

**CITY OF PETERSBURG
CITY COUNCIL MEETING AGENDA
REGULAR SESSION
Monday, April 2, 2012, 7:00 P.M.**

- 1. Call To Order**
- 2. Voluntary Pledge**
- 3. Approval of Minutes**
 - A. Regular Council Meeting Minutes of March 5, 2012**
 - B. Special Council Meeting Minutes of March 8, 2012**
 - C. Regular Council Meeting Minutes of March 19, 2012**
- 4. Amendment and Approval of Meeting Agenda**
- 5. Public Hearings and Bid Awards**
- 6. Visitors' Views Related to Agenda**
- 7. Visitors' Views Unrelated to Agenda**
- 8. Board, Commission and Committee Reports**
- 9. Consent Agenda**
 - A. Acceptance of \$2500 Grant from First Bank for Purchase of Supplies and Prizes for the 2012 Summer Reading Program**
- 10. Report of Other Officers**
- 11. Mayor's Report**
- 12. Manager's Report** *Manager Giesbrecht has provided a written report covering informational items.*
- 13. Unfinished Business**
 - A. Borough** *This item will continue to appear on future agendas in order to provide opportunity for the Council to discuss and/or take action as deemed necessary regarding the Borough Incorporation process. Legal Counsel has provided a written response to the LBC's Preliminary Report. The City's response to the report was due March 30 and will be available at the City's website along with other comments to the Report. The next step in the Borough Formation process is LBC's conduct of a hearing in Petersburg on May 30 and 31.*
 - B. Redistricting:** *The Redistricting Board has submitted a new Redistricting Plan that addresses only the complaints raised by Fairbanks, not the total State. Deadline for comments to the revised plan appears to be today, April 2. Over the weekend, the City Clerk submitted a letter to the Redistricting Board informing them of Petersburg's opposition to the revised plan. The letter was submitted in case it is needed to provide further opportunity for the City to weigh-in on the revised Plan. Attorney Tom Klinkner is looking into all aspects of the redistricting process to determine if there is anything the City can do. Mr. Klinkner will either provided written opinion to the Council by meeting time or will meet with the Council telephonically during the meeting.*

Pg. 1-11

Pg. 12

Pg. 13-14

C. Planned Improved District Attorney Service in Petersburg
The Department of Law has provided Senator Stedman with their plan to improve services to Petersburg. Information of their intent is attached for Council review and consideration. Does the Council wish to accept the response or take additional steps?

14. New Business

A. Authorization to Execute a Professional Services Agreement with APT for E911 Equipment and Installation in the amount not to exceed \$208,554 *Two proposals were received for purchase and installation of a replacement E911 system. Proposals were received from APT (\$208,554) and Procom (\$324,830). The RFP evaluation showed APT's proposal to be in the best interest of the City and meets requirements. The State has approved use of the attached contract with APT. The project completion date in Section 3 of the contract is pending agreement between the Police Department and APT and will be decided upon and inserted into the contract prior to the contract being signed.*

B. Resolution #2008: A Resolution Supporting SEAPA's Comments to the Southeast Alaska Integrated Resource Plan

C. Resolution #2009: A Resolution Amending the FY 2011/12 Budget to Provide \$25,500 of Property Development Fund Money for the Purchase of a New Paging System at Mountain View Manor

D. Schedule Budget Work Sessions *The Manager has provided Council with the proposed FY 12/13 budget. Work Sessions (to be held after April 13) to accommodate the following budget topics are requested:*

- 1. Work Session for General Fund** *Worksession to include a presentation on the Motor Pool Fund*
- 2. Work Session for Petersburg School District's Budget and Economic Development Council Budget and Organization**
- 3. Work Session for Sanitation, Water, Wastewater and Mountain View Manor Budgets**
- 4. Work Session for Harbor & Ports and Power & Light Budgets**

15. Communications

16. Council Discussion Items

A. Recognitions *This agenda item is reserved to acknowledge individuals, groups, departments, agencies or anyone for their contributions toward the betterment of the Petersburg community.*

B. Retention of Federal Lobbyist *Currently, the City obtains federal lobbyist work at an annual cost of \$36,000. One half of this cost is paid from the General Fund. The other half is split and paid for by the Harbor and Power & Light Enterprise Funds. The Managers of the Enterprise Departments do not see a reason to retain the federal lobbyist's services. Does the Council want to retain the services through total General Fund expense?*

C. Attendance to Shows to Spur Petersburg Tourism *A while back, Councilor John Jensen asked that the Council discuss the possibilities of Petersburg being promoted through attendance to Boat Show and other similar community promotional opportunities. Since his original request for this to be an agenda item, the Chamber has made notice of their attendance to the Anchorage Sportsman's Show.*

17. Adjourn

MINUTES OF THE PETERSBURG CITY COUNCIL MEETING, REGULAR SESSION, HELD MONDAY, MARCH 5, 2012 AT 7:00 P.M. IN THE CITY COUNCIL CHAMBERS OF THE MUNICIPAL BUILDING

1. **CALL TO ORDER** Deputy Mayor M. Jensen called the meeting to order at 7:00 p.m. Present: Deputy Mayor M. Jensen; Councilors Braun, Strand, J. Jensen, Flint, and Koenigs. Absent: Mayor Dwyer (excused).
2. **VOLUNTARY PLEDGE** The Pledge was recited.
3. **APPROVAL OF MINUTES**
 - A. **Town Hall and Council Meeting Minutes of February 21, 2012** The minutes were amended to add under New Business Item 15A, a transcription of the 10 questions Councilor Braun raised regarding the Economic Fund Loan Request/Recommendation and the answers supplied by Mr. Litsheim; plus staff comments regarding the move of the Romiad Building. The minutes, as amended, were unanimously approved.
4. **AMENDMENT AND APPROVAL OF MEETING AGENDA** The agenda was unanimously approved as presented.
5. **PUBLIC HEARINGS AND BID AWARDS**
 - A. **Bid Award: Stand-by Diesel Generator Installation** By unanimous vote, the bid was awarded to ASRC McGraw Constructors LLC in the amount of \$724,000.
6. **VISITORS' VIEWS RELATED TO AGENDA** Dave Kensinger, representing the Petersburg Chamber of Commerce, requested the Council consider reconstituting the Petersburg Transportation Committee. Current important issues relating to transportation are: the Statewide Area Transportation Plan (SATP), the Alaska Class ferries proposed for use by the Alaska Marine Highway System (AMHS) which are not planning on servicing Petersburg, the possibility of AMHS discontinuing the Bellingham run, and scheduling changes that are reducing Petersburg's service. The Chamber feels it is important for Petersburg to have a voice (in the form of our Transportation Committee) regarding these important issues, as well as any issues that may arise with air transportation.

Susan Erickson, representing the Transient Room Tax (TRT) Committee, would like to speak under 9A regarding the TRT grants and Resolution 2004 that proposes amendments to the guidelines for the appropriation of funds generated by the TRT.

Jim Schwartz, representing the Petersburg School Board, asked the Council if they had any questions regarding Resolution 2001 which is in favor of Senate Bill 171 (Base Student Allocation), or Resolution 2002, which is against House Bill 145 (Parental Choice Scholarship Program). Councilor Koenigs asked how House Bill 145 would effect the community of Petersburg. Mr. Schwartz responded that the bill allows for formation of private schools with as little as 5 students. Private schools are not currently covered under the State's educational budget. If the bill passes, the funding "pie" gets smaller and public schools could receive less money.

Karen Malcolm, representing herself as a contracted agent with the City, requested to speak to Resolution #1996 approving supplemental #3 to the FY 2012 budget.

John Hoag, representing himself, spoke in favor of Item 140 to support the Blaqueire Point Project.

7. **VISITORS' VIEWS UNRELATED TO AGENDA** John Hoag, representing himself, complimented the City Manager for continuing to work with the legislature on trying to obtain funding for the District Attorney's Office. He requests the City recognize Senator Stedman and his staff for their assistance in the matter.

Kim Kilkenny, representing Petersburg Mental Health and the Share Coalition, thanked the City and the Council for hosting the Town Hall Meeting. She noted that the Deputy Attorney General Richard A. Svobodny stated on the record there will be jail time for supplying alcohol to minors - a small victory for Petersburg.

8. **BOARD, COMMISSION AND COMMITTEE REPORTS** None.

9. **CONSENT AGENDA** The consent agenda was unanimously approved.

A. Award of Transient Room Tax Grants The TRT Committee has recommended that a \$2,850 grant be made to the Clausen Memorial Museum for creation of a new Petersburg pin; a \$2,246 grant be made to the Petersburg Marine Mammal Center for three informational signs; and a \$4,112 grant be made to the Petersburg Arts Council for the Centennial Sculpture project - for a total grant amount of \$9,208. Susan Erickson, representing the TRT Committee, thanked David Berg for chairing the committee from 1988 until 2012. She discussed the updated guidelines for appropriation of funds generated by the TRT proposed in Resolution #2004.

B. Local Approval of Application for Restaurant Designation Permit for Papa Bear's Pizza

C. Local Approval for 2012 Gaming Permit for Petersburg High School

10. **REPORT OF OTHER OFFICERS** None.

11. **MAYOR'S REPORT**

A. Accept Resignation John Martin has tendered resignation from the Utility Advisory Board. The City extends its sincere appreciation to Mr. Martin for his 10 plus years of service.

B. Letter of Interest Received for Utility Board Vacancy Rocky Flint was appointed to fill one vacant seat on the Utility Board until the 2012 October election.

12. **MANAGER'S REPORT** Manager Giesbrecht reviewed his written report. Summary of report: 1) The City has been working with Premera Blue Cross to put together a Wellness Package that includes a confidential Health Risk Assessment and Biometric Screening. City employees are encouraged to complete the Health Risk Assessment hosted by WebMD prior to renewing our health insurance policy for FY 2013. 2) PIA and the Parks and Recreation department are working together to obtain a grant to set up a disc golf course at Sandy Beach Park. 3) The gymnastics program at Parks and Recreation is off to a great start with 8 classes averaging 8 students per class. 4) Power and Light, through the Thomas Bay Power Authority, is working on a "diesel protocol" agreement with Wrangell to formalize who adds diesel generation when there is a system power shortage. 5) The annual Tye maintenance shutdown is tentatively scheduled for May 30 through June 7, 2012. 6) Ocean Beauty Seafoods is working on their dock in preparation for the salmon season. 7) Security cameras are being installed in the harbors. 8) The Finance department is working on the Utility Online Information module that will allow citizens to look up their own utility accounts to see past history or to make a payment. 9) The Public Works Director continues to work with DOT on the Petersburg Road Improvement project. 10) The Water department, with help from Public Works, changed out a defective flow meter on the Cabin Creek raw water line.

11) The Water department is having a pump drive repaired for the Cabin Creek pump station and will be installing electrical protection at the pump station. 12) Public Works, with help from the Finance department, is currently providing information for a rate study done on their Enterprise Funds (Water, Wastewater, and Sanitation). 13) The Water and Sewer Reconstruction project is tentatively scheduled to resume on March 5, weather permitting. 14) Wastewater and Public Works staff responded to a sewer overflow with a private system at Magill's Trailer Park. 15) The annual Household Hazardous Waste event is scheduled for June 2 & 3, 2012. 16) The Assistant Public Works Director is working with the Harbor department on a new dolphin for the Port Dock and South Harbor anode installation. 17) A year round RV Service Area will be installed in the 3rd Street pool parking area as soon as weather permits. 18) The Assistant Public Works Director is working with the US Forest Service to develop RAC funded improvements to Banana Point Boat Launch, Green's Camp and Wilson Creek Access Site.

