



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Agenda Borough Assembly Regular Meeting

Tuesday, January 02, 2024

12:00 PM

Assembly Chambers

You are invited to a Zoom webinar.
When: January 2, 2024 12:00 PM Alaska
Topic: January 2, 2024 Borough Assembly Meeting

Please click the link below to join the webinar:

https://petersburgak-gov.zoom.us/j/87058474919?pwd=0cXnEjBOlKA4X3Dt8J-CHeZN4DL7Xg.laPy_4j_bDn0bj5

Passcode: 859941

Or Telephone:

(253) 215-8782 or (720) 707-2699

Webinar ID: 870 5847 4919

Passcode: 859941

- 1. Call To Order/Roll Call**
- 2. Voluntary Pledge of Allegiance**
- 3. 2023 State of Alaska's Ken Akerley Fire Service Leadership Award**

State Fire Marshal Lloyd Nakano will present the 2023 Ken Akerley Fire Service Leadership Award to one of Petersburg's dedicated Volunteer Fire Fighters.

- 4. Approval of Minutes**
 - A. December 18, 2023 Assembly Meeting Minutes**

- 5. Amendment and Approval of Meeting Agenda**

- 6. Public Hearings**

- 7. Bid Awards**

- 8. Persons to be Heard Related to Agenda**

Persons wishing to share their views on any item on today's agenda may do so at this time.

- 9. Persons to be Heard Unrelated to Agenda**

Persons with views on subjects not on today's agenda may share those views at this time.

10. Boards, Commission and Committee Reports

11. Consent Agenda

12. Report of Other Officers

A. Petersburg Medical Center

PMC CEO Hofstetter will update the Assembly on Medical Center activities.

13. Mayor's Report

There is no written Mayor's Report for this meeting.

14. Manager's Report

There is no written Manager's Report for this meeting.

15. Unfinished Business

16. New Business

A. 2024 Capital Projects List

Attached in this meeting packet is a spreadsheet listing the current proposed Capital Projects for Petersburg for 2024. The spreadsheet is comprised from the 2023 Capital Projects List with new projects and updated continuing projects highlighted in yellow. The first page of the spreadsheet is a proposed list of the top projects in priority order, and the rest of the spreadsheet lists all capital project requests by borough department.

The Assembly is asked to review the capital project requests, decide which projects should be on the priority list (edit and/or approve the proposed top projects list) and the order in which they should be prioritized.

B. 2024 Federal Priority Projects List

The Assembly is asked to edit and/or approve the attached draft 2024 Federal Priority Projects list.

17. Communications

18. Assembly Discussion Items

A. Assembly Member Comments

B. Recognitions

19. Executive Session

The Borough Assembly will adjourn to Executive Session, in accordance with Alaska Statute 44.62.310(c)(1), matters the immediate knowledge of which would clearly have an

adverse effect upon the finances of the borough, to discuss the status of the direct negotiations with the Petersburg Indian Association for the sale of borough land, and the Borough's potential proposals and position in those negotiations.

20. Adjourn



Petersburg Borough

12 South Nordic Drive
Petersburg, AK 99833

Meeting Minutes Borough Assembly Regular Meeting

Monday, December 18, 2023

6:00 PM

Assembly Chambers

1. Call To Order/Roll Call

Mayor Jensen called the meeting to order at 6:00 p.m.

PRESENT

Mayor Mark Jensen
Vice Mayor Donna Marsh
Assembly Member Thomas Fine-Walsh
Assembly Member Bob Lynn
Assembly Member Scott Newman
Assembly Member Rob Schwartz

EXCUSED

Assembly Member Jeigh Stanton Gregor

2. Voluntary Pledge of Allegiance

The Pledge was recited.

3. Approval of Minutes

A. December 4, 2023 Assembly Meeting Minutes

The December 4, 2023 meeting minutes were unanimously approved.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Lynn.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh,
Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz

4. Amendment and Approval of Meeting Agenda

The agenda was approved as submitted.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Lynn.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly
Member Lynn, Assembly Member Newman, Assembly Member Schwartz

5. Public Hearings

There were no public hearings.

