



Petersburg Borough

12 South Nordic Drive
Petersburg AK, 99833

Meeting Minutes Borough Assembly

Friday, March 11, 2016

12:00 PM

Assembly Chambers

Special Meeting

1. Call To Order/Roll Call

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

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

2. Voluntary Pledge

The pledge was recited.

3. Visitors' Views Related to Agenda

None.

4. Bid Awards

A. Bid Award for Municipal Building/Police Department Renovation Project

Attachments: Municipal Building Renovation Project Description.pdf
 Possible Interfund Loan Scenarios.pdf
 Municipal Building Renovation Bid Results.pdf
 Muni Building Intent to Award Letter.pdf

Assembly Member Lynn asked about the importance of including Alternate 3, the south parking lot, in the project. Architect Corey Wall, who participated telephonically, explained that there were essentially two issues that would be addressed by making the changes to the parking lot; improved visibility when exiting and reconstruction of the old covered carport so that all police vehicles will be under cover with the addition of one more parking space, which would include building a small retaining wall to the far southwest corner. Member Lynn then asked what the ramifications would be if the parking lot project was excluded from the project and addressed at a later date. Mr. Wall said it could be done at a later time, but the remobilization of a company to come in would probably increase the cost involved. He explained that the same contractor could be awarded the parking lot project at some point while the building renovation was underway, but the company did not have to honor the original bid price they quoted. Assembly Member Castro asked if there was any concerns with the parking lot encroaching on historical district property. Mr. Wall explained that the entire parking lot would remain on the Borough's property.

Police Chief Swihart explained that there is concern with the way the parking lot and covered structure is now with line of sight when exiting and that including this with the project would meet those needs, improve operations, be more cost effective now than in the future, and be in keeping cosmetically with the new look of the building. He said that he and Public Works Director Hagerman had discussed some things the Borough could do to improve the parking lot. Chief Swihart said that although they would like to have the parking lot project included, they could function without it.

Assembly Member Lagoudakis asked if the renovations to the parking area could be performed by the Public Works Department. Director Hagerman replied that it was already in the plan for Public Works to do the demolition of the old carport structure. He was unclear whether the remainder of the project could be accomplished by Public Works or if it would need to go out to bid and whether or not there would be a cost savings in doing so.

In response to Assembly Member Strand's request, Mr. Wall described the retaining wall which would be included in the parking lot renovation. After the description, there was discussion between Mr. Wall and the Assembly Members regarding design options.

Assembly Member Wohlhueter raised concerns about the joint venture relationship between Dawson and McG Contractors. Mr. Wall explained that Dawson will be the managers from their home office, McG will be the subcontractor with the laborers and supervisors doing the work, and that recent projects performed by this joint venture seem to have gone well. Assembly Member Castro questioned the scheduling with their current project. Mr. Wall informed the Assembly that the previous project has been completed early, and it is his understanding that they would be ready to transition to Petersburg as soon as needed.

The Assembly discussed whether there was a need for the Borough to hire an independent on-site contract administrator to watch over the project and the skills that such a person would need to have in order to be qualified. Mr. Wall explained there is \$180,000 budgeted for an on-site administrator, although that would not be enough for a full-time person to be on-site 24/7, and he would have to look into how much more it could cost, depending on whether a local resident is available and interested in doing this type of work.

Assembly Member Castro asked for confirmation that the parking lot portion of the project could be added later, if it was decided to do so, and Mr. Wall explained that the Borough had 100 days from the opening of the bid to award that portion at the price quoted. After the 100 days, there would likely be renegotiation of the price.

The dates for construction to begin were discussed. April 30th is the date scheduled for the demolition portion to begin, although some work including job trailer placement, measuring, and other non-destructive work will most likely

happen before that.

By unanimous roll call vote, the bid was awarded to McG Constructors, Inc./DCI Joint Venture, including Alternates 1, 2, and 4.

5. New Business

A. Approval of Commercial Lease Agreement between Petersburg Borough and Petersburg Indian Association

Attachments: PIA Lease Agreement.pdf

Assembly Member Castro asked about the janitorial services while the Administration and Finance Departments were in the PIA Building. Borough Manager Giesbrecht informed the Assembly that the staff of those departments will be handling their own janitorial needs during the time they are in the rental space, with the exception of the bathrooms, which will be cleaned by PIA staff, and this will save roughly \$900 a month.

Assembly Member Lagoudakis asked about the 90 day clause in the lease contract. Manager Giesbrecht explained that the 90 days refers to termination of the contract. If the Borough decides to terminate the lease agreement before the 12 month term is over, it will need to give 90 days notice and will be subject to a two month penalty. After the 12 month period, the Borough only needs to give 30 days notice.

Assembly Member Lagoudakis asked about moving expenses. Manager Giesbrecht stated there is \$10,000 in the moving budget, but that the plan was for staff from Administration and Finance, along with Public Works, to move everything. He explained there had been discussion of using some of the moving funds to buy a storage container to use for storing extra items.

Assembly Member Wohlhueter asked about the cost of re-cabling the rental space. Manager Giesbrecht said the quote from AP&T was about \$2,000, although some of that was already built into the project budget, and he stated some of the issues that needed to be addressed in doing so.

Mayor Jensen asked what date the renovation was scheduled to be completed. Manager Giesbrecht explained the transition between Phase I and Phase II of the project and that the completion date is still to be determined, based on how that transition goes. There was discussion about the possibility of selling furniture pieces that can not be used after moving into the new offices and how to go about replacing those, possibly with purchases from the State.

In response to Member Wohlhueter's inquiry about where the Assembly meetings will be held, Manager Giesbrecht informed the Assembly of the plan to use the conference room at the PIA Building, which seems to work out better than the other option of the Library conference room.

Assembly Member Lagoudakis stated that she had some inquiries from people regarding what was going to happen to the artwork on and in the Municipal Building. Manager Giesbrecht explained that the artwork on the outside of the building will be removed carefully by the contractor, the artwork inside the building will be stored, and any of the art not used for the renovated building will be found a new home.

Assembly Member Castro asked Borough Clerk Thompson if there are anticipated scheduling problems with using the conference room at PIA. She assured him that she believed PIA will work with us to accommodate the Borough's meetings.

Approval of the Commercial Lease Agreement was given by unanimous vote.

6. Adjourn

The meeting adjourned at 12:58 p.m.