13. UNFINISHED BUSINESS

A. Borough The LBC Staff released their Preliminary Report to the Commission on February 24, 2012. Councilor Koenigs shared a question for the City Manager and Council that was asked of him by a local resident - If borough incorporation is approved to go to a vote of the people, and the people vote to become a borough, what current staff is available and what will it take to operate the borough? Councilor Koenigs asks that the City Manager and Council think about this question as we proceed with the borough process. Deputy Mayor M. Jensen reported that Goldbelt expects to comment on the Petersburg Borough petition before the end of the month.

B. Approval of Loan Agreement Between PEDC and Diamante' Gift Shoppe, Inc. and Confirmation of Terms of the Loan This item was postponed to a Special Meeting on Thursday, March 8, 2012 at 5:30 p.m. by unanimous vote.

14. NEW BUSINESS

A. Approval of Thomas Bay Power Authority Budget The Council unanimously approved the Thomas Bay Power Authority budget.

B. Authorization to Enter into a Professional Services Agreement with PND Engineers for Design of the Landfill Slope Stabilization Project Councilor Braun requested to recuse himself from discussion and voting on this matter since he is participating with PND on this proposal. Councilor Koenigs stated that Councilor Braun's involvement with the PND proposal is not a significant financial impact or influence on the project and feels he should be allowed to vote along with the rest of the Council. Councilor J. Jensen concurred. All remaining Councilors voted in favor of allowing Councilor Braun to participate in discussion and decision making on the PND proposal. By roll call vote, Council unanimously approved entering into a Professional Services Agreement with PND Engineers for Design of the Landfill Slope Stabilization project for an amount not to exceed \$43,330 as outlined in PND's proposal dated February 24, 2012.

C. Resolution #1996: A Resolution Approving Supplemental #3 FY 2012 Budget Appropriations By unanimous roll call vote, Council adopted Resolution #1996. (Note: Karen Malcolm was not called to speak on this item, but it appeared she was in support of obtaining a ceiling fan for Racquestball Room #1 at the Community Gym.)

D. Resolution #1997: A Resolution Authorizing the Sale of the Final City Lot Remaining in the Airport Subdivision and Two Lots in Block 234 Council unanimously adopted Resolution #1997.

E. Resolution #1998: A Resolution of the City of Petersburg Authorizing the City to Issue General Obligation Refunding Bonds in the Principal Amount of not to Exceed \$2,400,000 to Refund Certain Outstanding General Obligation Bonds of the City, Fixing Certain Details of Such Bonds and Authorizing Their Sale

Resolution #1998 to refinance the School Deferred Maintenance bond, which will result in a 7.22% (approximately \$152,000) savings, was unanimously adopted by the Council.

F. Resolution #1999: A Resolution of the City of Petersburg Authorizing the City to Issue General Obligation Refunding Bonds in the Principal Amount of not to Exceed \$2,400,000 to Refund Certain Outstanding General Obligation Bonds of the City, Fixing Certain Details of Such Bonds and Authorizing Their Sale By unanimous roll call vote, Council adopted Resolution #1999 to refinance a Mountain View Manor bond which will result in a 9.23% savings (approximately \$186,000).

G. Resolution #2000: A Resolution Authorizing the City Manager to Execute All Documents Required by the USDA Rural Development Program to Secure a \$200,000 Grant for Fixtures, Furnishings, and Equipment in the New Public Library Council unanimously adopted Resolution #2000.

H. Resolution #2001: A Resolution in Favor of SB 171 (Base Student Allocation) By unanimous roll call vote, Council adopted Resolution #2001.

I. Resolution #2002: A Resolution Against HB 145 (Parental Choice Scholarship Program) Resolution #2002 was adopted by Council with a 5-1 roll call vote (Councilor Koenigs opposed).

J. Resolution #2003: A Resolution Declaring Saturday, May 5, 2012 as a Sales Tax Free Day in the City of Petersburg After some discussion, Council unanimously agreed to postpone this issue until a Chamber of Commerce member can provide clarification on the choice of the May 5, 2012 date.

K. Resolution #2004: A Resolution Rescinding Resolution #1201-R and Amending Guidelines for the Appropriation of Transient Room Tax Funds (short title) By unanimous roll call vote, Council adopted Resolution #2004.

L. Authorization to Enter into a Professional Services Agreement with PND Engineers for Engineering Services for the North Harbor Reconstruction Project, Concept 6, Tasks 1-5 Councilor Braun requested to recuse himself from discussion and voting due to his involvement with PND on this proposal. Councilor Koenigs requested Councilor Braun be allowed to discuss and vote on this issue because his involvement does not have a significant financial impact on the project. Councilor J. Jensen concurred. All remaining Councilors voted to allow Councilor Braun to participate in the discussion and vote of this proposal. Council unanimously authorized the Professional Services Agreement for an amount estimated at \$502,187 as outlined in PND's proposal dated February 21, 2012.

M. Authorization to Enter into a Professional Services Agreement with PND Engineers for Engineering Services for the Rasmus Enge Bridge Evaluation Project, Task 1 By unanimous roll call vote, Council authorized the Professional Services Agreement for an amount not to exceed \$27,020 as outlined in PND's proposal dated February 21, 2012.

N. Authorization to Amend the Professional Services Agreement with PND to add Design Services for Wastewater Pump Station 5 By unanimous roll call vote, Council authorized the contract to be amended as outlined in PND's proposal dated January 3, 2012.

O. Authorization to Support the Blaqueire Point Project in the Form of a Project Sponsor Larry Dunham, Forest Engineer for the Tongass National Forest, and Assistant Public Works Director Cotta answered Council's questions regarding the Blaqueire Point project and the City's involvement as a project sponsor if approved. By roll call vote, Council unanimously authorized the City to support the Blaqueire Point project in the form of a project sponsor.

15. COMMUNICATIONS None.

16. COUNCIL DISCUSSION ITEMS

A. Recognitions

1. Appreciations a. Deputy Mayor M. Jensen thanked John McCabe for his \$12,040 endowment with the Alaska Community Foundation. The interest earned from the fund (approximately \$400 annually) will be available for arts programming at the Petersburg Public Library. b. Deputy Mayor M. Jensen thanked Senator Stedman and his staff for their continued diligence in helping the City of Petersburg on our issue with the District Attorney's office.

B. Councilor Strand - Support to Retain Bellingham Ferry Run Councilor Strand requested the City Council go on record with the Southeast Alaska Transportation Plan staff that Petersburg would prefer to keep the Alaska Marine Highway System as it is currently; maintaining the Bellingham run and replacing the aging ferry fleet with like vessels whether it funds itself or not. As the AMHS was created to be the "highway" connecting Southeast Alaska communities and the State of Washington, it should not be required to pay for itself. The Council requested the Clerk draft a letter of support to review at the next regular meeting. Councilor Strand also stated she is in favor of reinstating the Petersburg Transportation Committee. The Council directed the Clerk to look into re-forming the committee.

C. Councilor J. Jensen - Marketing Petersburg at Boat Shows Councilor J. Jensen requested to discuss this item at a future meeting.

D. Request to be Excused Councilor Koenigs requested to be excused from the March 19, 2012 Council Meeting. Councilor J. Jensen requested the same. Both requests were accepted.

17. ADJOURN The meeting was adjourned at 8:25 p.m.

Date Approved

Kathy O'Rear, City Clerk

MINUTES OF THE PETERSBURG CITY COUNCIL MEETING, SPECIAL SESSION, HELD THURSDAY, MARCH 8, 2012 AT 5:30 P.M. IN THE CITY COUNCIL CHAMBERS OF THE MUNICIPAL BUILDING

1. **CALL TO ORDER** Mayor Dwyer called Special Session to order at 5:30 p.m. The purpose of Special Session was to consider approval (and confirm the terms) of a Loan Agreement between the Petersburg Economic Development Council and Diamante' Gift Shoppe, Inc. Council approval of the agreement is considered necessary as funding for the loan will come from the City's Economic Development Fund.

Present: Mayor Dwyer; Councilors Flint, M. Jensen, Koenigs, Braun, Strand and J. Jensen. Absent: None.

2. **VOLUNTARY PLEDGE** The Pledge was recited.

3. **UNFINISHED BUSINESS**

A. Approval of Loan Agreement Between PEDC and Diamante' Gift Shoppe, Inc. and Confirmation of Terms of the Loan Councilor Koenigs questioned why the matter was being brought back to the City Council. He believed the Council had taken action on the request at the February 21 meeting, unanimously approving the PEDC's recommendation to approve the loan in question. Based on the answers to questions posed by council members on February 21, Mr. Litsheim (loan seeker) and PEDC Director Cabrera sufficiently addressed concerns, leading to unanimous approval of the loan. It was Koenigs understanding that the short term loan contract was a matter between Litsheim and PEDC, holding Litsheims' properties as collateral. He believed a series of emails from PEDC to Litsheim appeared to have changed the terms and conditions previously approved by Council.

It was noted that several concerns (by city staff, council and the general public) since the original approval of the loan have been voiced. This is the first time that the PEDC has worked on a loan agreement with a client. The Juneau Economic Development Council (very experienced in loan preparation) is preparing the loan documents and advising what paperwork and guarantees are necessary. Mr. Litsheim informed that he did not believe the terms within the current proposed agreement were the same as approved in February.

Litsheim provided a history of his participation in the RFP process for removal of the Romiad Building from its Haugen Street location and his eventual interest in obtaining the building from the successful bidder (Rock-N-Road) to move it from its current position to Main Street. He further informed of specific agreement matters that he believed have changed since the original approval. Changes consisted of: need for double collateral, payment of origination fees, title insurance, etc. He believed the terms reached on February 21 were fair and should be honored.

Concerns were voiced that there were no specific terms determined on February 21, only a "yes" from the Council to lend Economic Fund money.

Litsheim shared the content of recent conversations, and actions taken, with fire marshal, architect and Holland Dolly Leasing Company in postponing and/or cancelling items already ordered to make the move of the building.

Receiving the proper permit(s) from the Fire Marshal and observing the time frames for the new library project were discussed.

Final Agreement Decisions: To assure that everyone (borrower; PEDC, City and tax payers) understand the terms of the agreement, Council reviewed and addressed the individual terms of the draft agreement as set forth in the PEDC's March 1, 2012 letter to the Herreras & Litsheims. After considerable discussion the following terms were unanimously approved: Loan Amount is to be \$210,000, plus fees and closing costs including title insurance, recording fees, JEDC document preparation and a 1% origination fee. The interest rate is 5%, fixed. Collateral for the loan is to be only the two Diamante' property lots (1007 S. Nordic Drive & 114 N. Nordic Drive). Guarantees - The Mill Inc. is to be dropped, retaining only the names of Theresa Litsheim and Roberta Herrera. Documents from The Mill, Inc. are not required. And, the time deadline to remove the Romiad Building from its present location and obtain all necessary permits (prior to) is extended to April 30, 2012. This time extension also applies to the Rock-N-Road contract dated January 12, 2012.