6. Bid Awards

There were no bid awards.

7. Persons to be Heard Related to Agenda

Persons wishing to share their views on any item on today's agenda may do so at this time.

John Murgas, representing himself, urged the Assembly to reconsider the plan of gifting Engine 5 to the City of Hyder Volunteer Fire Department. He shared that he would pay \$10,000 for the fire engine, stating he would use it for fire protection in his boat storage yard.

8. Persons to be Heard Unrelated to Agenda

Persons with views on subjects not on today's agenda may share those views at this time.

No views were shared.

9. Boards, Commission and Committee Reports

There were no reports.

10. Consent Agenda

There were no items on the consent agenda.

11. Report of Other Officers

A. Southeast Alaska Power Agency Update

Assembly and SEAPA Board Member Lynn updated the Assembly on recent SEAPA activities.

B. Borough Safety Committee Report

Mayor Jensen read Chairman Holmgrain's written Safety Committee report.

12. Mayor's Report

A. December 18, 2023 Mayor's Report

Mayor Jensen read his report into the record.

13. Manager's Report

A. December 18, 2023 Manager's Report

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 #2023-15: An Ordinance Adjusting the FY 2024 Budget for Known Changes - Third and Final Reading

If approved in three readings, Ordinance #2023-15 will 1) assign \$50,199 of Homeland Security grant revenue accepted by the Assembly on November 6, 2023 to the FY24 budget for School District Radios; 2) authorize additional funds of \$86,876 from the E911 fund to cover the cost of an upgrade to the Police Department access control system; 3) increase the budgeted amounts to cover actual costs for purchase of a new pump to replace the leaking leisure pool filtration pump (\$10,398) and replacement of two benches at the South Harbor viewing platform that were damaged (\$3,629); 4) transfer \$880,000 from the Electric Department reserves to the Blind Slough Hydro fund to finish out the project; 5) increase the FY24 budget amount for work on the EMD 16 generator that had been budgeted for in FY23 but not invoiced until now (\$5,850); 6) increase the Diesel Plant Maintenance line item to cover unanticipated work on the Caterpillar 398 generator rebuild (\$20,981); 7) increase the Motor Pool O&M budget by \$20,056 to cover unanticipated repairs on the line trucks; 8) increase the Electric Travel and Training budget by \$13,000 to cover online training of staff on the Eaton Yukon AML program; 9) transfer Wastewater reserves in the amount of \$144,000 to the Pump Station 4 project to award a professional services contract for pump station control panels and control programming; and 10) increase the Electric Department payroll budget by \$132,366 for FY24 to cover the cost of ratifying the new IBEW Collective Bargaining Agreement. Ordinance #2023-15 was unanimously approved in its first and second readings.

By unanimous roll call vote, Ordinance #2023-15 was approved in its third and final reading.

Motion made by Assembly Member Lynn, Seconded by Assembly Member Fine-Walsh.

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz

15. New Business

A. Resolution #2023-18: A Resolution to Vacate and Convey a Portion of the Ramona Street Right-of-Way Between North Nordic Drive and Valkyrie Street and to Authorize Acquisition of Lot 10A and a 20' Utility Easement

Resolution #2023-18 was unanimously approved.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Lynn.

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz

B. Resolution #2023-19: A Resolution to Authorize the Sale of the Borough's 1991 Pierce Pumper Fire Engine (Engine 5) to the City of Hyder Volunteer Fire Department for One Dollar (\$1.00) in an "As Is, Where Is" Condition

Resolution #2023-19 failed by a vote of 5-1.

Motion made by Assembly Member Fine-Walsh, Seconded by Assembly Member Lynn.

Voting Yea: Assembly Member Fine-Walsh

Voting Nay: Mayor Jensen, Vice Mayor Marsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz

C. Support for House Bill 201, An Act Changing the Residency Requirements for Hunting, Trapping, and Sport Fishing Privileges

The letter of support for House Bill 201 was unanimously approved.

