

MINUTES OF THE PETERSBURG BOROUGH ASSEMBLY MEETING, REGULAR SESSION, HELD MONDAY, MARCH 4, 2013 AT 12:00 P.M. IN THE ASSEMBLY CHAMBERS OF THE MUNICIPAL BUILDING

1. **CALL TO ORDER/ROLL CALL** The meeting was called to order by Mayor Jensen at twelve, noon. Present: Mayor Jensen; Assembly Members Flint, Lagoudakis, Hoag, Strand, Wohlhueter (by phone) and Havrilek. Absent: None.
2. **VOLUNTARY PLEDGE** The Pledge was recited.
3. **APPROVAL OF MINUTES**
 - A. **Regular Meeting Minutes of February 19, 2013** The minutes were unanimously approved, as submitted.
Minutes of 2/19/13 Meeting
4. **AMENDMENT AND APPROVAL OF MEETING AGENDA** The agenda, as submitted, was unanimously approved.
5. **PUBLIC HEARINGS AND BID AWARDS** None.
6. **VISITORS' VIEWS RELATED TO AGENDA** Residents Joan Koutzer and Joe Sebastian spoke against proposed resolution #2013-7. The proposed resolution would lend borough support to Senate Bill #60 which, if passed, would provide for a \$100 bounty on sea otters taken lawfully under the Marine Mammal Protection Act.

Residents (and Parks & Recreation Board Members) Donna Marsh and Danya Davis spoke in support of promoting and expanding the use of the community gym, including continued and expanded activities for in-door skating. Resident Lisa Nielsen also expressed her support of continued in-door skating activities.
7. **VISITORS' VIEWS UNRELATED TO AGENDA** Brian Lynch, Executive Director of Petersburg Vessel Owner's Association, informed of the recent recommended \$550,000 budget reduction made by the House Finance sub-committee to the proposed fiscal year 2014 SE Fish & Game budget. The decrease in funding would negatively affect several programs such as the sampling of net and troll fisheries; salmon run timing; genetic stock identification on Chatham Strait sockeye, Chinook biometric analysis in support of US/Canada salmon treaty negotiations; aerial surveys; and would reduce local staffing by approximately 5 employees. The cuts are being made as a result of reduced federal funding. Lynch believed the programs that will be cut or reduced by the budget cut were programs that should have been supported by the State without reliance on the federal government. The House Finance Committee will be accepting public comments on the budget March 6.
8. **BOARD, COMMISSION AND COMMITTEE REPORTS** None.
9. **CONSENT AGENDA**
 - A. **Transient Room Tax Grants** The TRT Committee recommended grant awards as follows: 1) \$1,600 to the Chamber of Commerce for a Viking ship bench; 2) \$1,788 to the Claussen Museum for directional flags; 3) \$1,625 to the Chamber of Commerce and PEDC to assist in developing a photo library; 4) \$1,500 for a Petersburg Annual Harvest calendar; and 5) \$1,623 to the Compass Theater. Total grant awards: \$8,136.

By unanimous Roll Call Vote the Consent Agenda was approved

Memo

10. REPORT OF OTHER OFFICERS

A. Stephanie Pfundt, Student Report No report.

- 11. MAYOR'S REPORT** Mayor Jensen reported on his recent trip to Juneau for SE Conference. Report items consisted of: 1) his viewing of KTOO TV's first installment of three or four documentaries on SE Alaska that will begin airing on Easter. The first installment addresses the ferry system; 2) met with and provided copies of our local capital improvement requests to several legislators and Lieutenant Governor with emphasis on the need of a replacement police/jail facility and future hydro power; 3) attended a presentation on the new ferry design and urged the assembly to keep tabs on the process. The new design has an open car deck with high sides. Public comments to the design can be made via the internet; and 4) the Kake/Petersburg Intertie Committee met on February 27 with general discussion on the project cost being considerably higher than originally anticipated. The next step in the project is the Environmental Impact Statement which should be out for review and public comment in May or June.

Mayor Jensen informed of his upcoming absence from the community.