During discussion, PEDC Director Cabrera expressed concerns in removing The Mill, Inc. as collateral.

Litsheim provided a lengthy response to a list of items relative to the needs of the Fire Marshal, Department of Transportation and City, which need to be addressed prior to the actual move and occupancy of the building. The exact route that will be taken to relocate the building is still being reviewed. There is a possibility that electric guy-wires will need to be temporarily removed and/or relocated.

Power & Light Superintendent Nelson expressed concerns of removing down-guys from a major electric pole in the area to accommodate the move. A temporary removal of the guys will be difficult and costly. The department will require specific information on the relocation project prior to providing or committing resources to the move. Causing substantial electrical disturbance to the area must be avoided. GCI Cable Manager Perry Allen informed of old aerial City fiber cable within the potential moving route. If the current City fiber cable is broken or disturbed, it will require total replacement, which will be expensive.

Further discussion was held on the City's requirements of Litsheim for placing the building in its new location on Main Street. Litsheim provided a 1995 letter from prior Power & Light Superintendent Dennis Lewis that spoke to the need for underground service at the Litsheim property where the building will be moved to. In addition, the Fram Street retaining wall at the property may also be a City concern. Prior to committing City resources and money to address improvements to the property that are perceived to be a public matter, current City staff would need to review and understand all problems and any existing commitments.

Prior to taking the final vote on changes to the agreement, Mayor Dwyer read the March 1, 2012 loan agreement, as amended by the Council. PEDC Director Cabrera again objected to dropping The Mill, Inc. as a guarantee on the loan. She concluded she would work to help make the project happen, but she pointed out the Council reduced the security of the loan as desired by the PEDC.

4. **ADJOURN** The meeting adjourned at 7:48 p.m.

Date Approved

MINUTES OF THE PETERSBURG CITY COUNCIL MEETING, REGULAR SESSION, HELD MONDAY, MARCH 19, 2012 AT 7:00 P.M. IN THE CITY COUNCIL CHAMBERS OF THE MUNICIPAL BUILDING

1. **CALL TO ORDER** Mayor Dwyer called the regular meeting to order at 7:00 p.m. Present: Mayor Dwyer; Councilors Flint, J. Jensen (by telephone); Strand, M. Jensen and Braun. Absent: Councilor Koenigs (excused).
2. **VOLUNTARY PLEDGE** The Pledge was recited.
3. **APPROVAL OF MINUTES** Minutes from the March 5 meeting were not yet available.
4. **AMENDMENT AND APPROVAL OF MEETING AGENDA** The Agenda was amended to move discussion item #16B (Transportation Committee) to New Business item #14A1.
5. **PUBLIC HEARINGS AND BID AWARDS** None.
6. **VISITORS' VIEWS RELATED TO AGENDA** None.
7. **VISITORS' VIEWS UNRELATED TO AGENDA** Susan Erickson, the City's independent insurance agent, introduced representatives from Alaska Public Entity Insurance, the City's property and liability carrier for the last approximate 10 years. Representatives Jeff Bush (Director), Abe Levey (Loss Control Manager) and Lorel Erickson (Deputy Director) informed they were in town to perform a walk-through of city facilities to gain familiarity with the City and its assets. They provided a brief history of APEI and informed that current rates are near their lowest over the past 9 years. APEI has added to its member/clients list and has managed to keep rates down.
8. **BOARD, COMMISSION AND COMMITTEE REPORTS** None.
9. **CONSENT AGENDA** No items.
10. **REPORT OF OTHER OFFICERS** None.
11. **MAYOR'S REPORT**
 - A. **Seward's Day Holiday** Mayor Dwyer announced that City offices will be closed on Monday, March 26, 2012 in observance of the Seward's Day Holiday.
 - B. **Letter of Interest for Transient Room Tax Committee** Mayor Dwyer, with no objections from Council, appointed Patty Norheim and David Berg to three year terms on the committee.
12. **MANAGER'S REPORT** Manager Giesbrecht provided a written report covering informational items as follows: a) Harbor security camera installation is done and staff is training on use; b) The South Harbor anode project is going out for bid; c) The landslide at Public Works ended up in Middle Harbor, reducing 8 foot of freeboard below the float to 18 inches at a -2 foot minus tide; d) The New Library Project went to bid on March 15. The bid period will last 4-5 weeks; e) The Finance staff received training on messaging and averaging for utility bills; f) The City has sent letters to businesses advertising on Facebook who don't have a business license with the City, nor file sales tax returns; g) Property assessments will go out at month's end. The Council (as the

Board of Equalization) will meet the second council meeting in May to address any unresolved appeals; h) Performance appraisals for hourly employees are in process. The manger will be addressing Department Head performance appraisals in mid April. i) The Water Treatment Plant Upgrade Project bid opening will be March 27; j) The design contract for Pump Station 5 Rehabilitation has been executed; k) Work on the 2012-13 budget is in process. Emphasis has been placed on balancing General Fund; l) The Police Department continues to have issues with the District Attorney's Office; m) Secure Rural School and Payment In Lieu of Taxes have been approved for a one year extension by the US Senate. The House has yet to take the issues up. Congressman Young, during his visit on March 13, informed he would support the renewal of the programs, but the Republican leadership of the House is asking for changes as part of re-authorization; and n) The manager is working with staff to provide analysis of the pros/cons of hiring a full time construction manager. The numerous granting agencies involved with the City's projects are being consulted.

13. UNFINISHED BUSINESS

A. Borough The Local Boundary Commission staff has released their Preliminary Report to the borough petition. In the preliminary report the northern boundaries have been slightly changed to eliminate the Tracy Arm area from the Petersburg Borough. A phone call was placed to borough formation Attorney Jim Brennan. Brennan asked that Council recess to Executive Session to discuss information he believed to be privileged. By unanimous Roll Call Vote, Council recessed to executive session to discuss with legal counsel tactics of an adversarial matter, tactics which could adversely affect the finances of the City.

Council to Executive Session at 7:24 p.m.

Regular Session was reconvened at 7:50 p.m.

My unanimous Roll Call Vote, Council authorized the City's legal counsel to respond favorably to the Local Boundary Commission's Petersburg Borough's northern boundary change. The amendment takes the bulk of the Tracy Arm watershed out of the Petersburg Borough, allowing it to remain in a future expanded Juneau Borough. Agreeing to the amendment takes about 405 square miles of predominately Juneau used area from the Petersburg Borough, but allows the highly Petersburg used areas of Endicott Arm south to Cape Fanshaw in the Petersburg Borough.

B. Resolution #2003: A Resolution Declaring Saturday, May 5, 2012 as a Sales Tax Free Day in the City of Petersburg By unanimous Roll Call Vote the resolution was approved. During discussion it was noted that a sales tax free day may better serve the community to be provided during slow periods of the year (January - March). Until a tax free day is held, it is not known how much sales tax revenue will be lost and how that loss may affect the City's budget. It is estimated that there may be a potential tax loss of upwards to \$30,000. It was noted future tax free days could focus on minimizing internet sales by encouraging local shopping. Chamber Board Member Ron Losech informed that the Chamber Board and Chamber Retail Committee hoped to increase the numbers of shoppers from the outlying areas, encouraging overnight stays. Additionally, local merchants are losing business to the big box stores in Juneau and Ketchikan. Losech concluded it has never been the intent of the Chamber to conduct a tax free day during slow times. A tax free day needs to be held when people migrate toward town and have money.

C. Redistricting The Alaska Supreme Court on March 14 ordered the state's new political boundaries be redrawn with a stricter adherence to the Alaska Constitution. It is difficult to predict what effect the order will have on the redistricting of Southeast. The court order did not clarify if the total plan had to be redone, but it is believed to be the

case. Prior legal counsel for the city on Redistricting, Tom Klinkner, has suggested the City submit its own letter to the Board informing why it believes the Southeast redistricting plan is in error by pairing Petersburg with Juneau, giving a possible second chance to the City for a change. By a unanimous Roll Call Vote, Council authorized staff to resubmit the Plan that the City supported last summer during the first go-round of Redistricting. Along with the preferred Plan, a letter should be provided saying why the Petersburg preferred Plan better meets State Constitution requirements more than the Board's Proclamation Plan. Council also requested that the letter include a statement that the existing voting districts in place today, not the proposed Proclamation Plan as adopted by the Redistricting Board, be used for the 2012 elections until an entire new Plan can be drawn. By Unanimous Roll Call Vote, Council authorized the City Manager to expend up to an additional \$10,000, more if necessary in the future, to contract with Birch Horton Bittner & Cherot to provide further legal counsel in the redrawing of the Plan.

14. NEW BUSINESS

A. Resolution #2005: A Resolution in Support of the Alaska Marine Highway System Retaining its Bellingham Run (short title) Resolution #2005 was unanimously approved. In addition to encouraging DOT to retain the Bellingham run, the resolution called for replacing existing ferries, in kind, as required to maintain the existing ferry fleet capacity, existing routes, and level of service into the future.

14A 1. Transportation Committee Hearing no objections from City Council, Mayor Dwyer re-instated the Transportation Committee. Mayor Dwyer asked that the most recent board members be contacted to determine if they will again serve. The Committee is asked to review the DOT Scoping Report and upcoming amendments to the STIP. (Prior Committee Members are: David Kensinger, Rick Braun, Brian Paust, Stan Hjort, Don Thorsteinson, Randy Henderson, Eric Lee and Leo Luczak.)

B. Resolution #2006: A Resolution Requesting FY 13 Payment in Lieu of Taxes Funding from the Department of Commerce, Community, and Economic Development The resolution was unanimously approved by Roll Call Vote.

C. Resolution #2007: A Resolution Supporting SEATrails (Southeast Alaska Trails System) (Short Title) Resolution # 2007 was unanimously approved by Roll Call Vote.

15. COMMUNICATIONS None.

16. COUNCIL DISCUSSION ITEMS

A. Recognitions

1. ETT Training Mayor Dwyer thanked the several individuals who participated in, and completed, the annual Emergency Technician training program.

2. Choose Respect Police Chief Agner reminded of Governor Parnell's upcoming statewide Choose Respect Rally. He thanked local residents in advance for their participation in the March 29th community event.

3. Thomas Bay Power Authority Councilor John Jensen was acknowledged for his recent election as president to TBPA.

4. Appreciation David Berg was thanked for his years of service on the Transient Room Tax Committee. Dave was appointed to the Committee in February of 1991 and served as Chair for 21 years. Dave now continues as a regular member to the Committee.

17. ADJOURN The meeting adjourned at 8:25 p.m.

Date Approved

Kathy O'Rear, City Clerk

MEMORANDUM

TO: MAYOR AL DWYER & CITY COUNCIL
FROM: TARALEE ALCOCK, CITY LIBRARIAN
SUBJECT: ACCEPTANCE OF FIRST BANK COMMUNITY DEVELOPMENT GRANT (\$2500)
DATE: 3/22/2012
CC: STEPHEN GIESBRECHT, CITY MANAGER; LIBRARY BOARD

First Bank has awarded a \$2500 Community Development Grant to the Petersburg Public Library. The grant will be used to purchase supplies and prizes for the 2012 Library Summer Reading Program.