Motion made by Assembly Member Lynn, Seconded by Vice Mayor Marsh.

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz

D. Work Session with Mental Health Trust Land Office

The Assembly scheduled a work session with TLO Senior Project Manager Long and State of Alaska Platting Officer Orange-Posma for Monday, January 22, 2024, at 6:00 p.m. to discuss platting, planning, and working together in the best interest of Petersburg.

Motion made by Vice Mayor Marsh, Seconded by Assembly Member Schwartz.

Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz

E. Entrance Island Dock

The Assembly unanimously voted against accepting ownership of the Entrance Island dock from the State of Alaska, even if the dock was fully restored.

Motion made by Assembly Member Fine-Walsh, Seconded by Vice Mayor Marsh.

Voting Nay: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz

16. Communications

A. Correspondence Received Since November 30, 2023

17. Assembly Discussion Items

A. Assembly Member Comments

No comments were shared.

B. Recognitions

Director Hankins recognized four Volunteer Fire Fighters, Patrick Lane, Sarah Wright, Morgan Falter and Jesse Agner, for earning their EMT2 certification and thanked them for their dedication and service.

18. Adjourn

The meeting was adjourned at 6:59 p.m.

Motion made by Assembly Member Fine-Walsh, Seconded by Assembly Member Lynn.
Voting Yea: Mayor Jensen, Vice Mayor Marsh, Assembly Member Fine-Walsh, Assembly Member Lynn, Assembly Member Newman, Assembly Member Schwartz

**Petersburg Borough
Priority Community Projects**

Project Title	Est. Project Cost	Funding Already Secured	Funding Required	Priority
Petersburg Medical Center Replacement - Phase 4 Main Hospital Construction (Phases 1-3 in the amount of \$29,000,000 are funded and work is in progress)	\$ 37,000,000		\$ 37,000,000	
Petersburg Medical Center Replacement - Phase 5 Main Hospital Interior Build out	\$ 30,000,000		\$ 30,000,000	
Scow Bay Haul out & Wash down Pad	\$ 9,630,791	\$ 750,000	\$ 8,880,791	
Papke's (parking lot, dock, floats and ramp) Estimate.	\$ 9,221,000		\$ 9,221,000	
Roof Replacement (Votech, Middle School, High School)	\$ 4,500,000		\$ 4,500,000	
Aquatic Center Refurbishment - \$2M (mechanical, control systems, etc)	\$ 2,000,000		\$ 2,000,000	
Banana Point facilities, including launch ramp, breakwater, parking lot and access road	\$ 2,000,000		\$ 2,000,000	
Scow Bay Generator 2	\$ 4,600,000	\$ 1,400,000	\$ 3,200,000	
North Harbor Sheet Pile Bulkhead Approach/Parking	\$ 2,530,000		\$ 2,530,000	
Petersburg Airport Bypass Road	\$ 6,000,000		\$ 6,000,000	
South Harbor Ramp Replacement (ADA ramps)	\$ 2,000,000	\$ 200,000	\$ 1,800,000	
	\$ 109,481,791	\$ 2,350,000	\$ 107,131,791	

