiring bond funds for the project, SEAPA will also refinance some existing 2009 bonds to capture a lower interest rate. The project will not increase the wholesale power rate and the refinance of the existing bonds is expected to save SEAPA considerable interest expense. Paisner requested that the Borough's legal counsel review the draft bond documents and if in order, the Assembly authorize Petersburg's consent to the bond issue.

Once the documents are reviewed and approved by legal counsel, the Assembly will consider approval of the bond documents.

9. Consent Agenda

No items.

10. Report of Other Officers

No reports.

11. Mayor's Report

Mayor Jensen informed - the Charter mandated annual meeting with the Hospital Board will be held Monday, March 9 at 6:00 p.m.; on March 10 at 6:00 p.m. the Federal Highway Administration will conduct a public meeting on the Kake Access Road; and the next regular Assembly meeting will be March 16 at 7:00 p.m.

Mayor Jensen provided a report on attendance to the AML Legislative Conference. The State's finances and new budget are not looking good. Numerous wranglings are occurring in Juneau over the State's budget with substantial cuts being made. Proposals have been made to substantially cut funding for ferry transportation as well as make deep cuts in revenue sharing. Mayor Jensen believed the Borough's proposed budget for the upcoming fiscal year would be able to move forward with no or little change, but local budgeting in future years will be substantially affected.

Mayor Jensen also provided a report on our delegates' trip to Washington DC. Attempts to retain full Secure Rural School Funding for the upcoming fiscal year are being made. It is expected that any future funding will be drastically reduced. Corp of Engineer funds may be available for the South Harbor dredging. Not much headway has been made getting the Canada government to come to the table and discuss British Columbia mining activities. The EPA's incidental discharge on boats 80 feet and under has received a three year moratorium. Several other topics were discussed with federal representatives including Coast Guard reorganization and hydro energy. Vice Mayor Lagoudakis shared information gained from her attendance to the Senate meeting for the first review of the Forest Service budget. She informed of other items regarding transportation funding and planning, as well as tax on internet sales.

12. Manager's Report

No report.

A five minutes recess was called at 12:54 p.m.

The meeting was reconvened at 1:00 p.m.

13. Unfinished Business

Ordinances for Third and Final Reading

- A. **Ordinance #2015-01: An Ordinance Providing for a Joint Thomas Bay Power Advisory Committee with Wrangell (short title).**

Attachments: [Ord. #2015-01 TBPAC.pdf](#)

Ordinance #2015-01 was unanimously approved in its final reading by Roll Call Vote.

Ordinances for Second Reading

- B. **Ordinance # 2015-04: An Ordinance Adjusting the FY 2015 Budget for Known Changes.**

Attachments: [Ord. #2015-04.pdf](#)
[Sanitation Reserves Projections with Various Recycling Scenarios.pdf](#)
[Sanitation and Recycling Collection Routes and Staffing.pdf](#)
[Baler and Landfill Customer Frequency Audit.pdf](#)
[Potential Sanitation Rate Increases with Blue Bags.pdf](#)

Discussion was held on the presumed need for additional rate increases (more than already provided for by ordinance) if the blue bag program is retained. It was questioned if the rates would need to be increased over the current scheduled rate increases no matter what recycling method was used in order to provide for the desired 4-6 months of reserve operating funds. Need for additional rate increases would depend on how fast the assembly wants to acquire the desired reserve. The plan is to retain the current rate increases, getting to approximately \$520,000 in reserves in 2020. If the assembly wants the reserve balance to be met earlier, or higher than projected, rates would need to go up more immediately, no matter which recycle method is used. Hiring additional staff for the department is not planned as hours at the baler/landfill will be reduced. The baler facility has been monitored to determine the customer visits to the baler. The facility averages 10-15 customers per day.

To enable residents to make further comment on the proposed changes in the recycling program, the Assembly passed a motion by a vote of 6-1 (Lagoudakis opposed) to conduct an additional hearing on Ordinance #2015-04 at the March 16 meeting.

Ordinance #2015-04 was passed in second reading by a 4-3 Roll Call Vote. Members Lynn, Wohlhueter and Havrilek opposed.

14. New Business

- A. **Ordinance #2015-03: An Ordinance Providing for New Chapter 9.16, Nuisances (First Reading).**

Attachments: [Ord. #2015-03.pdf](#)

The ordinance was unanimously approved in first reading by Roll Call Vote.

- B. **Ordinance #2015-05: An Ordinance Providing for Increases in Short Term and Transient**

Moorage Fees and Establishing Fees for Use of the Commercial Drive Down Dock (short title).

Attachments: [Ord. #2015-05.pdf](#)
 [Proposed Harbor Moorage Increases.pdf](#)
 [Draft Drive Down Facility Procedures.pdf](#)

Item A4 of the ordinance was amended to acknowledge the plural for "harbor".

Harbor Master Wollen provided a progress update on the commercial drive-down project. The facility is expected to be usable within 2 weeks. Also, the refurbished crane for the crane-dock has been received.

Ordinance # 2015-05 was unanimously approved in first reading by Roll Call Vote.