Manager's Report

April 2, 2012

Stephen Giesbrecht

1. Completed "Witness Testing" of the new diesel generator in Phoenix. Unit being readied for shipment to Seattle, then Petersburg.
2. The library project is advertising for bids. There was a pre-bid conference teleconference on March 29. The deadline to submit a bid is April 12.
3. Special Thanks to the **City of Kupreanof** which donated \$18K to the capital campaign for the new library and to **First Bank** for a \$2,500 grant for the Summer Reading Challenge.
4. Researching ideas for moving more assisted living residents in on the second floor (Retirement Community).
5. HUD building full, assisted living full, two empty apartments in the Retirement Community. One will be full hopefully in April.
6. Related to the Hammer Slough silt run-off, the Harbor has made contact with Shannon Morgan at the COE ; she is doing some in- house questioning about potentially adding this new disposal onto the North Harbor project. She also recommended contacting PND about revisiting the Middle Harbor Permit and working off it to re-dredge the area affected.
7. Annual performance evaluations are approximately 90% complete. We are working with department heads to finish up this annual process.
8. Both the Deputy and City Clerk will be attending this year's International Clerk's Conference in Portland May 18 – 26. Attendance to this training is mandatory for Deputy City Clerk Debbie Thompson to eventually achieve certification.
9. Debbie and Kathy are working closely with the Borough Attorney to make preparations for the May 30 and 31 borough hearing.
10. Petersburg Road Improvements project (downtown paving) continues to move to a bid date in May. The biggest news on this project is that FHWA is deferring to ADOT guidance and administration on the business signage on Main Street. The signs will be formally permitted, in combination with aerial encroachments, and they will not need to be removed for the project right of way to be certified for construction.

11. Rasmus Enge Bridge evaluation contract has been executed, work scheduled to start 1st week of April during a series of low, low tides.
12. The Water and Sewer Reconstruction project is underway. Work on Noseeum Street is substantially complete and the contractor has shifted focus to start the work on Second Street this week. Be aware that routes to the School and Hospital on Second Street will be impacted and to plan on different routes for approximately a month. Access to the emergency room will be maintained from Excel Street throughout the work.
13. I am working with the Fire Department regarding a large increase in Worker's Compensation coverage and how this will impact non-active volunteers.
14. Property Assessments go out at the end of the week. 2012 they went up 2%, 2013 they stayed flat except for people making improvements to their buildings and land.
15. The Chamber of Commerce has given Parks and Recreation \$4000 to go towards a new timing system for our city and school races. The School District is partnering with us to purchase the new system so they can also use it for Cross Country.

Kathy O'Rear

From: Stephen Giesbrecht
Sent: Tuesday, March 27, 2012 3:31 PM
To: Kathy O'Rear
Subject: FW: Department of Law response
Attachments: 2012 03 19 AG letter to Stedman re Petersburg.pdf

Kathy, we will need a discussion item on the agenda for this issue. Basically does the Council wish to accept this response or take additional steps?

Copies of this email and the attached letter should be part of the packet. Thanks.

From: Stephen Giesbrecht
Sent: Tuesday, March 27, 2012 8:07 AM
To: Council
Cc: Jim Agner
Subject: FW: Department of Law response

FYI. This is a copy of the response I sent to Darwin (Senator Stedman's aide) regarding the Department of Law's response to our situation.

From: Stephen Giesbrecht
Sent: Friday, March 23, 2012 3:30 PM
To: Darwin Peterson
Subject: Re: Department of Law response

Thanks Darwin. if i had to guess this will not sit well with the community. there is not much trust in the department of law and their solutions often come back as nothing but accusations.

I will notify the council and the community groups involved when i get back on tuesday. i will try and put the best spin on this i can. please remember this is the same group who made the same promises to petersburg last year and it just got worse. it may be a very long year.

Steve

Sent from Samsung Mobile

Darwin Peterson <Darwin_Peterson@legis.state.ak.us> wrote:

Hi Steve,

I want to let you know that Senator Stedman closed out the Dept. of Law subcommittee this morning. He did not add another DA to Juneau. We met with Rick Svobodny yesterday and he gave us the attached letter outlining his plan to improve services in Petersburg. Senator Stedman said he will give them the opportunity to fix this internally as they've proposed. He did say that we will continue monitoring this issue and if the service in Petersburg doesn't improve we will intervene next year. Mr. Svobodny said that if this proposal doesn't take care of the problem, he has a plan B to assign another attorney to Petersburg which he mentions in his letter. Mr. Svobodny was very sincere in his desire to fix the problem so we will give him the benefit of the doubt. Please keep in touch and let us know if services improve which we're hopeful they will.

Svobodny, Richard (LAW)

From: Kemp, Angie D (LAW)
Sent: Friday, March 09, 2012 12:39 PM
To: William Carey; Hedland, Eric J (DOA)
Cc: Desi Burrell; Morrison, Christina (ACS); Svobodny, Richard (LAW); Brower, David L (LAW)
Subject: RE: PSG calendar call

No serious conflicts here. We'll make it work.

Thanks,

Angie

Angela D. Kemp
Assistant District Attorney
(907) 465-6721

CONFIDENTIALITY NOTICE: This communication with its contents may contain confidential and/or legally privileged information. It is solely for the use of the intended recipient(s). Unauthorized interception, review, use or disclosure is prohibited and may violate applicable laws including the Electronic Communications Privacy Act. If you are not the intended recipient, please contact the sender and destroy all copies of the communication.

From: William Carey [mailto:wcarey@courts.state.ak.us]
Sent: Friday, March 09, 2012 10:37 AM
To: Kemp, Angie D (LAW); Hedland, Eric J (DOA)
Cc: Desi Burrell; Morrison, Christina (ACS)
Subject: PSG calendar call

Angie and Eric:

I've been talking with Desi and Cris and we are going to go ahead and set a PSG call the week before the calendar there. We already have felony calls set for Mondays at 3:30. But we are looking at doing a general call on Tuesdays at 3:30 the week before court week, at least in the months when we're not scheduled just for a civil calendar. Wanted to make sure you didn't have any serious conflicts at that time. Let me know.

BC

Brower, David L (LAW)

From: dennis McCarty [mccarty law@att.net]
Sent: Thursday, February 23, 2012 10:36 PM
To: Hedland, Eric J (DOA); Kemp, Angie D (LAW); William Carey
Cc: Jim Agner; Brower, David L (LAW); Desi Burrell; Litster, Cody D (DPS); David Mallet
Subject: Re: Petersburg Pre-trial Hearings

I am not about to engage in any finger-pointing nor philosophical discussion. I just want to see if we can make the traveling court schedule work in an improved manner. That being said, I believe there is substantial benefit in trying to schedule calendar calls in the week prior to potential trial. Given 37 years of practice and a heavy involvement in the Petersburg calendar for about ten years, I think there is merit in advance dates for calendar calls. In Ketchikan District court we do trial call on the preceding Thursday or Friday morning for trials the following Wednesday. Most frequently those hearings turn into change of plea, scheduling for a change of plea or a continuance. Our Superior court usually has calendar call on civil or criminal cases a week to two weeks ahead of trial. Craig has its calendar call in the week preceding the court week.

None of those calendar call dates resolve all cases, and some cases settle between that call and the court week/trial date. That earlier calendar call does focus respective counsel's attention on cases before the last minute and definitely clears at least some of the fog on case status. The judges, and respective counsel, assume good faith efforts will be made to discuss cases prior to showing up the morning of the scheduled trial call. Clearly some cases just don't settle and in other cases the opposing sides just have to come up to the brink of trial before one or both sides has to really seriously "look at their hole cards" and decide if it's a case to go all in and try it to a jury or whether it's time to reach a compromise.

A substantial requirement for meaningful discussions and possibility of resolution prior to court week relates to speedy exchange of discovery, especially delivery to prosecutors and defense counsel of police reports. Once those are available then attorneys can determine if more detailed discovery is needed and at least preliminary discussion of the case can begin between the DA's/police/probation officers and between defense counsel and clients. I understand that the officers can be busy and sometimes it can take a while to gather all the necessary information. but I am pleased to hear that there have been substantial discussions and apparent positive progress in speeding up the process in trying to achieve a plan for smoothing out the dissemination of the police reports as needed.

Dennis McCarty

Brower, David L (LAW)

From: William Carey [wcarey@courts.state.ak.us]
Sent: Thursday, March 08, 2012 7:47 AM
To: Desi Burrell; Brower, David L (LAW)
Cc: Jim Agner; dennis McCarty; Litster, Cody D (DPS); David Mallet; Hedland, Eric J (DOA); Mike Jackson
Subject: RE: Petersburg Pretrial Hearings Redeux

I am considering it. We do not have a criminal trial calendar in March (although I suspect that there will be some criminal matters that will be taken up that week), so the earliest any calendar call would be put into place would be April. We have a felony calendar call for PSG set for Monday, 4/16 at 3:30, I believe. I tend to agree with Magistrate Burrell that any calendar call would be just that.

In speaking with Judge Stephens to get his take on this issue, his concern about setting a calendar call the week before was that the parties would not be prepared to say one way or another which cases would be going to trial and which ones wouldn't. That's not an indictment of the DA or PD's offices – it's just the nature of the beast. This concern is corroborated somewhat by our experience with the pre-trial week Kake calendar last month, which had at least half a dozen cases, none of which were close to resolution, and which necessitated another hearing at which the cases were dealt with later during court week. Having a pre-trial week calendar call would put some responsibility on counsel to actually be ready to discuss in realistic terms what is going to be going on in these cases, otherwise it will be a waste of time, as the Kake calendar call was last month. My experience in Petersburg over almost 25 years of practice there was that many cases got resolved in one on one contact with the district attorney on Monday mornings before calls began. That is a little tougher to do without a DA actually present. So again, the onus would be on counsel to communicate about these PSG cases a little ahead of time in order to make an earlier call practical. I am willing to give it a shot, though, to see if it works.

BC

From: Desi Burrell
Sent: Wednesday, March 07, 2012 4:45 PM
To: Brower, David L (LAW); William Carey
Cc: Jim Agner; dennis McCarty; Litster, Cody D (DPS); David Mallet; Hedland, Eric J (DOA)
Subject: RE: Petersburg Pretrial Hearings Redeux

I think it is a good idea as well.

I would be amenable to it if: We did not do any change of pleas and or Sentencing's during that time, and that the DA's office would still travel to handle all other cases, COP, sentencing's, ADJ, etc.

Desi

Brower, David L (LAW)

From: Hedland, Eric J (DOA)
Sent: Thursday, February 23, 2012 12:05 PM
To: Kemp, Angie D (LAW); 'William Carey'
Cc: 'Jim Agner'; Brower, David L (LAW); 'Desi Burrell'; 'dennis McCarty'; Litster, Cody D (DPS); 'David Mallet'
Subject: RE: Petersburg Pre-trial Hearings

Ms. Kemp's introduction begs questions and makes assumptions so to frame things as a given that are certainly debatable. The questions begged include what "fair[] administration of justice" and what "improve" means. The assumptions include that there is a problem in the first place and that the Court has an interest in promoting the police's and the state's interest. I was at the town meeting. Judge Carey made it clear that he does not prosecute people.

