

MINUTES OF THE PETERSBURG BOROUGH ASSEMBLY MEETING, REGULAR SESSION, HELD MONDAY, MARCH 18, 2013 AT 07:00 P.M. IN THE ASSEMBLY CHAMBERS OF THE MUNICIPAL BUILDING

1. **CALL TO ORDER/ROLL CALL** Mayor Jensen called the meeting to order at 7:00 p.m. Present: Mayor Jensen; Assembly Members Flint, Hoag, Strand, Havrilek and Wohlhueter. Absent: Assembly Member Lagoudakis (excused).
2. **VOLUNTARY PLEDGE** The Pledge was recited.
3. **APPROVAL OF MINUTES**
 - A. **Regular Meeting Minutes of March 4, 2013** The minutes were approved, as submitted.
Assembly Meeting Minutes 3-4-2013
4. **AMENDMENT AND APPROVAL OF MEETING AGENDA** The agenda was amended to include item 14D, Papke's Landing Status and item 10C was amended to include discussion of Thomas Bay Power Authority. The agenda, as amended, was approved.
5. **PUBLIC HEARINGS AND BID AWARDS**
 - A. **Bid Award for North Harbor Reconstruction Project** Bids were opened on March 5th with 4 companies bidding. It was recommended by the engineering firm that Western Dock and Bridge, the lowest responsive bidder for the total project, including base bid and all additive alternatives, be awarded the construction contract. By unanimous Roll Call Vote, the assembly accepted the recommendation and awarded the project contract to Western Dock and Bridge in an amount not to exceed \$7,090,670.
North Harbor Reconstruction Bid Results
 - B. **Bid Award for Required FERC Inspection** Three proposals were received in response to the Borough's request for an independent consultant to assist the Borough in a required FERC Part 12 dam inspection and other analysis. The Electric Department staff recommended that HDR be awarded the professional services contract due to their experience and pricing. By unanimous Roll Call Vote, the assembly awarded the project contract to HDR Alaska, Anchorage, in the amount of \$26,912.
FERC Inspection Consultant Bid Results
6. **VISITORS' VIEWS RELATED TO AGENDA** None.
7. **VISITORS' VIEWS UNRELATED TO AGENDA** Mayor Jensen deviated from the printed agenda to address item 7B.
 - B. **General Discussion on Sea Otter Population Management** Because several residents had voiced their desire for the borough assembly to reconsider support of Senate Bill #60 (An Act that would pay a person \$100 for each sea otter taken lawfully under the Marine Mammal Protection Act) Mayor Jensen scheduled this time for further comments and discussion on the subject. He set a 2 minute limit on receiving comments. Numerous reference material, including City of Petersburg Resolution #1958 that urged more active otter management, was available for anyone who cared to review it. It was noted that \$20 million in regional income could be lost if shellfish continue to decline because of otters. The Craig and Wrangell communities have passed resolutions in support of SB60. The following individuals spoke in support of the assembly passing a resolution to support SB60: Max Worhatch, Dave Thynes, Andy Knight and Mike Bangs. Resident Jason Dugan questioned the correctness of SB60, placing a bounty on otters. However, he agreed otter

management is needed. After considerable discussion the assembly voted 5-1 (Mayor Jensen opposed) to form an Ad Hoc Committee to review Petersburg's past action taken on sea otter management (resolution #1958) and make recommendation on needed changes to make our federal government more aware of the need to manage the sea otter population in southeast. Mayor Jensen believed enactment of SB60 would bring more attention to the need of otter management than any local resolution the borough could develop, pass and promote. The clerk was directed to advertise for interested people to serve on the Ad Hoc Committee.

Sea Otter Population Management

C. Canadian Mining Resident Mike Bangs informed of the need for Alaska communities on the Canadian border to perform base line water sampling. This sampling is needed to provide any evidence of ill effects due to the Canadian government relaxing its laws on mining activity in Canada. Bangs was asked to provide the City Manager with information for the assembly to consider.

