

MINUTES OF THE PETERSBURG BOROUGH ASSEMBLY MEETING, REGULAR SESSION, HELD TUESDAY, FEBRUARY 19, 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, Strand, Havrilek and Hoag (by telephone). Absent: None.
2. **VOLUNTARY PLEDGE** The Pledge was recited.
3. **APPOINTMENTS TO ASSEMBLY VACANCIES** Four residents who submitted letters of interest to serve on the assembly (Cindi Lagoudakis, Jeigh Stanton Gregor, Kurt Wohlhueter and Bob Lynn) informed of their reasons why they wanted to serve. Assembly Member Hoag asked the individuals if they would support a ballot proposition to bond for a new police department, if necessary. By paper ballot, Cindi Lagoudakis and Kurt Wohlhueter were selected to serve as assembly members until the first regular borough election which will be October, 2014. Lagoudakis and Wohlhueter took their Oaths of Office. They were seated and took part in the balance of the meeting.
4. **APPROVAL OF MINUTES**
 - A. **Regular Meeting Minutes of February 4, 2013** The minutes were approved, as submitted.
5. **AMENDMENT AND APPROVAL OF MEETING AGENDA** The agenda was approved, as submitted.
6. **PUBLIC HEARINGS AND BID AWARDS**
 - A. **Public Hearing on 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.** Mayor Jensen called for public comment. There were no comments received. (A letter received from Island Point Lodge was read into the record under Agenda Item 14D.)
Ord. #2013-4
7. **VISITORS' VIEWS RELATED TO AGENDA** None.
8. **VISITORS' VIEWS UNRELATED TO AGENDA**
 - A. **Brimeyer Fursman Company Representatives** Richard and Irina Fursman, President and Vice President of the consulting firm contracted to assist the borough in the search and hiring of a new police chief shared the information they had gleaned from over forty people interviewed about their thoughts and ideas of the community and needs for a new police chief. Those interviewed were business owners, elected officials, some borough department heads, police officers, educators, hospital personnel, basically people from all walks of life within the community. The basic traits all were looking for in a Chief of Police were the ability to collaborate and integrate themselves into the community. Other traits desired were experience, ability to coach subordinates and an understanding of the needs of the community. The process that will be used to solicit, investigate and interview applicants was provided. It is expected that 3 to 5 of the top candidates will be brought to the community for interview. Richard Fursman stressed the need for the spouses of candidate finalists to travel to the community for the interview process. Additionally, the community needs to promote its assets. April 27th is scheduled for the

main candidate interviews date. Brimeyer Fursman will provide the base protocol that will be used for finalist interviews.

B. Land Exchange Ed Wood, Co-Founder of Mitkof Highway Homeowners Association, informed that the Alaska Mental Health Trust is seeking the borough's support for the proposed September 4, 2012 land exchange between the US Forest Service and the Alaska Mental Health Trust. The long awaited land exchange has been addressed and supported by numerous communities and governments. The land exchange would transfer approximately 80 acres of up-slope lands at or near 4 Mile Mitkof Highway (a portion of 3,085 acres to be exchanged). The exchange would help alleviate concerns of the steep, unstable land above Mitkof Highway from being logged. The resolution giving support for the land exchange will be addressed in March. It is expected that the land exchange will not be finalized for another 2-3 years.

9. **BOARD, COMMISSION AND COMMITTEE REPORTS**

A. Transportation Committee Committee Chairman Dave Kensinger informed Committee is recommending the Borough urge ADOT to provide the following core ferry service: two ferries out of Prince Rupert, May through September. And, fast ferry service to Petersburg Tuesday and Friday, from May first through September. If two day service is not achievable, at least a Tuesday fast ferry service is requested. Kensinger urged the assembly to question the State as to what the plan is to replace the 50 year old ships; and ask the State why they have not purchased the surplus IFA ferry. The ferry is inexpensive to operate and could supplement needed service. Kensinger asked direction of what the assembly wanted from Committee regarding the Kake Access project. The assembly did not require any specific work from the committee on the Kake Access at this time. It was believed that more information is needed before making any decisions. The Committee's recommendations on core ferry service will be provided to Mayor Jensen for his trip to Juneau when attending the mid-winter Southeast Conference meetings.

10. **CONSENT AGENDA**

A. Approval of GCI's Land Lease - 5 year Annual Rent Adjustment By unanimous Roll Call Vote, the Consent Agenda was approved. The five year rate adjustment placed the new annual rate at \$34,100, 10% of the assessed value for the property, including improvements.

