



Petersburg Borough

12 South Nordic Drive
Petersburg AK, 99833

Meeting Minutes Borough Assembly

Monday, March 17, 2014

7:00 PM

Assembly Chambers

1. Call To Order

Mayor Jensen called the meeting to order at 7:00 p.m.

Present: 7 - Mayor Mark Jensen, Assembly Member John Havrilek, Assembly Member Cindi Lagoudakis, Assembly Member Nancy Strand, Assembly Member Kurt Wohlhueter, Assembly Member Bob Lynn and Jeigh Stanton Gregor

2. Voluntary Pledge

The Pledge was recited.

3. Approval of Minutes

A. Approval of March 3, 2014 Meeting Minutes

Attachments: [March 3, 2014 Minutes.pdf](#)

The 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. Award Crane Dock Widening Project Bid

Attachments: [Recommendatin Memo on Crane Dock Project Bid Award.pdf](#)
[PSG Crane Dock Approach Widening - Bid Summary 030414.pdf](#)
[ADCCED 13-DC-425 Crane Dock Executed Agreement.pdf](#)

One bid was received for the project deemed responsive and within budget. The Harbor Master had recommended the bid of \$611,500 from Western Marine Construction for the Base Bid and one Additive Alternative be awarded.

By unanimous Roll Call Vote the Assembly accepted the Harbor Master's recommendation and awarded the project to Western Marine Construction.

6. Visitors' Views Related to Agenda

Susan Thomason, Planning and Zoning Chairman (regarding agenda items 13 B & C, rezoning), read a prepared statement informing why the Commission recommended

the rezoning of 105 and 107 Arness Drive from residential to commercial 2, with conditions. The basic reason appeared to be that the C2 zoned districts allow for warehousing and storage uses. She informed the properties have been used very similar as commercial 2 zoned properties since their purchase. The original application was for a rezoning of the parcels to industrial, a more liberal land use designation. P&Z had also made the recommendation as the owner of 107 Arness Drive had been unable to meet restraints of a 2011 Conditional Use permit. Rezoning applicant, Katrina Miller, informed of her willingness to adhere to the recommended conditions of rezoning. Conditions included a 20 foot wide greenbelt to be established and maintained and a 8 foot wood fence installed. She estimated that the required fence could be erected right away with the balance of the greenbelting being performed this fall. The other applicant, Richard Burrell, believed all conditions could be met by fall, but he did not believe the required greenbelt would make any of the neighboring property owners happy. General discussion, including questions and answers to and from the applicants was held. Set back requirements were reviewed; enforcement means of the C2 provisions on the properties were questioned due to the lack of one of the property owners to abide by the prior Conditional Use Permit; what may happen to surrounding property values was a concern; and concerns of "industrial/commercial creep" into the residential district was voiced.

Ray Pederson, resident (regarding 14B, award of recycling contract) asked the Assembly to reject all bids and either rebid the contract or have borough employees provide the service by adding a part-time employee.

7. Visitors' Views Unrelated to Agenda

None.

8. Board, Commission and Committee Reports

No report.

9. Consent Agenda

A. Award of Transient Room Tax Grants

Attachments: [Written Recommendation.pdf](#)

Finance Director Tow, supported by the Transient Room Tax Committee, had recommended the allocation of \$21,033 of Transient Room Tax to the Chamber of Commerce for roof replacement of the Visitor Center. The building belongs to the Borough and Municipal Code 4.33.060 directs TRT funds to be expended on visitor-related services, including maintenance of facilities.

B. Local Approval of Alcoholic Beverage Licenses Renewal for: Loyal Order of Moose #1092 and Beachcomber Inn

Attachments: [Notice of Alcoholic Beverage Licenses Renewals.pdf](#)

The Consent Agenda was unanimously approved, as submitted.

10. Report of Other Officers

- A. Student Representative Hannah Pfundt will provide a report, if available
No report.
- B. Parks and Recreation Director Donn Hayes - presentation on the Sandy Beach Shelter Restoration Project
Attachments: [Sandy Beach Shelter Project Pics.pdf](#)

Hayes provided pictures showing the on-going work at the remaining pavilion to be restored at Sandy Beach. Part-time help was brought back early to work on the building with the intent to have the project completed by May Fest.