This practice of turning a perceived narrative into some "truth" is pervasive in our criminal justice system. Ms. Kemp's letter exemplifies this position, where "justice" is equated with more convictions and more jail, and is presumed to be shared by all. "The discussions regarding how to fairly administer justice" in Petersburg, as far as I can recall, did not concern defendants' rights. Rather, they very specifically concerned the city of Petersburg complaints about the D.A.

The collective sentiment at the meeting was this: *We all know these people are all guilty and should go to jail, how can we more easily reach this end?* This was not perceived by police or prosecutors as a biased position, which, of course, shows how ingrained the bias is. Ms. Kemp's letter simply continues this theme.

If the state sees the prospect of pretrial hearings as a potential logistical improvement, then interested parties should get together and discuss it. My impression is that the state's reasoning is not that persuasive. Pretrial hearings in Juneau are largely ineffectual. Cases are resolved on Thursday and Friday, not Monday, and the Court routinely hears the refrain "this is staying on for trial" 20 times in 20 minutes. But the larger concern I have is how Ms. Kemp's letter morphs Petersburg's crystal-clear complaints about the District Attorney into a common complaint about "administration of justice." In this fiction, everyone knows that "justice", and not the state, is to blame; "justice", that constant underperformer, fails whenever the state fails to exact its pound of flesh, independent of the facts.

Sincerely,

Eric Hedland
 Assistant Public Defender

beneficial to the defendants because it would facilitate earlier communications with their counsel.

Granted, moving pre-trials to the week prior may not fix all the problems because it's possible the defendants may change their minds, not know what they want to do, etc. etc. However, the change would, no doubt, help, and receiving a trial order the week before would help immeasurably.

Thanks for your consideration,

Angie

Angela D. Kemp
Assistant District Attorney
(907) 465-6721

CONFIDENTIALITY NOTICE: This communication with its contents may contain confidential and/or legally privileged information. It is solely for the use of the intended recipient(s). Unauthorized interception, review, use or disclosure is prohibited and may violate applicable laws including the Electronic Communications Privacy Act. If you are not the intended recipient, please contact the sender and destroy all copies of the communication.

Brower, David L (LAW)**From:** Kemp, Angie D (LAW)**Sent:** Thursday, February 23, 2012 10:42 AM**To:** William Carey**Cc:** Jim Agner; Hedland, Eric J (DOA); Brower, David L (LAW); Desi Burrell; dennis McCarty; Litster, Cody D (DPS); David Mallet**Subject:** Petersburg Pre-trial Hearings

Judge Carey,

Given the discussions regarding how to fairly administer justice in Petersburg, I have an idea on how to improve things in that area. As you know, we are one of the few communities who do pre-trial hearings the day before the trial. Desi recently suggested, and I agreed that it was a good idea, to move the pre-trials to the week prior.

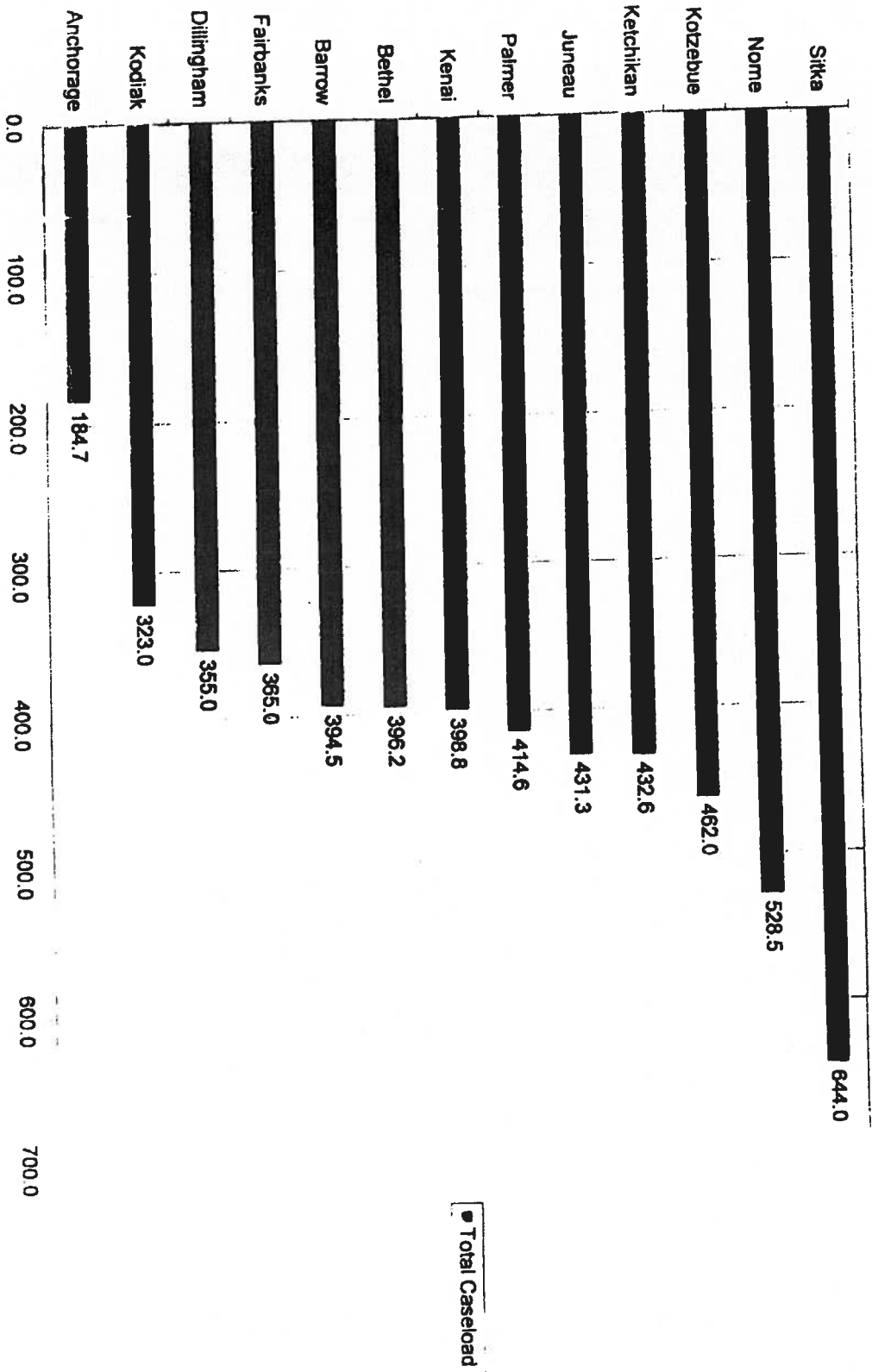
From the State's perspective, the change would help our office and the police in a variety of ways. As it is right now, the State and police do not know the order of trials or which cases are likely to go to trial. And by the time pre-trials are done on Monday, there is little time in the day to meet with witnesses and organize for the next day. The obvious problem with this approach is that it creates additional unnecessary pressure on the State, police, and all witnesses. It seems this would also be true for the defendant and their witnesses.

Additionally, the police, who are witnesses in almost all the cases that come before your honor, work varying shifts including night and day shifts. They have expressed frustration with our office that we aren't able to tell them which trials are going and when, justifiably so. Our only response to them is, "we don't know" because we have to wait and see what the court says on Monday, i.e. order of trials. Also, the State can't force defendants to take plea deals; that decision is theirs. So that is often an open question when we arrive in Petersburg.

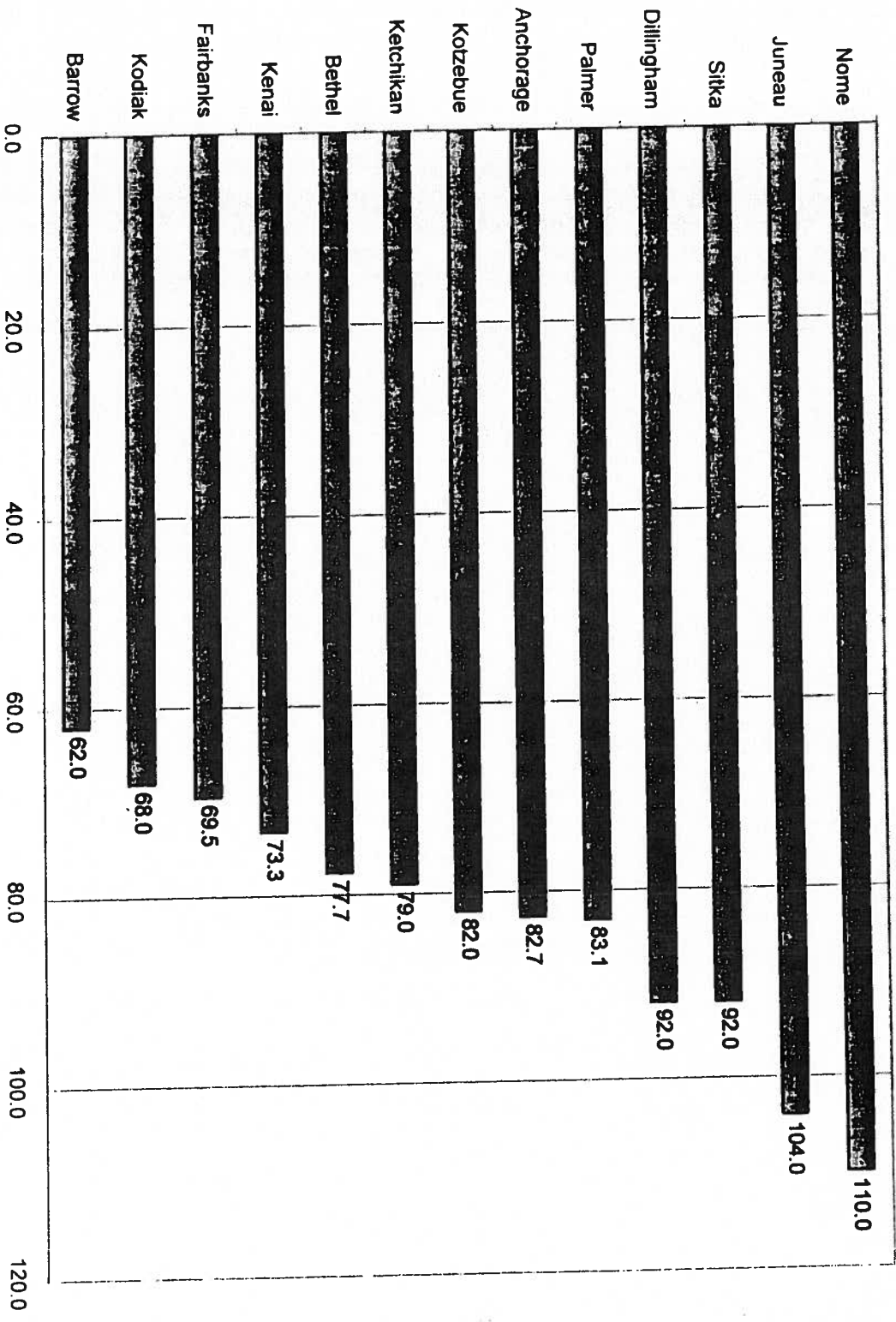
Other witnesses for the State are in a similar position. As expressed by members of the community during the recent meeting, they want more communication, and some of that is made difficult by the current arrangement. For example, if the State had several trials it wasn't sure would resolve left on the calendar, it would not know which witnesses, if any to ask to be available to meet after court on Monday or Sunday night. Whereas a pretrial the week before would give some guidance as to whether the trial remains as set, will be moved, or will resolve. This also gives the State time to prepare witness lists, jury instructions, exhibit lists etc.