11. **REPORT OF OTHER OFFICERS** None.

12. **MAYOR'S REPORT**

A. Appointments to Borough Planning Commission Mayor Jensen, with consent of the assembly, appointed the following individuals to the Planning Commission: David Kensinger, Susan Thomason, Dona Malhoit Laubhan, Ronn Buschmann, Otis Marsh and James Demko. Mayor Jensen designated Susan Thomason as the Chairperson.

B. Appointments to Hospital Board Kristine Kissinger was appointed to one of three vacancies on the Board.

C. Land Selection Committee Mayor Jensen, with consent of the assembly, appointed the following individuals to the Ad Hoc committee: Sam Bunge, Rick Braun, Jim Stromdahl, Ronn Buschmann, Liz Cabrera, Dave Kensinger, Mike Bangs, Robin Leekley, Dona Malhiot Laubhan and Gerald Laubhan. Rick Braun was named Chairman for the committee.

D. Assembly Appointments Appointments were made as follows:

1. Assembly Representative to:

- a. **Southeast Conference** Mayor Jensen
- b. **Alaska Municipal League** Mayor Jensen

2. Assembly Representatives to Advisory Boards:

- a. **Liaison to Harbor Board** Assembly Member Wohlhueter
- b. **Liaison to Public Safety** Assembly Member Hoag
- c. **Liaison to Utility Board** Assembly Member Strand

d. Liaison to Parks & Rec Assembly Member Lagoudakis

e. Liaison to Motor Pool Mayor Jensen

3. Finance Committee: Assembly Members Flint, Strand and Hoag. No alternate was appointed.

4. Elected Official to Local Emergency Planning Committee: Assembly Member Strand.

E. Declaration of Vacancy on PEDC Board The Resident Member at Large position for the Economic Development Council is vacant. This is an Assembly appointment with a three year term. Letters of interest to fill the vacancy should be submitted to the Mayor or Clerk.

F. Mayor's Designee to the Economic Development Council: Assembly Member Strand.

- 13. MANAGER'S REPORT** Manager Giesbrecht reported on the recent trip to Juneau by Mayor Jensen, Assembly Member Havrilek and himself for the AML legislative session. All indications are that money is tight and what is available will be going to northern communities.

Public Works Director Hagerman reported on the recent boil water mandate. The boil mandate lasted for less than 24 hours before the water system was determined to be safe. Hagerman explained the vigorous testing of the water system that is done on a routine and continuous basis. It is not known what caused the single test to show bacterial contamination. Hagerman's staff were thanked for their vigil monitoring of the system.

14. UNFINISHED BUSINESS

A. Borough

1. Juneau Appeal No new information.

2. Future Transition Items The approved process to gain public participation in determining if Advisory Boards should be retained by the Borough has been implemented. The first part of the process, getting a written response from the existing boards, 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 discussed at the March 18 meeting.

B. Redistricting The Clerk provided a brief written report of the Redistricting Board meeting held on February 12. Mayor Jensen added that all five judges of the court directed the Board must redraw the districts in Southeast. And, the US Supreme Court is currently addressing a case that may affect future redistricting in regard to Section 5 of the Voting Rights Act. That decision is expected by June 30. The board also discussed a tentative schedule that targeted having a new redistricting plan out by March, 2014 to accommodate the 2014 election process.

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. 2nd Reading. Mayor Jensen read a letter from Island Point Lodge owner expressing his opinion that the tax was unfair and discriminatory for lodges. The lodge owner claimed that lodges are forced to charge and collect a higher tax than the hotels and bed & breakfasts. During discussion, it was demonstrated by the Finance Director that the amended ordinance (reducing the percentage used on a packaged daily price to 15% for lodges) falls very much in-line to the taxes charged by the hotels and B & Bs. Assembly Member Havrilek added that amenities offered to guests at some lodges far exceed the amenities offered by hotels. Ordinance #2013-4 was passed in second reading by unanimous Roll Call Vote.

15. NEW BUSINESS

A. Resolution #2013-5: A Resolution to the Alaska State Legislature Requesting Reappropriation of Designated Legislative Grant #11-

DC-334. The resolution, requesting that the approximate grant balance of 1.4 million dollars from the construction of the new Fire/EMS facility be reappropriated toward construction of a police/jail facility, was unanimously approved by Roll Call Vote. Discussion was again held on the probability of Southeast communities not obtaining capital grant funds this year and for the next several years.