A. Jason Anderson, US Forest Service District Ranger Anderson provided general information on Forest Service activities on public lands consisting of: 1) decommissioning of cabins at DeBoer and Harvey Lakes. The Harvey Lake cabin will be converted to a 3-sided structure and the DeBoer cabin demolished; 2) the land easement with Mental Health to provide better access to Raven's Roost Trail and cabin is still being worked on; 3) a Tonka timber contract was issued for harvesting 2,000 acres on Lindenberg Peninsula. Proceeds from the stumpage of the project, estimated at 1 million, will be retained locally for additional projects; 4) there is a new 75 foot dock at Tonka that will be available for public use soon; 5) an environmental project regarding invasive weeds is in the planning stage; 6) the Kake Intertie Project environmental impact statement is being prepared by a third party. The Kake Access Project is different than the Intertie Project and the Federal Highway Administration is the lead agency; 7) there have been inquiries to establish a small mill operation on Mitkof Island; and 8) members of the Wrangell/Petersburg RAC committee were thanked for the projects they helped develop over the recent years.

8. BOARD, COMMISSION AND COMMITTEE REPORTS

A. Harbor Board Assembly Member Wohlhueter, representative to the Harbor & Ports Advisory Board, informed of the Committee's recommendations on bid award of the North Harbor Reconstruction Project and the conduct of an electrical measurement analysis of each harbor.

9. CONSENT AGENDA None.

10. REPORT OF OTHER OFFICERS

A. Stephanie Pfundt, Student Report Stephanie provided a report that covered sporting events and extracurricular activities.

B. Fire Department Report Fire Chief Jerod Cook provided a report informing of: the numbers of volunteers in the department (total of Fire, Search & Rescue and EMS units) is 65; call volumes for fire response are down, while EMS calls are up; and volunteer hours provided to the community are in excess of 7,000 hours annually. Assistant Fire Chief Berg and Insurance Agent Susan Erickson explained how the community's ISO (Insurance Services Office) rating is determined. The rating is based on the available equipment, personnel and water supplies of a community. Our ISO rating, for the bulk of the most populated area, has been upgraded from a class 5 to class 4. The upgrade is a benefit to property owners by enabling lesser insurance rates. Cook concluded his report by informing of recent EMS certifications and the need to establish incentives to keep volunteer membership up. Incentives the department is reviewing: per run stipends; establishment of a retirement fund; sales tax exemption; and/or hourly wages.

Fire Department Report

C. Southeast Alaska Power Agency Meeting Report Electric Department Superintendent Nelson reported on the March 9 SEAPA meeting held in Wrangell. Highlights: board officers were elected; the CEO has started a PR campaign within

the member communities; a funding request for raising the Swan Lake Dam was made to the legislature; the Kake Intertie EIS should be complete in May or June; staffing at SEAPA will be increased, possibly by four positions to cover records, IT, grants and project management functions; the Wrangell reactor is aging and will be replaced. Until replaced emergency plans are in place; Tyee log jam removal and weir installation project is moving forward with completion this summer; the pole line from Wrangell and Petersburg is showing its age and approximately 5 poles will be replaced; improvements to water efficiency at Tyee are being made; SEAPA has adopted a mission statement. The statement is: "SEAPA's mission is to provide the lowest wholesale power rate consistent with sound utility planning and business practices. We exist for the long term benefit for our member utilities and rate payers, providing unified regional leadership for project development and prudent management of our interconnected power system"; the next meeting is April 24 & 25 in Ketchikan. Assembly Member Hoag asked why SEAPA did not pay for total labor at Thomas Bay Power Authority. Nelson advised the matter is being reviewed by SEAPA and TBPA. The non-net billable in the TBPA budget represents payment for office staffing. In response to Hoag's question asking why SEAPA does not eliminate the contractor (TBPA) and operate and manage the project on its own, Mayor Jensen asked that any financial discussions regarding Thomas Bay be addressed with legal counsel in executive session. Nelson informed that an independent review related that some savings could be had by reducing the number of contractors. Hoag questioned if Nelson had a conflict of interest serving on both the SEAPA and TBPA boards. Nelson related that although at times it gets confusing, he did not believe there was a conflict.