My proposal is that we move the pre-trials to the week prior, much like is done for Kake, and that we leave substantive hearings for court week, i.e. changes of pleas etc. For example, if a defendant wanted to plead out Monday, it would be set as a change of plea. This change would benefit victims of crimes because it would give the State time to contact those individuals and plan to attend, if they chose to do so. Right now the State is often put in the position that it has to scramble to tell a victim to come to court if they want to be present for the change of plea or sentencing. Of course the State could ask to put the hearing off to allow for more time to make those arrangements, but that would seemingly burden your honor's calendar for other communities. Frankly, the change could also be

Caseload Total per Prosecutor

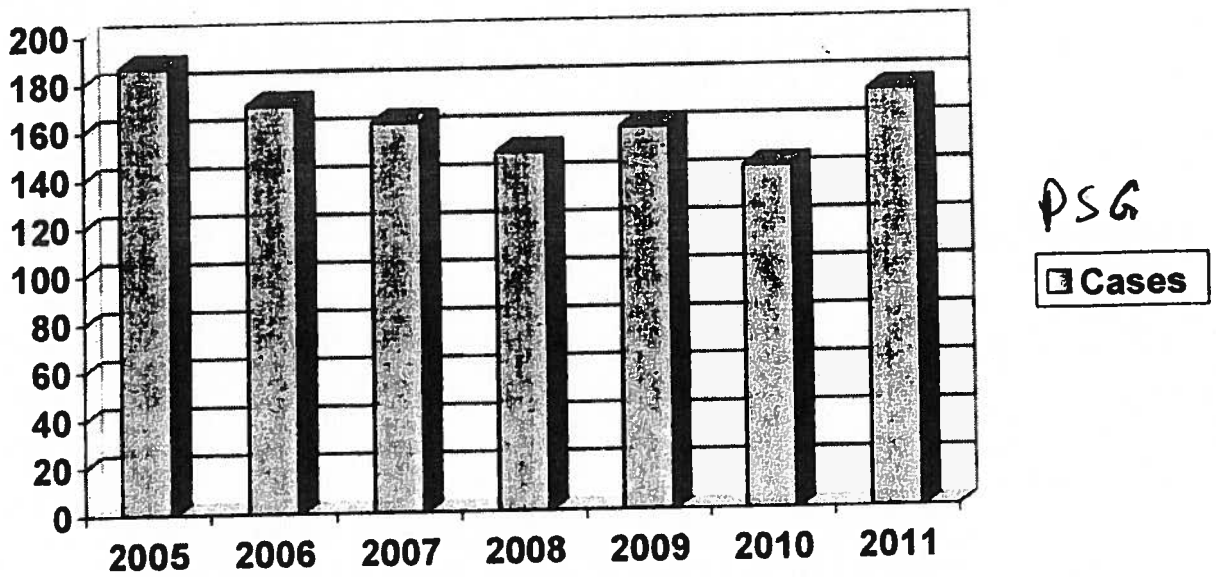
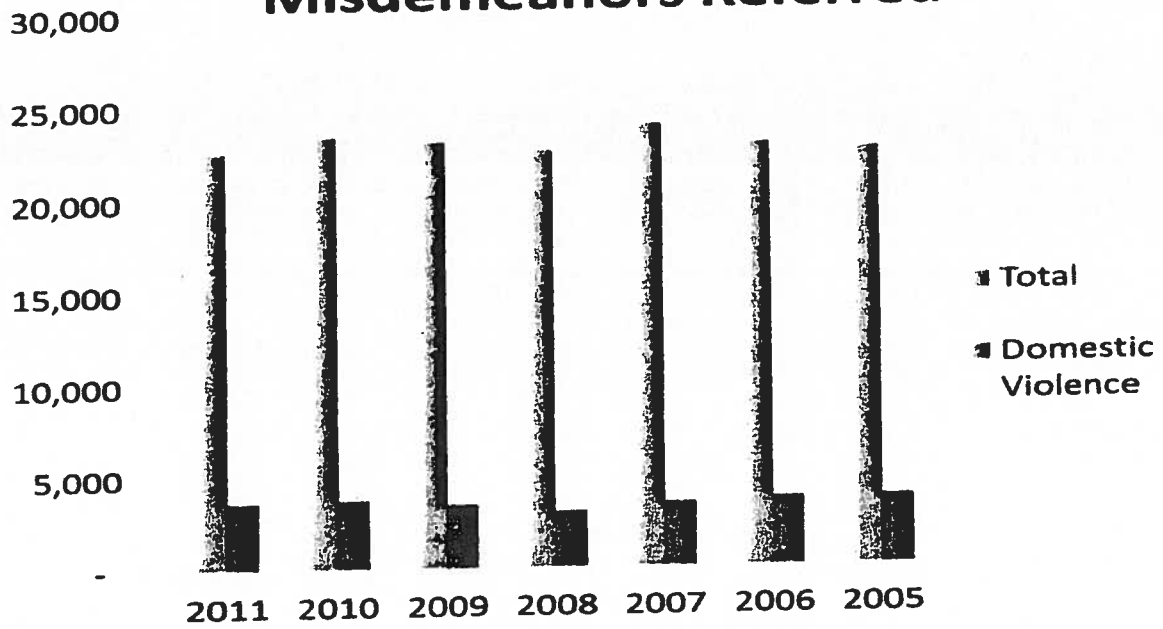


Felonies



■ Felonies

Misdemeanors Referred



MEMORANDUM

STATE OF ALASKA
Department of Law
Juneau District Attorney
465-3620 PHONE
465-3919 FAX

To: Rick Svobodny
Deputy Attorney General

Date: March 9, 2012

From: David Brower *Dave*
District Attorney

Subject: Petersburg Plan

Rick,

The Juneau District Attorneys Office has implemented the following regarding Petersburg's concerns:

- Maintain contact with Petersburg Police Department about their cases. This includes calls and emails to the case officers, with copies, as appropriate, to the chief. This contact would include requests for further investigation if necessary before a case is accepted or declined. This should help PPD to improve the cases that are referred;
- Keep track of the contacts with PPD by email or phone. This is important because there is a misperception that our office does not have any contact with the police department;
- The attorney assigned to Petersburg will travel to Petersburg on Sunday for court to allow time to contact both police and possible witnesses.
- I will be kept apprised of issues that may develop regarding communication with the PPD and our office. I will endeavor to keep abreast of the Petersburg case load;
- I have attached Ms. Angie Kemp's email she sent to various parties with an interest in the Petersburg Calendar regarding having pre-trial hearings the week before the Petersburg calendar. I have attached the responses of Superior Court Judge Carey, Petersburg Magistrate Desi Burrell, Assistant Public Defender Eric Hedland, and Dennis McCarty, another attorney who practices regularly in Petersburg.

before a case is accepted or declined. This should help PPD to improve the cases that are referred;

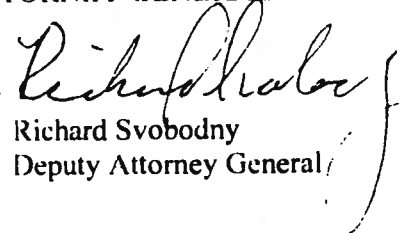
- Keep track of the contact with PPD by email or phone. This is important because there is a misperception that our office does not have any contact with the police department;
- The attorney assigned to Petersburg will travel to Petersburg on Sunday for court to allow time to contact both police and possible witnesses.
- I will be kept apprised of issues that may develop regarding communication with the PPD and our office. I will endeavor to keep abreast of the Petersburg case load;
- I have attached Ms. Angie Kemp's email she sent to various parties with an interest in the Petersburg Calendar regarding having pre-trial hearings the week before the Petersburg calendar. I have attached the responses of Superior Court Judge Carey, Petersburg Magistrate Desi Burrell, Assistant Public Defender Eric Hedland, and Dennis McCarty, another attorney who practices regularly in Petersburg.

The first four bullet points relate to better communications. A collaborative effort is important and will be helpful. The fifth bullet point will create additional hearings a week before the regular monthly calendar. The idea is not to make more work, but rather is an attempt to have the prosecution and defense make decisions earlier in the process so there will not be the last minute pressure to resolve matters quickly in Petersburg's trial week when there is less time for meaningful discussion of cases. I am attaching the e-mails that more fully describe this concept. If Mr. Brower's plan does not appear to be working in the next few months, I will review options of moving an attorney from another location, or reassign duties of attorneys working on other matters, to assist in solving this problem. The potential downside to this approach, and the reason that I am not doing it now, is to do so may just move the concerns about adequate staffing from one community to another.

Sincerely,

MICHAEL C. GERAGHTY
ATTORNEY GENERAL

By:


Richard Svobodny
Deputy Attorney General

Attachments

Senator Stedman
Re: Prosecutorial Services in Petersburg

March 19, 2012
Page 3

The total numbers of cases that are opened in an office are the numbers reflected in the column labeled "formula." This consists of felony cases, misdemeanor cases and other matters – in that order. Other matters are appeals, extraditions, juvenile delinquency case, general litigation, investigations, petitions to revoke probations and other aid to agency matters. The bar graphs which are attached to this letter consist of felony caseloads (which generally, are the more complex cases that take more time) and a combination of felony and misdemeanor cases that most people think of when they think of caseloads. In other words, the bar graphs do not contain the "other matters" which are included in the table.

As explained above, there are many factors to consider before comparing office to office numbers. You will see that Juneau and Ketchikan are within one case of each other for average caseload, although Ketchikan is one half the size of Juneau. In Juneau, most misdemeanors are prosecuted by the municipality and, hence, these crimes are not referred to the Juneau DAO. Juneau's caseload does not contain the large number of misdemeanor domestic violence (DV) assaults which exist in Ketchikan. This is because in Juneau these most difficult and numerous DV cases are prosecuted by the city. On the other hand, Juneau has the second highest felony caseload in the state, where Ketchikan is right in the middle. Ketchikan is responsible for fewer outlying communities but handles Prince of Wales Island, which just a few years ago had the fastest growing crime rate in the state.

I have taken some time to compare Juneau and Ketchikan because they both have three Department of Law attorneys and the same overall caseload, yet there are reasons behind the numbers that need to be taken into account when comparing the two offices. Ketchikan has fewer felonies, more DV misdemeanors, three judges and three public defenders. In Juneau, half the crimes are prosecuted by the city, including DV cases. The staffing in Juneau and Ketchikan are the same, but there are four judges and five public defenders in Juneau and in Ketchikan there are two superior court judges (one of whom is the Wrangell/Petersburg judge but who is working out of Ketchikan), one district court judge and three public defenders.