- 12. MANAGER'S REPORT** Manager Giesbrecht reviewed his written report. (Written report attached and made part of these original meeting minutes).

Manager's Report

13. UNFINISHED BUSINESS

A. Borough

1. Juneau Appeal Juneau has filed their appellant brief. Borough legal counsel will be providing a written response by the March 29, 2013 deadline.

2. Future Transition Items Written responses to questionnaires provided to the existing Advisory Boards to obtain their opinions on whether to retain those positions for borough government is due back to the administration office by March 8. The results of the feedback will be compiled in a summary document for Assembly review and discussion at the March 18 meeting.

B. Redistricting No new information.

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

D. Ordinance #2013-4: An Ordinance Implementing an Areawide Transient Room Tax in the amount of 4% throughout the Petersburg Borough and Providing for the Administration, Collection and Reporting of the Transient Room Tax. Final Reading. Ordinance #2013-4 was approved unanimously by Roll Call Vote in third and final reading. The ordinance takes effect April 1, 2013.

Ordinance #2013-4

E. Assembly Confirmation of Criteria to be Used During the Police Chief Search, Interview and Negotiation Stages By unanimous Roll Call Vote the Assembly approved the following criteria: annual salary to be \$70,000 - \$95,000; moving expenses reimbursed up to \$20,000 (based on a three year sliding scale payback); and approval to pay up to \$6,500 per month to an interim police chief. Assembly member Lagoudakis was appointed as the assembly's representative to the interview board.

Update

F. Reconsideration of Thomas Bay Power Authority's Request for a Budget Amendment By unanimous vote, the assembly agreed to reconsider the Thomas Bay Power Authority's request for a budget amendment for an additional \$10,000 (\$5,000 from both the Wrangell and Petersburg Boroughs) for the current year TBPA budget. Considerable discussion was held, which included: a recap of the understood formal relationships between Thomas Bay Power Authority, Southeast Alaska Power Agency and the Borough; that the TBPA Board unanimously passed a

motion to seek the budget shortfall from the Wrangell and Petersburg communities, but our electrical superintendent, the local TBPA representative, has recommended not to provide the funding; that future disbursement of ARECA investment funds to TBPA will not be received until after the close of the current fiscal year and can not be used to address the shortfall; the Wrangell Assembly has yet to approve the amendment; budgets are made to be lived within; TBPA, not the member communities, is required to meet its contract obligations to its employees; TBPA considers itself a department of each member community. Further discussions regarding the recommendations of the D.Hittle report in regard to future maintenance of the total SEAPA operations need to be held. By a Roll Call Vote of 3-4 (Assembly Members Hoag, Wohlhueter and Strand voting yes; Members Flint, Havrilek, Lagoudakis and Jensen voting no, a motion to approve \$5,000 toward the BPA budget shortfall was defeated.

TBPA Memo

14. **NEW BUSINESS**

A. Resolution #2013-7: A Resolution in Support of Senate Bill No. 60, "An Act Relating to Sea Otter Population Management" There was no motion made to approved the resolution. SB #60, introduced by Senator Stedman, would provide a \$100 bounty on Sea Otters that are lawfully taken under the Marine Mammal Protection Act.

Resolution #2013-7

B. Authorization to Submit Motion to Intervene in the Proceedings of the Application for Preliminary Permit filed by Hydro Development LLC for the Cascade Creek Hydroelectric Project # P-143360 By unanimous Roll Call Vote the assembly authorized that the proposed letter seeking to intervene in the project be submitted to FERC. The letter sets forth the reasons for intervention as "Hydro Development LLC presumes to use lands, facilities, and services managed, owned and operated by the Petersburg Borough. As owner of these lands, facilities and services, the Petersburg Borough therefore has interests not represented by any other parties to this proceeding".

Hydro Letter

C. Authorization to Proceed in the Request for Proposals for General Counsel Legal Services By a unanimous Roll Call Vote, the assembly authorized the RFP, as recommended by the administrative staff, be issued. The Manager is authorized to establish the various times and dates associated with the RFP process. It is estimated that RFP award may be as soon as April 15.