Petersburg Borough Capital Project Requests

Project Title	Est. Project Cost	Funding Secured	Funding shortfall	Capsis Y/N	Needs List	Congressionally Directed Spending	Priority	Dept Head
Harbor Department, Borough launch ramps and remote docks (in priority order)								
Scow Bay Haul out & Wash down Pad	\$ 9,630,791	\$ 750,000	\$ 8,880,791	Y	Y	Y		Liz
Papke's immediate repairs - dock, dredging and ramp**	\$ 800,000		\$ 800,000					Steve
Papke's (parking lot, dock, floats and ramp) Estimate.	\$ 9,221,000		\$ 9,221,000	Y	Y	Y		Steve
North Harbor - sheet pile and parking	\$ 2,530,000	\$ -	\$ 2,530,000	Y				Glo
Scow Bay Boat Harbor	\$ 62,000,000		\$ 62,000,000	Y	Y			Glo
Harbor Maintenance Shop upgrade (if the Petro building is not aquired)	\$ 300,000		\$ 300,000	Y				Glo
Middle Harbor Trestle Replace and parking upgrade	\$ 680,000		\$ 680,000					
South Harbor Utility Float Reconstruction	\$ 400,000	\$ -	\$ 400,000	Y				Glo
Harbor Office/Shower/Restroom facility redesign and reconstruction	\$ 500,000		\$ 500,000	Y				Glo
Banana Point facilities, including launch ramp, breakwater, parking lot and access road	\$ 2,000,000		\$ 2,000,000	Y	Y	Y		Chris
Drive Down Approach Asphalt	\$ 450,000		\$ 450,000					
South Harbor Ramp Replacement (ADA ramps)	\$ 2,000,000	\$ 200,000	\$ 1,800,000	Y	Y	Y		Glo
Alaska Seaplane Float in Petersburg								Glo
Berthing Dolphin at Petro Dock	\$ 678,000	\$ -	\$ 678,000	Y				Glo
Parks and Recreation Department (in priority order)								
Aquatic Center Refurbishment - \$2M (mechanical, control systems, etc)	\$ 2,000,000		\$ 2,000,000	Y				Steph
HVAC control system upgrade and training (with School)	\$ 22,000		\$ 22,000					
Eagles Roost Stair Replacement (or ADA option would be about \$500K)	\$ 45,000		\$ 45,000	Y				Steph
Playground equipment for IRA II	\$ 80,000		\$ 80,000	Y				Steph
Expansion of Weight Room Facility	\$ 150,000		\$ 150,000	Y				Steph
Climate Controlled storage building near the Community Center	\$ 150,000		\$ 150,000	Y				Steph
Story Poles for Sandy Beach Park	\$ 160,000		\$ 160,000	Y				Steph
ADA Doors at Parks and Rec. main entrance								Steph

Project Title	Est. Project Cost	Funding Secured	Funding shortfall	Capsis Y/N	Needs List	Congressionally Directed Spending	Priority	Dept Head
Trail Kiosks with trail guides and local interest information	\$ 40,000		\$ 40,000	Y				Steph
Historical and Education signs along trails and at parks	\$ 30,000		\$ 30,000	Y				Steph
Sandy Beach bike/walking trail	\$ 1,500,000		\$ 1,500,000	Y				Steph
Community Center interior roof tiles	\$ 80,000	\$ 80,000	\$ -					
Aquatic Center painting and pool resurfacing								
Aquatic Center Sewer								
Public Address System for Community Center	\$ 35,000		\$ 35,000	Y				Steph
Public Works Department (in priority order)								
Petersburg Airport Bypass Road	\$ 6,000,000		\$ 6,000,000	Y		Y		Chris
Fram Street infrastructure repairs	\$ 750,000		\$ 750,000	Y				Chris
Frederick Road resurfacing and widening	\$ 225,000	\$ 45,000	\$ 180,000	N	Y			Chris
Rasmus Enge Bridge Replacement (on needs list as Sing Lee Alley bridge)	\$ 2,500,000		\$ 2,500,000	N	Y			Chris
Improved Gravel Road around Mitkof Island			\$ -	N	Y			Chris
Paving and widening Frederick Road			\$ -	N				Chris
Paving Borough Residential Streets (Excel, Fram, Gjoa, Harbor Wy, 2nd Street)	\$ 2,000,000		\$ 2,000,000	Y	Y			Chris
Sandy Beach cycling and pedestrian trail	\$ 2,500,000		\$ 2,500,000	N				Chris
Road connection to Frederick Point East Subdivision			\$ -	N				Chris
Paving Dump Hill	\$ 201,000		\$ 201,000	N				Chris
Greens Camp Road, loop and driveway			\$ -	N	Y			Chris
Petersburg School District (in priority order)								
Roof Replacement (Votech, Middle School, High School)	\$ 4,306,542		\$ 4,306,542	Y				Erica
Petersburg High School and Middle School Security and Access Control	\$ 1,405,185		\$ 1,405,185					
Middle School/High School Electrical Upgrades	\$ 2,000,000	\$ -	\$ 2,000,000	Y				Erica
Middle School/High School Digital HVAC Controls	\$ 250,000	\$ -	\$ 250,000	Y				Erica
Water Department (in priority order)								
Storage Tank Piping Improvements	\$ 60,000.00	\$ 25,000	\$ 35,000	N				Karl
Fram Street - Transite Water Main Replacement	\$ 200,000	\$ 200,000	\$ -	N				Karl
Rasmus Enge Bridge Water Main Replacement	\$ 325,000		\$ 325,000	N				Karl
Hammer Slough Water Main Replacement	\$ 300,000		\$ 300,000	N				Karl
Sandy Beach Road Water Main Replacement	\$ 8,000,000		\$ 8,000,000	Y		Y		Karl