11. **MAYOR'S REPORT**

Announcements Vice Mayor Flint, in Mayor Jensen's absence, will address the Drug Awareness graduates on April 17. The Salvation Army will hold a conference in Petersburg April 5 - 7 and have asked for a government official to welcome their group. In absence of the Mayor and Vice Mayor, Assembly Member Hoag will provide the welcoming service. Mayor Jensen announced he will miss both April meetings due to his work. He concluded his report by asking assembly members to review a flier received from the NCMEC (National Center for Missing and Exploited Children) to see if the entity is something the assembly wants to support in the future. A general invite for everyone to participate in the March 28 Choose Respect rally was given, with special invite to all men to show up for a photograph session.

A. Appointments to Hospital Board Vacancy Hearing no objections from the Assembly, Mayor Jensen appointed Ken Hill and Phil Beardslee to vacancies on the Hospital Board.

Letters of Interest for Hospital Board Vacancies

B. Vacancy on Harbors & Port Advisory Board Due to Kurt Wohlhueter being appointed to the Assembly, there is now a vacancy on the board.

12. **MANAGER'S REPORT** Manager Giesbrecht reviewed his written report, omitting items #2 and #12. (Report attached and made part of these original minutes).

Manager's Report for 3-18-2013

13. **UNFINISHED BUSINESS**

A. Borough

1. Juneau Appeal No new information.

2. Future Transition Items Discussion and further action on whether to retain the prior City Advisory Boards, Commissions and Committees will be addressed in Agenda item 14C.

B. Redistricting The Redistricting Board met on March 13 & 14, with no action needed from the borough.

Redistricting Board Meeting Agenda

C. SEAPA and D. Hittle & Associate's O & M Report No new information.

D. Authorization to amend the Professional Services Agreement with PND

Engineers for the North Harbor Reconstruction Project By unanimous Roll Call Vote, the assembly authorized an amendment to the PND Engineers Professional Services Agreement for the North Harbor Project to add construction contract administration and inspection services in an amount not to exceed \$483,955.

PND North Harbor Reconstruction Professional Services Agreement Amendment

E. Assembly Decision on Public Notice Posting Criteria The Assembly continued discussion regarding the current public noticing policy as expressed in Resolution #2013-1. The matter was discussed at two prior meetings in response to CCUB's February 9 letter asking for change in the policy. Establishing a posting area at the start of the Papke's Landing pier was suggested. Utilizing the state property for posting purposes and getting postings placed timely at Papke's Landing will need to be looked into. By a unanimous voice vote, the Manager was directed to look into moving the current public noticing board located on the Papke's dock to the land side of the dock.

Resolution #2013-1 - Public Notice Posting Areas

14. **NEW BUSINESS**

A. Resolution #2013-09: Support of Alaska Mental Health Trust - USFS Land Exchange By unanimous Roll Call Vote, Resolution #2013-9 was passed. It was noted that if the property is transferred to the Forest Service, logging will not occur as the slopes of the land off Mitkof Highway are too steep and do not meet the Forest Service's criteria for logging. What land classification the Forest Service will utilize for the property is not known.

Resolution 2013-9 - Alaska Mental Health Trust - USFS Land Exchange

B. Authorization to Enter Into a Professional Services Contract with Morris Engineering Group, LLC The proposed contract would provide for the measurement of electrical current from all conductors within each harbor. By a unanimous Roll Call Vote, the Assembly authorized a professional services agreement with Morris Engineering Group in the amount not to exceed \$17,010. The study/work will be in accord with the National Electric Code requirements and will identify vessels that are not totally in compliance, i.e. damaged cords, old equipment, improper wiring, etc. The study will be conducted on all vessels in the harbors.