Res. #2013-5

B. Resolution #2013-06: A Resolution Authorizing the Borough Manager to Amend Lease Agreement ADL 106335 (Shooting Range Lease) to Allow for Proposed Range Improvements to Proceed and Updating the Lease Language as needed to Reflect Borough Incorporation. By unanimous Roll Call Vote, resolution #2013-6, updating the 2004 Range Improvements Development Plan and changing the Lessee name from the City of Petersburg to the Petersburg Borough, was approved.

Res. #2013-6

C. Authorization to Send Letter to FERC Opposing Relicensing of a Hydro Project at or near Thomas Bay to Cascade Creek, LLC Authorization of a letter was postponed until the March 4 meeting.

D. Authorization to Issue Letter of Support for Forest Service Funding Proposals - Raven's Roost Path and Ohmer Creek Trail By unanimous Roll Call Vote, the Assembly authorized a letter of support to the Forest Service trail projects. The Raven's Roost trail, of which the Borough will be a grant co-signer, will require an annual cost of approximately \$160 for paint and man hours to maintain a crosswalk from Sandy Beach to the trail head. The Ohmer Creek trail project will not cost the borough money.

E. Thomas Bay Power Authority - Request for Budget Amendment Consideration TBPA is requesting consideration to amend the Non-Net Billable expense budget for 2013 by \$10,000. The added expense would be shared equally between the City and Borough of Wrangell and Petersburg Borough. Power & Light Superintendent Nelson recommended the request be denied. He believed the request was not an emergency and funding could possibly be obtained elsewhere. He also believed work hours could be decreased to off-set the need for a budget amendment. Paul Southland, general manager for TBPA, informed of the budget being exceeded is due to union health care contract requirements. It may be that the whole \$10,000 will not be needed. TBPA is seeking approval from Petersburg and Wrangell to raise their spending authority to provide for any shortfall. TBPA is attempting to get SEAPA to provide funding for the office manager position (currently covered 100% by the non-net billable budget provided by Petersburg and Wrangell) because more and more operations type work is being performed by the position. A motion to approve a budget amendment for the Thomas Bay Power Authority in the amount of \$10,000 (\$5,000 each from Petersburg and Wrangell) failed by a 3-4 vote. Assembly Member Hoag asked that the motion be reconsidered to assure the assembly was not directing TBPA to cut hours for a position because of a change in marital status. As a technicality (assembly member Hoag did not vote on the prevailing side of the motion) Mayor Jensen rejected Hoag's request. Assembly Member Flint offered a motion to reconsider the request at the next Assembly meeting. Reconsideration, with postponement until March 4, passed by a 6-1 vote, Assembly Member Havrilek opposed.

16. COMMUNICATIONS

A. February 9, 2013 George Cole Letter Mr. Cole's letter had three requests: 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. The Assembly discussed the posting requirements of the Charter that pertains only to ordinances. It was noted that using the dock at Papke's, as requested by Mr. Cole, will not always be safe and will pose an inconvenience to the Papke's neighborhood residents as they would need to walk the lengthy dock to view notices. What is considered to be the area of "Papke's Landing" needs to be defined to assure the Charter posting requirements are met. Defining a public notice as postings of law or any other mandated posting requirements by Code

or Charter; and calling other postings such as meeting notices and general information type items as "public service announcements" could help alleviate excessive costs, yet provide sufficient public notification. Also noted during discussion was more communication is now done electronically than when the Charter was developed. A subscription email service could be considered. However, that would not meet the Charter requirement to post at Papke's Landing. The Assembly will further discuss this issue at the next meeting.

B. Representaitve Kertulla Representative Kertulla will be the speaker at this year's Chamber of Commerce annual meeting.

C. Draft Southeast Mayors' Letter A joint letter from all Southeast Mayors is being prepared to submit to Governor Parnell urging that an Alaska Class Ferry project be implemented without delay. Mayor Jensen will provide a copy of the letter to all assembly members.

17. COUNCIL DISCUSSION ITEMS

A. Recognitions None.

B. Cruise Ship Dumping Mayor Jensen expressed his disappointment that a bill lessening wastewater regulations for cruise ships has passed the Senate. The matter may become a voter initiative this fall.

18. ADJOURN Out at 9:01 p.m.

Date Approved