Project Title	Est. Project Cost	Funding Secured	Funding shortfall	Capsis Y/N	Needs List	Congressionally Directed Spending	Priority	Dept Head
Lake Street Water Main	\$ 450,000		\$ 450,000	N				Karl
Wastewater Department (in priority order)								
Pump Station 4 Force Main	\$ 3,337,000	\$ 360,000	\$ 2,977,000	N				Karl
Wastewater SCADA system	\$ 542,500	\$ 42,500	\$ 500,000	N				Karl
Pump station 3 Upgrade	\$ 750,000		\$ 750,000	N				Karl
Lake Street Sewer Main	\$ 300,000		\$ 300,000	N				Karl
Skylark Pump station Rehabilitation	\$ 550,000		\$ 550,000	N				Karl
Rasmus Enge Bridge Sewer Main project	\$ 250,000		\$ 250,000	N				Karl
Power and Light Department (in priority order)								
Scow Bay Generator 2	\$ 4,600,000	\$ 2,500,000	\$ 2,100,000	Y				Karl
Superior Building Roof	\$ 500,000	\$ 40,000	\$ 460,000					Karl
AMI Infrastructure Project	\$ 360,000	\$ 20,000	\$ 340,000	N				Karl
24.9 Rebuild - Airport 2400 Conversion (in-house)	\$ 162,000	\$ -	\$ 162,000	N				Karl
Downtown Streetlights (in-house)	\$ 220,000	\$ 195,000	\$ 25,000	N				Karl
Storage Yard Relocation - Storage Sheds (2)	\$ 125,000	\$ 118,316	\$ 6,684	N				Karl
Petersburg Medical Center (in priority order)								
Petersburg Medical Center Replacement -Phase 4 Main Hospital Construction (Phases 1-3 in the amount of \$29,000,000 are funded and work is in progress)	\$ 37,000,000		\$ 37,000,000	Y		Y		Phil
Petersburg Medical Center Replacement - Phase 5 Main Hospital Interior Build out	\$ 30,000,000		\$ 30,000,000					Phil
Public Safety and Support (not in priority order)								
Shooting Range Boardwalk Improvements	\$ 50,000	\$ -	\$ 50,000	Y				Chris/Steph
Shooting Range Structure Rehabilitation	\$ 50,000	\$ -	\$ 50,000	Y				Chris/Steph
SCBA Packs and Bottles for Fire Department	\$ 225,000		\$ 225,000					Aaron
Shooting Range Trap & Skeet Equipment Upgrades	\$ 25,000	\$ -	\$ 25,000	Y				Chris/Steph
Sanitation (in priority order)								
Fire Sprinkler System Replacment - Baler	\$ 200,000		\$ 200,000	N				Chris
Baler Roof Replacement	\$ 250,000		\$ 250,000	N				Chris
Recycling drop off Center	\$ 50,000		\$ 50,000	N				Chris
Enviorack Car Disposal System	\$ 50,000		\$ 50,000	N				Chris
Waste Oil Storage System Upgrades	\$ 25,000		\$ 25,000	N				Chris