Morris Engineering Group Cost Estimate

C. Retention of Advisory Boards, Committees and Commissions Consensus of the responses from the Advisory Board Members themselves to the Manager's questionnaire indicated the borough should retain the existing advisory board process and means of formation. The boards are a mixture of appointed and elected bodies. The responses did not include the Finance Committee, Planning Commission nor the Historic Preservation Committee as those bodies had not met during the review period. By a small margin, the only Board that believed it should be appointed versus elected was the Public Safety Advisory Board. If the boards/committees remain elected, they will be subject to APOC rules. Due to the lateness of the evening and the number of other business matters pending, the matter was tabled by unanimous Roll Call Vote. The Borough Clerk reminded that the decision on whether to retain and dissolve each board needs to be made prior to January 3, 2014.

Advisory Board, Committee Survey Results

D. Papke's Landing Status A status report performed by ADOT of the Papke's Landing dock facility was referred to the Harbors and Ports Advisory Board for review, investigation and recommendation. It has been ADOT's intent to rid themselves of all State owned dock/harbor facilities. It is expected ADOT will eventually want the borough to take over ownership and maintenance responsibilities of the facility.

15. **COMMUNICATIONS**

A. Juneau Charter Boat Operators Association - Board of Fish Membership Mayor Jensen acknowledged the letter that requested the Governor restore balance in the Board of Fish make-up by appointing someone from Southeast Alaska at the next appointment opportunity. The Clerk was directed to prepare a similar letter from Petersburg.

Juneau Charter Boat Operators Assoc Letter - Board of Fish Membership**16. ASSEMBLY DISCUSSION ITEMS****A. Recognitions**

1. Thank you Assembly Member Havrilek thanked Patrick Wilson and Petersburg Fisheries for their conduct of the annual Firemen's Breakfast.

B. Budget Process & Scheduling of Work Session(s) The budget process for the borough requires the budget be adopted by ordinance. This places a longer adoption time than the prior resolution process used by the city. The budget, per Charter, needs to be adopted no later than June 15. Consensus of the assembly was for the Finance Director to schedule the dates and times for budget work sessions, as necessary.

C. Police Department and Jail Facility Wayne Jensen, architect for the police/jail building, participated in this portion of the meeting by phone. The most recent estimate for the new facility, at approximately 1/3 of the design process, exceeds 9 million dollars. The Borough has less than 2 million toward the project. The architect believed the only way to reduce the cost would be to lessen the size and remove a couple of features of the building, bringing the estimated cost down to 6.5 to 8 million, still considerably higher than available funding. After a very lengthy discussion, including comments received from members of the design team and members of the public, by a unanimous Roll Call Vote the assembly passed the following motion: to temporarily pause the current process for the project and delegate the manager to investigate all alternative options for a lower priced police/jail facility, reporting back on other possibilities. The motion allowed for the manager to do whatever he believes necessary to come up with a lower cost alternative for a police/jail facility.

D. Regular Meeting Dates and Times After a brief discussion, retaining the current regular meeting schedule (the first Monday of the month at noon and the third Monday of the month at 7:00 p.m.) was approved by a 4-2 vote, Mayor Jensen and Assembly Member Hoag opposed. Both Hoag and Jensen believed the general public would be better served and have more opportunity to participate in local government if both bi-monthly meetings were in the evening.

- 17. EXECUTIVE SESSION** By a Roll Call Vote of 5-1 (member Hoag opposed) the Assembly recessed to Executive Session to discuss with Borough Attorney Jim Brennan courses of action that can be taken concerning the Borough's funding and membership obligations to the Thomas Bay Power Authority, of which further disclosure of information would have an adverse effect upon the finances of the Borough. Member Hoag believed the discussion could be held in public forum.

Assembly to Executive Session at 9:50 p.m.

Regular Session was reconvened at 10:15 p.m.

The assembly discussed that the Mayor and Vice-Mayor have been invited to attend the April SEAPA (Southeast Alaska Power Agency) board meeting and take a tour of facilities. It is hoped that more information can be obtained regarding SEAPA's intended future relationship with TBPA.

- 18. ADJOURN** The meeting adjourned at 10:17 p.m.

Date Approved

