



Meeting Minutes Borough Assembly

Monday, May 1, 2017

12:00 PM

Assembly Chambers

1. Call To Order/Roll Call

Mayor Jensen called the meeting to order at 12:03 p.m.

Present: 6 - Mayor Mark Jensen, Assembly Member Eric Castro, Assembly Member Bob Lynn, Assembly Member Jeigh Stanton Gregor, Assembly Member Nancy Strand and Assembly Member Kurt Wohlhueter

Excused: 1 - Vice Mayor Cindi Lagoudakis

2. Voluntary Pledge

The Pledge was recited.

3. Approval of Minutes

A. April 17, 2017 Regular Meeting Minutes

Attachments: [April 17, 2017 Regular Meeting Minutes.PDF](#)

The April 17, 2017 regular meeting minutes were unanimously approved.

4. Amendment and Approval of Meeting Agenda

The agenda was amended to add to Assembly Discussion Items, 17B - Enforcement of Rules at Papke's Landing, and 17C - Town Hall Meetings Regarding Local Taxes. The agenda, as amended, was unanimously approved.

5. Public Hearings

A. Public Hearing on Ordinance #2017-06: An Ordinance Proposing Amendments to Chapter 4.28, Sales Tax, of the Petersburg Borough Code to Increase the Sales Tax Exemption Cap for a Single Sale from \$1,200 to \$5,000, and to Eliminate the Exemption for the Sale of Goods Purchased within the Borough for use Outside the Borough; and Directing that the Proposed Code Amendments be Submitted to the Qualified Voters of the Petersburg Borough

Chamber of Commerce Administrator Mara Lutomski, representing the group that recently met to discuss Ordinance #2017-06 (which, if passed, will put two questions on the October Municipal Election ballot: 1) Whether to increase the sales tax exemption cap for a single sale from \$1,200 to \$5,000; and 2) Whether to eliminate the exemption for the sale of goods purchased within the Borough for use outside the Borough), encouraged the Assembly not to rush tax questions to the ballot but to instead set up a task force that will spend the next year evaluating possibilities for streamlining the Borough, raising revenues, and generating new ideas.

6. Bid Awards

No awards.

7. Visitors' Views Related to Agenda

Susan Erickson, Susan Ohmer, Kathi Reimer, and Tom Abbott each spoke regarding the proposed FY 2018 Operating Budget for the Borough.

Darlene Whitethorn, Doran Hammett, and Erica Kludt-Painter each spoke regarding Ordinance #2017-04 (Municipal Power Rate) for the Hospital and Schools.

Rick Braun, Susan Harai, Ronn Buschmann, and Thomas Cumps each spoke regarding the proposed pedestrian trail PIA plans to construct and maintain between Haugen Drive and the Severson Subdivision.

8. Visitors' Views Unrelated to Agenda

No views were shared.

9. Board, Commission and Committee Reports

No reports.

10. Consent Agenda

No items.

11. Report of Other Officers**A. 2017 Real Property Tax Roll Certification**

Attachments: [Property Tax Roll.PDF](#)

Mayor Jensen read the 2017 Real Property Tax Roll, which certifies \$317,225,474.00 of total taxable assessed value, into the record.

12. Mayor's Report**A. May 1, 2017 Mayor's Report**

Attachments: [May 1, 2017 Mayor's Report.PDF](#)
 [T. Koeneman Letter of Interest.PDF](#)

Mayor Jensen read his written report and added information about an upcoming hearing before the US Senate Energy and Natural Resources Committee on Payment in Lieu of Taxes and Secure Rural Schools funding. He also informed the Assembly that his last meeting before he leaves for fishing this summer will be the June 5 meeting.

13. Manager's Report

A. Manager's Report 05-01-2017

Attachments: [Manager report 05012017](#)

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#2017-04: An Ordinance Amending Petersburg Municipal Code Section 14.16, Electricity, to Add a Municipal Power Rate for Certain Municipal Buildings of the Petersburg Borough as Designated and Approved by Borough Assembly

Attachments: [Ordinance #2017-04 for 3rd Reading.PDF](#)
 [Impact of Proposed Municipal Power Rate for Schools.PDF](#)

Motion was made to amend Ordinance #2017-04 to add the hospital to the list of municipal buildings that may take advantage of a municipal power rate. The motion failed by a vote of 3 - 3, Mayor Jensen and Assembly Members Lynn and Strand opposed.

Motion was made to amend Ordinance #2017-04 to add a requirement for the recipient of the municipal power rate to report annually to the Assembly the estimated savings incurred and how the savings was used. The motion passed unanimously.

Ordinance #2017-04, as amended, was adopted in its third and final reading by a vote of 4 - 2, Mayor Jensen and Assembly Member Lynn opposed.