Project Title	Est. Project Cost	Funding Secured	Funding shortfall	Capsis Y/N	Needs List	Congressionally Directed Spending	Priority	Dept Head
Landfill Fencing repairs/replacement	\$ 100,000		\$ 100,000	N				Chris
Storage Quonset Hut Replacement	\$ 150,000		\$ 150,000	N				Chris
Community Development (in priority order)								
Children's Center expansion	\$ 1,715,730		\$ 1,715,730					Bob Lynn
Subdivision Build out for workforce housing - Airport Subdivision	\$ 4,000,000		\$ 4,000,000	N				Steve
Lake Street lots	\$ 100,000	\$ 100,000	\$ -					Steve
Assisted Living and Elderly Housing (in priority order)								
Expansion of the Assisted Living Kitchen	\$ 300,000		\$ 300,000					Derrick
Repairs for the back deck at Assisted Living								Derrick
Larger Parking lot for employees and residents of Assisted Living*	\$ 9,510		\$ 9,510					Derrick/Chris

*Assisted Living Parking lot cost is for the design and construction estimates
 **Estimate of costs to do immediate repairs and dredging to the Papke's facility to keep it usable



**Top Petersburg Borough Projects
FY 2024**

Approved, and prioritized in a public meeting January 2, 2024, by the Petersburg Assembly

1. New Petersburg Medical Center Project

HRSA Grant (received):	\$8 million
Treasury Grant (received):	\$20 million
<u>Borough In-Kind Land Contribution</u>	<u>\$1.3 million</u>
Total Received to Date:	\$29 million

Phase 4 – Main Hospital Building Shell and Core	\$37M
Phase 5 – Main Building Interior/Furniture/Fixtures	\$30M

Balance needed to complete project = \$67 million

Phase 4 – Main Hospital Building and Shell

This includes foundations, building envelope, roofing, plus associated soft costs. Due to SE Alaska weather, it is imperative that the building be enclosed as soon as possible. This will lead to overall savings and improve overall quality control. During Phase 4 it will also be important to procure certain long lead time items needed for Phase 5. In today’s market, many mechanical and electrical equipment items have extremely long procurement times.

2. Scow Bay Generator #2 – This project will add additional standby generation capacity to account for the increase in electrical demand during the winter and to fully restore Petersburg’s power in the event of a hydropower outage. Beneficial electrification, the addition of electric heat pumps, conversion from oil heat to electric, and growth in the local economy have increased the electrical demand equal to the capacity of existing standby power assets. The Borough has \$2.5 million on hand and will need an additional \$2.1 million to complete the project.

3. Scow Bay Boat Haul out and wash down facility – Development of a small vessel haul out and work yard for use by commercial fishing, sport/tour/charter, and private recreational vessels. Improvements include replacement of a deteriorated and inadequate ramp for hauling boats in and out of the water, vessel washdown pad, and water, sewer and electrical service-related improvements are also needed. Engineering is 35% complete, with a total estimated cost of approximately \$8.9M.

Additional Critical Borough Projects

Marine Transportation Access Improvements for the Borough – As an island community, transportation for people, goods and services is heavily reliant on water transportation. The Petersburg Borough Assembly has prioritized several marine access improvement projects to facilitate growth in our local economy and support for the residents.

- a. Expansion and improvements for the Banana Point Boat facilities that improves transportation of goods and passengers between Petersburg and other communities in Southeast Alaska. \$2.0M
- b. Dock, ramp, and floats for Papke’s Landing Facility to improve transportation for off island residents and hunting and fishing lodges in the area. \$9.22M

Addition of ADA ramps for the South Harbor to help facilitate easier access to the main Petersburg commercial district for visitors and residents, \$3.0M.

Aquatic Center and Community Gym Refurbishment – This project will update the mechanical, control systems and HVAC systems in the aquatic center and community gym facilities to improve energy efficiency and reliability. In addition, the aquatic center needs to have peeling paint in the pool area removed and redone to avoid the paint dropping into the pool. The approximate cost for these repairs is \$3M.