Turning specifically to Petersburg, the attached two bar graphs titled Misdemeanor Referrals show statewide referrals of misdemeanors (top graph) compared to Petersburg (bottom graph). The statewide trend for the last seven years for misdemeanors has been essentially flat. For Petersburg the trend has been declining except for the last year. From 2005 to 2010 the crime rate for Petersburg has declined. 2011 shows an increase in referrals, which may portray an increase in the crime rate, or may indicate other issues, like less experienced officers, change in policy or change in what is referred. It is too soon to make a determination of the cause. However, if 2011 does indicate a crime rate increase, more resources need to be directed to Petersburg.

I am attaching District Attorney Brower's plan for an increased presence in Petersburg, but an outline of his plan is:

- Maintain contact with Petersburg Police Department about their cases. This includes calls and emails to the case officers, with copies, as appropriate, to the chief. This contact would include requests for further investigation if necessary

An alternative approach to determining whether resources are adequately distributed is to look at whether the justice system is appropriately balanced in a community. Because the Juneau District Attorney's Office is responsible for the prosecution of cases in Petersburg, it is a good location to illustrate this point. Juneau has three attorneys in the District Attorney's Office. The Public Defender's Office has five attorneys. Both offices are responsible for the same territory stretching from Yakutat to Petersburg. There are two superior court judges, two district court judges and a part time master in Juneau. There are four magistrates in the communities outside of Juneau. There are two contract OPA lawyers and a vigorous defense bar in Juneau.

The way any participant in the justice system is staffed affects the other participants. An additional district court judgeship was filled last year in Juneau without going through the usual process of legislative creation and appropriation. The court system was able to fill a dormant statutory position which they agreed to leave open in 1976 in exchange for a full time superior court judge in Sitka, leaving the Sitka district court position vacant. Normally when the court system requests a new judge, the Department of Law requests that the legislature create a new Department of Law position because, to be succinct, more judges means more hearings and Law needs to be present for those hearings. Four judges and five public defenders make it impossible to cover all courts at the same time, especially if Petersburg and the other three communities with magistrates also set hearings at the same time. With this as background, here are the caseloads for each office.

Office	Formula	# of DAs	Total
Anchorage	2890 + 3576 + 3179	/ 35	275.6
Barrow	124 + 665 + 169	/ 2	479.0
Bethel	544 + 2230 + 301	/ 7	439.3
Dillingham	184 + 486 + 159	/ 2	414.5
Fairbanks	973 + 4138 + 608	/ 14	408.5
Juneau	312 + 982 + 175	/ 3	489.7
Kenai	664 + 2926 + 399	/ 9	443.2
Ketchikan	237 + 1061 + 145	/ 3	481.0
Kodiak	136 + 510 + 139	/ 2	392.5
Kotzebue	164 + 760 + 73	/ 2	498.5
Nome	220 + 837 + 142	/ 2	599.5
Palmer	915 + 3646 + 449	/ 11	455.5
Sitka	92 + 552 + 37	/ 1	681.0

STATE OF ALASKA

DEPARTMENT OF LAW CRIMINAL DIVISION

**SEAN PARNELL,
GOVERNOR**

Mailing: PO Box 110300
Juneau, AK 99811-0300
Delivery: 123 4th Street, Ste. 450
Juneau, AK 99801
Phone: (907) 465-3600
Fax: (907) 465-4043

March 19, 2012

The Honorable Senator Bert Stedman
Alaska State Capitol
MS 3100, Room 516
Juneau, Alaska 99801-1182

Re: Prosecutorial Services in Petersburg

Dear Senator Stedman,

This letter is in response to your inquiry regarding the criminal division's caseload and how the Juneau District Attorney's Office will be responding to a perceived decline in prosecutorial services in the community of Petersburg. These inquiries are, to some extent, linked. I will respond to each inquiry separately, but caseload (that is, the amount of labor that each attorney or each office is engaged in measured by the number of cases) is difficult to look at globally. For example, in a two attorney office, one attorney may have 500 cases assigned and the other 50 cases. This may seem, from a management point of view, to be an imbalance in the assigned work. However, in this example, the lawyer with 50 cases may be assigned serious felony matters like sexual abuse of minors or homicides, while the attorney who would appear to have more work, the 500 cases, could be assigned mostly commercial fishing violations where the likelihood of going to trial is small. This example was typical of Dillingham about ten years ago. To resolve this issue we created a position in the Office of Special Prosecution and Appeals to handle commercial fish and game violations on a statewide basis. Now we have two attorneys in Dillingham, each with a mixture of felony and misdemeanor cases.

In Anchorage, the District Attorney's Office is divided into several units; Violent Crimes, Narcotics Unit, Property Crimes, Sensitive Crimes, and Misdemeanor Unit. This organizational structure better fits the state's largest district attorney office than other offices. The number of cases per attorney between the units can substantially vary because of the nature of the cases. By their nature, felony cases, with more procedural safeguards, take substantially more work than misdemeanors. Looking at caseloads, say in the Misdemeanor Unit, a manager must be aware of the details of what the individual attorneys are doing in order to determine if the caseload is balanced. An example of this is that several years ago we had two attorneys assigned to do one misdemeanor DUI case. The lawyers worked on this case almost exclusively while other attorneys in the unit had caseloads in the hundreds with dozens of DUIs. The one case that required two attorneys was Joe Hazelwood's DUI for the incident that occurred while he was captain of the Exxon Valdez. These examples demonstrate that caution must be used when viewing the caseload numbers embedded in and attached to this letter.



PROFESSIONAL SERVICES CONTRACT

This professional services agreement is entered into between the City of Petersburg (City), P.O. Box 329, Petersburg, AK 99833, and Alaska Power & Telephone, P.O. Box 647, Petersburg, AK 99833.

Whereas, the City is in need of a qualified and experienced consultant to perform the professional services as identified in the City RFP attached to this contract, and

Whereas, the Consultant's proposal has been ranked highest out of the submitted proposal pool, according to the RFP evaluation criteria.

In consideration of the mutual terms and conditions set forth below, the parties agree as follows:

1. Scope of Work. Consultant shall perform the services as described in the RFP and the consultants responding proposal dated 3/15/2012, which is hereby incorporated as part of this Agreement.

All considerations of the contracted work will be coordinated through the City Manager or his designee.

2. Payment. City shall pay Consultant for the work described, the not-to-exceed sum of \$208,554.00 including all materials, labor and associated work. Payment shall be made by the City to the Consultant as follows: 50% up front, with 50% upon completion.

3. Completion Date and Delay Damages. The work will be completed by _____ unless an extension is agreed to in writing and signed by both parties. Delay damages of \$50 per day will be charged for each day after the completion date in which the work is not complete.

4. Changes in the Scope of Work. No additional scope of work under this Agreement shall be performed unless Consultant and City have mutually agreed and have executed a written amendment to this Agreement.

5. Conflict of Interest. Consultant will not rent or purchase any equipment or materials from, or extend any loan, gratuity or gift, to any employee or elected official of the City without express prior written approval of the City. Consultant warrants that no employee or elected official of the City, and no other person or agency, has been employed by Consultant or secure this contract upon an express or implied agreement or understanding for a bribe, kickback, commission, percentage fee, finder's fee, contingent fee, or brokerage fee.

6. Warranty. Consultant warrants and guarantees that all professional services performed under this contract shall meet the professional standards of quality and standards of care applicable to the Consultant's profession.

7. Insurance. Consultant shall purchase, at its own expense, and maintain in force at all times during the performance of services under this contract, public liability, property damage, and comprehensive general liability insurance coverages with minimum limits of \$1,000,000 per occurrence and \$2,000,000 in aggregate, and workers compensation and employer's liability coverage as required by law. The City is to be named as an additional insured on Consultant's policies. **Consultant shall provide the City with certificates of insurance evidencing this before beginning work.** All such insurance shall be maintained in force up to the date of final payment by the City.

8. Sub-Consultants and Suppliers. The Consultant is responsible to the City for the acts and omissions of its sub-Consultants, suppliers and their employees; however, nothing contained in this paragraph shall create a contractual relationship between any sub-Consultant and supplier and the City, nor shall it relieve the Consultant of any liability or obligation under this contract.

9. Jurisdiction, Venue and Costs of Litigation. Consultant agrees that the Superior Court for the State of Alaska has personal and subject matter jurisdiction over Consultant and this contract, and that venue for all disputes is proper in the First Judicial District at Petersburg, Alaska. If the City is required to file suit to enforce the provisions of this contract and is the prevailing party, Consultant agrees that the City may recover its full reasonable attorney's fees and costs from Consultant.

10. Indemnification. The Consultant shall indemnify, save harmless and defend the City, its officers, employees, and agents from all liability, including costs and expenses of defense, for all actions or claims resulting from injuries or damages sustained by any person or property, directly or indirectly, as a result in whole or in part of any error, omission or negligent act of the Consultant or any sub-Consultant or any person or entity directly or indirectly employed by them in the performance of this contract.

11. Assignment. The Consultant shall not assign or transfer its right, interest, or obligations under this contract without the express prior written consent from the City.

12. Default. If the Consultant defaults or fails to perform in accordance with any term of this contract, the City may give the Consultant five (5) days written notice of the City's intent to terminate the work. During these five days the Consultant will have an opportunity to remedy the default. If Consultant fails to remedy the conditions constituting default within the time allowed the City may terminate the work. Upon termination the City may take possession of the work and complete the work by whatever method the City selects without further notice. Consultant shall be liable to the City for whatever costs and expenses it incurs in completing the work, whether performed by the City itself or by another Consultant.

13. Alaska Law Governs. This Agreement shall be enforced in accordance with the laws of the State of Alaska. In the event that any provision of this Agreement is held to be invalid, the remaining provisions will be given full force and effect.

14. Complete Agreement. This contract contains complete agreement of the parties. There are no other terms, conditions or agreements, express or implied, between the parties relating to this contract or the work to be performed under this contract. The contract may only be modified in writing, signed by the City and Consultant.

15. Start Date. This contract shall not be in effect until both the Consultant and the City Manager have signed it. The City shall not pay Consultant for any work performed before both parties sign this contract.

16. Equal Employment Opportunity. It is the policy of Alaska Power & Telephone to provide equal employment opportunity without regard to race, color, age, religion, sex, sexual orientation, national origin, marital status, changes in marital status, pregnancy, parenthood, creed, veteran's status, veteran's disability, physical or mental disability. Alaska Power & Telephone intends that all matters related to recruiting, hiring, training, compensation, benefits, promotions, transfers, terminations and layoffs and recalls, as well as all company sponsored social and recreational programs and all treatment on the job be free of unlawful discriminatory practices.

City and Consultant acknowledge that they are in agreement with the terms and conditions set forth above.