C. Ordinance 2015-06: An Ordinance Adopting the Budget for Fiscal Year July 1, 2015 Through June 30, 2016.

Attachments: [Ord #2015-06.pdf](#)

Mayor Jensen advised now would be the time to amend the proposed budget, if desired.

The Ordinance was unanimously approved, as submitted, by Roll Call Vote.

D. Resolution #2015-03: A Resolution Creating a Local Marijuana Regulation Advisory Committee

Attachments: [Res. #2015-03.pdf](#)
 [Marijuana Advisory Committee Ad.pdf](#)
 [Anthony Taiber LOI.pdf](#)
 [Brian Richards LOI.pdf](#)
 [Charles Rose LOI.pdf](#)
 [David Burleigh LOI.pdf](#)
 [Elizabeth Amanezzer LOI.pdf](#)
 [Elizabeth Bacom LOI.pdf](#)
 [James Baker LOI.pdf](#)
 [James Demko LOI.pdf](#)
 [Kathy Holtzinger LOI.pdf](#)
 [Kelly Swihart LOI.pdf](#)
 [Kevin Clark LOI.pdf](#)
 [Kim Kilkenny LOI.pdf](#)
 [Pamela Van Houten LOI.pdf](#)
 [Rick Dormer LOI.pdf](#)
 [Thomas Kojima LOI.pdf](#)

Mayor Jensen recommended that all persons that had submitted a Letter of Interest be appointed to the Committee and those appointees must be eligible to hold elective office to serve on the Committee. Assembly Members shared their ideas of what items they believe important to be addressed by the Committee. Some items were: make a clear definition of "public places"; provide for a Local Authority; determine where establishments can be located (by zoning); and address second hand smoke.

Resolution #2015-03 was unanimously approved.

The following individuals, as long as they are determined by the Clerk's office to meet elective office qualifications, were appointed to the Committee: Anthony Taiber, Brian Richards, Charles Rose, David Burleigh, Elizabeth Amanecer, Elizabeth Bacom, James Baker, James Demko, Kathy Holtzinger, Kelly Swihart, Kevin Clark, Kim Kilkenny, Pamela Van Houten, Rick Dormer, Thomas Kojima, Mitch Eide, Assembly Members Strand, Stanton-Gregor (Chairman) and Wohlhueter.

E. Resolution #2015-04: A Resolution in Support of Transferring Management of the Skate Park Facility at the Ball Field to Petersburg Little League.

Attachments: [Res. #2015-04.pdf](#)
 [P&R Director Hayes Memo.pdf](#)
 [Skate Park Recommended Guidelines.pdf](#)

The current covered skate facility at the ball field park is not deemed safe for use. Skaters deserve a better facility. Petersburg Little League would like to convert the current covered area to a batting cage. Little League is willing to take over the facility and put it to use for its approximate 200 participants. Both Little League and the school teams could make good use of the facility. The Parks & Rec Department will be working with Little League (in the future) on the possibility of Little League taking over all the maintenance of the ball fields in the future.

Resolution #2015-04 was unanimously approved by Roll Call Vote.

F. Resolution #2015-05: A Resolution in Support of Governor Walker's Proposed FY 2016 Revenue Sharing Program Appropriation of \$57 Million.

Attachments: [Res. 2015-05.pdf](#)

Resolution #2015-05 was unanimously approved by Roll Call Vote.

G. Consideration of a Special Use Permit for Heather Island, Inc.

Attachments: [Heather Island, Inc. Application for Special Use Permit.pdf](#)
 [Heather Island, Inc. Special Use Permit.pdf](#)

By unanimous Roll Call Vote, the Special Use permit, as recommended by the Planning Commission with conditions, was granted.

H. Consideration of Icicle Seafood's Letter of Request Asking for Borough Assistance to Cover \$32,000 in Electric Transformer Replacement

Attachments: [Icicle Seafoods Letter.pdf](#)
 [Electric Superintended Recommendation.pdf](#)

Petersburg Fisheries Plant Manager Patrick Wilson was present to answer questions to the company's written request for the Borough to cover \$32,000 in costs toward a new electrical transformer that replaced a failed transformer at the plant in the spring of 2014. The transformer was considered part of PFI's plant equipment. Electric Superintendent Joe Nelson recommended the request be denied as there are no provisions in the municipal code that would allow or support the request. In addition, during Assembly discussion of the request, it was noted that Trident Seafoods has also recently purchased and replaced a transformer and if cost sharing is provided to PFI, it should be shared with all other businesses.

A motion to approve the cost participation in the transformer replacement failed by a vote of 0-7. Precedent

setting was used for the reason for denial.

15. Communications

A. Dane Roundtree Letter to Assembly

Attachments: [Dane Roundtree Letter to Assembly.pdf](#)

The assembly acknowledged receipt of Mr. Roundtree's letter that requested consideration be given to permanently secure the senior citizen sales tax and property tax exemptions.

16. Assembly Discussion Items

A. Recognitions

Fire/EMS Director Dixon thanked Airlift Northwest for their funding for recertification of eleven local EMT2s.

B. Discussion of visits to Juneau with our State Delegation and to Washington D.C. with our National Delegation

Assembly Member Havrilek informed of the doom and gloom and chaotic atmosphere at the State Capitol during this session period.

17. Adjourn

The meeting adjourned at 1:45 p.m.