B. Ordinance #2017-05: An Ordinance Proposing an Amendment to the Home Rule Charter of the Petersburg Borough to Allow the City of Kupreanof to Own and Operate a Harbor Within the Petersburg Borough, and Directing that the Proposed Charter Amendment be Submitted to the Qualified Voters of the Borough

Attachments: [Ordinance #2017-05.PDF](#)

Ordinance #2017-05 was unanimously adopted in its third and final reading.

C. Ordinance #2017-06: An Ordinance Proposing Amendments to Chapter 4.28, Sales Tax, of the Petersburg Borough Code to Increase the Sales Tax Exemption Cap for a Single Sale from \$1,200 to \$5,000, and to Eliminate the Exemption for the Sale of Goods Purchased Within the Borough for Use Outside the Borough; and Directing that the Proposed Code Amendments be Submitted to the Qualified Voters of the Petersburg Borough - Second Reading

Attachments: [Ordinance #2017-06.PDF](#)
 [Over \\$1200 Sales Tax Cap and Out of Town Exemptions.PDF](#)

Motion was made to amend Ordinance #2017-06 to remove the proposed increase to the sales tax cap. The motion failed by a vote of 3 - 3, Mayor Jensen and Assembly Members Lynn and Stanton Gregor opposed.

Ordinance #2017-06 was adopted in its second reading by a vote of 5 - 1, Assembly Member Stanton Gregor opposed.

15. New Business

- A. Ordinance #2017-07: An Ordinance of the Petersburg Borough Adopting the Budget for the Fiscal Year July 1, 2017 through June 30, 2018

Attachments: [Ordinance #2017-07.PDF](#)

Motion was made to amend Ordinance #2017-07 to keep Borough staffing at FY 2017 levels with no new positions. This amendment would remove the replacement lineman in Power & Light's proposed FY 2018 budget and would create the requirement that the proposed part-time IT position may not be filled unless we lose an employee somewhere on Borough staff. The motion failed by a vote of 3 - 2, Mayor Jensen and Assembly Member Lynn in favor.

Ordinance #2017-07 was unanimously adopted in its first reading.

- B. Ordinance #2017-08: An Ordinance of the Petersburg Borough Adjusting the FY 2017 Budget for Known Changes

Attachments: [Ordinance #2017-08.PDF](#)
 [MVM Portico Foundation Repair Award Documentation.PDF](#)
 [Resolution #2017-08 - MVM Fire Alarm Repair Authorization.PDF](#)

Ordinance #2017-08 was unanimously adopted in its first reading.

- C. Ordinance #2017-09: An Ordinance Amending the Official Zoning Map for Service Area 1 of the Petersburg Borough to Rezone Parcels #01-010-052, -053, -054, -055, -056, -057, -058, -059, -060, and -061 at 708, 710, 712, 804 and 806 S. Nordic Drive from Industrial (I) to Commercial-1 (C-1)

Attachments: [Ordinance #2017-09.PDF](#)
 [Planning Commission Report - Rezone.PDF](#)

Ordinance #2017-09 failed by a vote of 3 - 2, Assembly Members Stanton Gregor and Wohlueter in favor.

- D. Application to Assume Lease

Attachments: [Application to Assume Alaska Commercial Electronic's Lease.PDF](#)

The Assembly unanimously approved the assumption of Alaska Commercial Electronics' tidelands lease to Eric Rosvold.

- E. Letter of Support for PIA's plans to construct and maintain a pedestrian trail from Haugen Drive to the Severson Subdivision

Attachments: [Draft Letter of Support for PIA Trail.PDF](#)
 [Planning Commission Report - PIA Trail.PDF](#)

The Assembly unanimously approved a letter of support for the proposed PIA pedestrian trail between Haugen Drive and the Severson Subdivision.

- F. Petersburg Navigation Improvements Project

Attachments: [Draft Letters of Support of PIA's Sponsorship.PDF](#)

By unanimous roll call vote, the Assembly approved the letters to the Army Corps of Engineers regarding the relationship between PIA and the Borough on the Petersburg Navigation Improvements Project.

16. Communications

No communications.

17. Assembly Discussion Items

- A. Recognitions

Assembly Member Strand recognized the Petersburg Police Department and all who took part in arresting and jailing a suspected drug dealer.

- B. Enforcement of Rules at Papke's Landing

Assembly Member Lynn explained that posted rules at Papke's Landing are not being enforced. There are boats that tie up at the dock and vehicles that park in the parking lot for much longer than allowed. Member Lynn requested the Assembly draft a letter to the Commissioners of the Department of Public Safety (responsible for the State Troopers), the Department of Transportation & Public Facilities (who owns the Papke's Landing dock), and the Department of Natural Resources (who owns the Papke's Landing parking lot) requesting enforcement of the rules by the State. The Assembly agreed to have a draft letter in the next meeting packet for their approval.

- C. Town Hall Meetings Regarding Local Taxes

Assembly Member Wohlhueter discussed holding some town hall meetings solely for the purpose of gathering ideas on how the Borough can raise revenues or reduce expenses, stating public involvement would be very helpful.

18. Adjourn

The meeting was adjourned at 2:10 p.m.