RFP for Legal Services

D. Crane Dock Approach Widening The assembly gave unanimous approval for PND Engineers to move forward with engineering services on the Crane Dock Approach Widening project at an amount not to exceed \$83,756. It is planned that the approach will be bid and performed with the commercial drive-down project to help save money.

Crane Dock PND Proposal

E. Resolution #2013-8: A Resolution Endorsing the Proposed Expansion of the Swan Lake Reservoir and Urging State Funding for the Expansion Project Resolution #2013-8 was unanimously approved, as amended, by Roll Call Vote. The resolution called for the State to provide \$12.3 million in the FY 2014 Capital budget to provide for the needed expansion of the Swan Lake Reservoir.

Resolution #2013-8

15. **COMMUNICATIONS**

A. Fish & Game Funding Cuts In response to proposed F&G funding cuts (as addressed in above agenda #7) the assembly authorized that a letter opposing the proposed cuts be sent to Governor Parnell and legislators. The Economic Development Council was requested to also provide a letter objecting to the cuts.

16. **COUNCIL DISCUSSION ITEMS**

A. Recognitions

1. Staff Recognitions a) Fire/EMS Director Dixon acknowledged Guardian Flight's sponsorship of EMT II departmental training and informed that the department volunteers contributed over 1564 hours to the community in training, drills and responses during the months of January and February; b) Parks and Rec Director Donnie Hays thanked several individual community members for their help in constructing the bleacher covering at the ball fields.

2. Assembly Recognitions Assembly Members Havrilek and Lagoudakis thanked residents Nicole McMurren and Jessica Ieremia, as well as the Petersburg Community Foundation and Public Library, for sponsorship and facilitation of the Let's Talk Petersburg forum; 2) Assembly Member Flint thanked resident Vera Goudina for trash pickup on Libby Strait.

B. Assembly Discussion on Public Notice Posting Criteria The assembly again discussed the February 9, 2013 letter from George Cole, Secretary for the Concerned Citizens of the Unorganized Borough (CCUB), requesting three specific changes to the Borough's public noticing policy as expressed in Resolution #2013-1. The Assembly postponed any action on the request at the February 19 meeting until the second meeting in March giving more time for the assembly to discuss the requests and other residents to express their ideas. The letter requested: 1) add Papke's Landing boardwalk as a public notice posting area; 2) designate a specific harbor posting area, and 3) spell out what constitutes a public notice and who is responsible for posting and removing notices.

Public Notice Documentation

C. Skating at the Community Gym Considerable discussion was held on the use of the community gym for in-door skating. Liability and maintenance concerns were the major discussion items. Consensus of the Assembly was the community gym should be utilized as much as possible to accommodate community needs. In-door skating should be retained.

Mayor Jensen called a recess at 1:39 p.m.

The meeting was reconvened at 1:5 p.m. with all assembly members in attendance.

D. Letter from Wrangell Mayor David L. Jack Mayor Jensen read the letter into the record. Mayor Jack's letter requested input from Petersburg prior to the City and Borough of Wrangell appointing a committee "to start the process of the required independent review of the sale of individual projects as outlined in the MOU created in 2008 by the City of Ketchikan, City of Petersburg and City and Borough of Wrangell" (divestiture). After considerable discussion, including the estimated value of the two hydro projects that make up SEAPA and the costs to conduct the appropriate studies/analysis to make informed decisions, consensus was a letter of acknowledgment be sent to Mayor Jack indicating the needs for the affected communities (Ketchikan, Wrangell and Petersburg) to work together in addressing the several electrical issues before the communities.

Letter from Wrangell Mayor

- 17. EXECUTIVE SESSION** By unanimous Roll Call Vote the assembly approved to conduct an Executive Session with the Borough's Negotiating Team for the IBEW contract for the purpose of discussing the recent mediation meetings and to give direction to the team.

Assembly to Executive Session at 2:02 p.m.

Regular Session was reconvened at 2:42 p.m.

- 18. ADJOURN** The meeting adjourned at 2:43 p.m.

Date Approved