11. Mayor's Report

- A. Report for 3-17-2014

Attachments: [Mayor Written Report.pdf](#)

Mayor Jensen read his written report which consisted of: recommended nominations to vacancies on the Local Emergency Planning Commission; announcement of the continued vacancy on the Planning Commission; reminder that the Assembly will meet as the Board of Equalization at 9:00 a.m., Wednesday, April 2; and requests to consider scheduling work sessions to review the recent electric department revenue study and upcoming budget and to meet with the hospital board to discuss their proposed operating budget requests.

The Assembly nominated Kelly Swihart, Erin Michael and Lauri Miller to vacancies on the LEPC; called a Special Meeting for March 21 at 8:00 a.m. to discuss the electric department rate study and 2014/15 budget. Scheduling a work session with the Hospital Board was postponed due to the absence of Board members. Consensus of the Assembly was any funding from the borough to the hospital would be for capital projects and those capital projects were submitted and considered last fall while preparing the community's CIP needs list for the State.

12. Manager's Report

- A. 03-17-2014 Report

Attachments: [Manager report 03172014](#)

Manager Giesbrecht reviewed his written report.

13. Unfinished Business

- A. Juneau Appeal of Petersburg Borough Boundaries

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

On February 28, Superior Court Judge Mendendez gave Order Affirming the Local

Boundary Commission's Decision on the formation of the amended boundaries of the Petersburg Borough. The Appellant, City and Borough of Juneau, has until March 31 to appeal the decision to the Supreme Court.

- B.** 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. First Reading.

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](#)

Additional comments/concerns made from agenda item #6 included: the assembly has the control in allowing or stopping the "creep" of commercial or industrial uses into residential districts; the Planning Commission's recommendation should be considered as the rezoning from residential to commercial provides a buffer between residential and industrial; the zoning ordinances need review and our residents need to determine what direction the community should go in with regard to zoning restrictions and enforcement; comments for and against the application are 50/50, making a decision difficult; people purchased the lots in the surrounding area with an understanding that the area was residential; the recommendation from P&Z was unanimous because C2 zoning would be less offensive to neighboring properties; the greenbelt requirements of the rezoning are a favorable reason to approve the rezoning; the property was purchased as a residential property, but used as a commercial type property; the purchasers knew they purchased residential land and were subject to following code; neighboring property owner's concerns should be taken above the P&Z's reasons for recommendation; greenbelting the property will not do much to screen the storage use from neighboring properties. Several assembly members wanted the ordinance to move forward to second reading to obtain further public comment.

**The ordinance was approved in its first reading by a 4-3 Roll Call Vote.
Members Lagoudakis, Lynn and Havrilek opposed.**

- C.** 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. First Reading.

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

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

**The ordinance was approved in its first reading by a 4-3 Roll Call Vote.
Members Havrilek, Lagoudakis and Lynn opposed.**

14. New Business

- A.** Authorization to Enter into a Professional Services Contract with PND Engineers, not to exceed \$68,755, for Contract Administration and Inspection Services for the Crane Dock Approach Widening Project

Attachments: [PND Proposal for Adm. and Inspection of Crane Dock Widening Project.pdf](#)

By unanimous Roll Call Vote, the assembly authorized the professional services contract.

- B.** Award of Recycling Collection Contract and Authorization for Borough Manager to Enter into a Professional Services Contract with Ruger's Trucking LLC for a base contract amount of \$100,500

Attachments: [Recycling Collection Services - Award Recommendation](#)

The current collection contract expires March 31. A brief discussion was held on the new recycle program expanding over the next year to enable the borough to better assess future collection needs. Public Works Director Hagerman again explained the new recycling program that has a goal to bring the community to a 50% recycle rate by 2019. He provided examples of what the department would have to do and how the new program would have to change if the collection contract is not awarded. This coming year, the department will be targeting non-recyclers to use the program. Award of the contract will require a budget amendment for the current fiscal year. The 2014/15 budget is projected to have a deficit of approximately \$42,000, based on an estimated 30% recycle rate being reached. Consensus was the new recycling program needs time to determine the overall benefits and costs to the community.

By unanimous Roll Call Vote, the Assembly authorized the Professional Services contract, as proposed.

15. Communications

None.

16. Assembly Discussion Items

- A.** Recognitions

PFI, Hammers and TU were thanked for their conduct of the annual Fire Department Breakfast. A thank you and farewell was extended to departing EMT2 volunteer and borough employee Valerie Allen. Congratulations was extended to the adult hockey and soccer teams for a great competitive year.

17. Adjourn

The meeting adjourned at 8:35 p.m.