CITY OF PETERSBURG

By: _____
Stephen Geisbrecht

Its: City Manager

Date: _____

By _____

Its: _____

Date: _____

RFP Evaluation Worksheet

3/20/12

Proposal: Sentinel Patriot E911 System with Comand Post

Proposing Company:	AP+T
Scored by:	A. Workatch, J. Holten, H. Agner

Responsiveness to RFP requirements

	Yes	No
Deadline met?	✓	
Proposal 10 pages or less?	✓	
Title Page included?	✓	
Table of Contents?	✓	
Transmittal letter signed?	✓	
Experience detailed?	✓	
Project Engineer identified?	✓	
Key project staff & subcontractors identified?	✓	
Resources identified?	✓	
Contractor location identified?	✓	
Methodology decribed?	✓	
Fee Schedule included?	✓	
Cost Estimate?	✓	

Evaluation Criteria and Scoring

1. Experience - 30 points possible

Comments:

Max Score		Rating Factor		Final Score
30	X	.8	=	24

2. Project Engineer/Manager - 10 points possible

Comments:

Max Score		Rating Factor		Final Score
10	X	.8	=	8

3. Methodology/Approach - 20 points possible

Comments:

Max Score	Rating Factor	Final Score
20 X	.8 =	16

4. Available Resources - 5 points possible

Comments:

Max Score	Rating Factor	Final Score
5 X	.8 =	4

5. Contractor Location - 5 points possible

Comments:

Max Score	Rating Factor	Final Score
5 X	1 =	5

6. Cost - 30 points possible

Comments:

Max Score	Rating Factor	Final Score
30 X	.8 =	24

Overall Final Score	81
Total Available	100

RFP Evaluation Worksheet

3/20/12

Proposal: Sentinel Patriot E911 System with Comand Post

Proposing Company:	Motorola Solutions, Inc. (Procomm)
Scored by:	A. Workatch, H. Agner, + J. Holten

Responsiveness to RFP requirements

	Yes	No
Deadline met?	✓	
Proposal 10 pages or less?		
Title Page included?	✓	
Table of Contents?	✓	
Transmittal letter signed?	✓	
Experience detailed?	✓	
Project Engineer identified?	✓	
Key project staff & subcontractors identified?	✓	
Resources identified?	✓	
Contractor location identified?	✓	
Methodology described?	✓	
Fee Schedule included?	✓	
Cost Estimate?	✓	

Evaluation Criteria and Scoring

1. Experience - 30 points possible

Comments:

Max Score	Rating Factor	Final Score
30 X	1 =	30

2. Project Engineer/Manager - 10 points possible

Comments:

Max Score	Rating Factor	Final Score
10 X	1 =	10

3. Methodology/Approach - 20 points possible

Comments:		

Max Score		Rating Factor	=	Final Score
20	X	1	=	20

4. Available Resources - 5 points possible

Comments:		

Max Score		Rating Factor	=	Final Score
5	X	.6	=	3

5. Contractor Location - 5 points possible

Comments:		

Max Score		Rating Factor	=	Final Score
5	X	.2	=	1

6. Cost - 30 points possible

Comments:		

Max Score		Rating Factor	=	Final Score
30	X	0	=	0

Overall Final Score	64
Total Available	100

CITY OF PETERSBURG, ALASKA

Resolution #2008

A Resolution Supporting SEAPA's Comments to the Southeast Alaska Integrated Resource Plan

WHEREAS, Southeast Alaska Power Agency (SEAPA) has made written comment, dated March 26, 2012, to the Alaska Energy Authority regarding the Draft Southeast Alaska Integrated Resource Plan (SEIRP), and

WHEREAS, the City of Petersburg is a member of SEAPA and the City's voting delegate and alternate to the SEAPA Board are afforded full opportunity for participation in the planning, reviewing, funding, construction, management and operation of existing and future electrical projects of the Agency and have full voting rights, and

WHEREAS, Petersburg City Council has reviewed SEAPA's March 26, 2012 comments to the draft SEIRP.

THEREFORE BE IT RESOLVED that the City Council for the City of Petersburg, Alaska is hereby on record supporting and echoing Southeast Alaska Power Agency's March 26, 2012 written comments to the Draft Southeast Alaska Integrated Resource Plan. The Council urges the Alaska Energy Authority to give serious consideration to the comments, suggestions and recommendations made within the comment document.

Passed and Approved by the Petersburg City Council on April 2, 2012.

Al Dwyer, Mayor

Attest:

Kathy O'Rear, City Clerk



1900 1st Avenue, Suite 318
Ketchikan, Alaska 99901
Ph: (907) 228-2281 • Fax: (907) 225-2287
www.seapahydro.org

March 26, 2012

Delivery Via Email to istrandberg@aidea.org & U.S. Priority Mail

Mr. Jim Strandberg
AEA SEIRP Project Manager
Alaska Energy Authority
813 West Northern Lights Boulevard
Anchorage, Alaska 99503

**Re: Comments to the Draft Southeast Alaska
Integrated Resource Plan (SEIRP)**

Dear Mr. Strandberg:

We appreciate the opportunity to provide comments to the draft SEIRP report issued in December. This was a difficult project to undertake given the unique geographical and mostly isolated nature of the region's utilities and population centers. The stated goals of the study, including identifying the sequence of resource development projects were unrealistic given budgetary and time constraints. As the report correctly states, numerous additional studies are recommended, which will require very significant funding. This will be discussed in greater detail later in this comment letter. Our comments are presented in two categories; the first are overarching comments highlighting some major concerns and issues, and the second are comments specific to portions of the report.

Overarching Comments:

- Public/stakeholder involvement was very limited. While the AEA and Black & Veatch (B&V) did attempt to visit almost all of the communities in the region, this effort was woefully inadequate if the real intent was to have direct public involvement in the process. An IRP should be a transparent and participatory planning process. It contrasts with traditional planning that is typically 'top-down', with public consultation occurring only as a last step, when plans are virtually complete. A successful IRP process starts at the 'bottom' and works its way up. If you want the public and ratepayers to be part of the solution, they must be aware of the problem so the needs and ideas of all parties with a stake in the future of energy resources are considered. This is particularly true with respect to the significant Demand Side Management (DSM), Energy Efficiency (EE) and Biomass recommendations. The general public was simply not sufficiently involved in the process. We perceive this as a significant flaw in the SEIRP process.
- As stated above, the report recommended an aggressive DSM/EE and Biomass implementation program. This will be a significant effort that could take decades and will require, as the report states, tens of millions of dollars. The probability of success is

SOUTHEAST ALASKA POWER AGENCY

Mr. Jim Strandberg
March 26, 2012
Page 2

very uncertain at this point. This is a massive undertaking and if this is to be successful, the public must become involved as they are being asked to change their 'behavior' with respect to energy consumption and choice of fuels for space heating.

- The hydro engineering effort in the SEIRP scope of work was woefully inadequate. This is particularly true if a goal of the SEIRP was to develop a prioritized list of hydro projects to be added in the region. The report correctly concluded that this could not be accomplished within the budget without producing questionable results. The report recommends significant funds to conduct detailed hydro engineering. SEAPA supports the immediate funding for these efforts.
- We strongly agree with the SEIRP finding that there is a Hydro Storage Capacity Shortfall in Southeast Alaska and the SEAPA region. We are currently working to develop projects that will enhance hydro storage capacity. These efforts are vitally important to SEAPA and the region.
- Incorrect Load – Resource Model: B&V system modeling used a mathematical model designed for very large, interconnected, multiple-path, thermal systems where hydro generation plays a limited role. No reservoir accounting (tracking water levels) was possible with the B&V model. Our (SEAPA) system is the complete opposite of the B&V approximation. We are a 100% hydro system, with simple transmission paths where an understanding of hydro operations and water management govern the modeling process.
- No quantitative reasoning, based on a mathematical assessment of the region's load growth was performed. A 'rule of thumb' of .5% compounding load growth for the reference case, and 1% compounding rate for the high case was assumed. Some discussion with utilities concerning short-term and long-term growth patterns occurred, but the intent of a more in-depth analysis was not conveyed to the utilities. In some cases, utility information concerning known load growth was ignored. Often IRP studies utilize a practice where the high and low-case forecasts are equally distributed about the reference case, and include a discussion about what must occur so that the equally probable cases are considered. Creating load forecast in this fashion is more productive as capital expansions are more likely to match future loads in the long term. B&V's report did not offer probabilities for the high and low cases. This leaves the question: "What load case is most applicable to the utility and why?" Effective forecast scenarios should be utilized to assess whether the IRP includes sufficient flexibility for cost-effective modification even if demand is higher or lower than anticipated.
- Please refer to Table 17-18 on pages 17-33 to 17-34 in Volume 2 of the report. This table entitled "Regional Supporting Studies and Other Actions" presents "estimates of the regional investment and program development costs necessary to conform, refine, and initiate the programs identified in the preferred expansion plan". The total estimated costs in this table are \$23,425,000 for the following:

SOUTHEAST ALASKA POWER AGENCY

Mr. Jim Strandberg
 March 26, 2012
 Page 3

Regional Biomass Conversion Program Startup Costs	\$2,225,000
Formation of Regional DSM/EE Entity Startup Costs	\$500,000
Formation of Regional Biomass Conversion Entity Startup Costs	\$500,000
Hydroelectric Project-specific High Level Reconnaissance Studies	\$2,000,000
Hydroelectric Project-specific FERC License Application Preparation	\$10,000,000
Regional/Technical/Economic Market Potential Assessment of Non-Hydroelectric Renewable Technologies	\$500,000
Other Renewable Project-specific High Level Reconnaissance Studies	\$1,000,000
Support Tidal/Wave Technology Development	\$1,000,000
Develop Standard Power Sales Agreement	\$200,000
Consider Development of Open Access Policy and Related Tariff (including terms and conditions of service)	\$250,000
Update Southeast Alaska IRP in 2014	\$750,000
Support Development of Tariff Structures That Better Reflect Costs	\$1,550,000
Support Development of Weather Normalized Load Forecasts	\$375,000
TOTAL	\$23,425,000

It is recommended that all of the above 'tasks' be accomplished between 2012 – 2014. This is a daunting list of studies and tasks within a very limited timeframe. This begs the following questions:

1. Who is going to take the lead role in the execution of these program development tasks?
 2. These programs will have to be funded by the State of Alaska. Who will be requesting these funds?
 3. Does the AEA support the completion of these tasks? Does the AEA believe it should be the lead State Agency in the execution of these tasks?
- In our opinion, all of the above tasks with the exception of specific hydro-related development costs will require a regional effort. The AEA should take the lead role with the identification of the program development tasks and the funding of these significant program costs.
 - In summary, the report clearly recommends DSM/EE and Biomass programs as a preferred path forward for most of Southeast Alaska's subregions. This is a monumental paradigm shift for the region and will require a very significant and intense effort if this recommendation has any chance of being successful. The State of Alaska must indicate its support or non-support of the report's recommendations as well as the report's recommendations for implementing the program. The region's utilities (including SEAPA) simply cannot 'hang in limbo'. Loads must be met and diesel generation to meet loads is not an acceptable long-term solution. We formally request a response from the AEA on how it intends to move forward with the report's DSM/EE and Biomass recommendations.

SOUTHEAST ALASKA POWER AGENCY

Mr. Jim Strandberg
March 26, 2012
Page 4

Report Specific Comments:

- The Kake to Petersburg Intertie (KPI) and the Metlakatla to Ketchikan Intertie (MKI) were 'Committed Projects', which means they were not evaluated as were other transmission segments. We are not questioning whether they should have been committed projects but endeavor to point out that a SEAPA-system Integration Analysis needs to be completed to ensure that there will be power and energy that can flow over the KPI line to Kake. This analysis was not included in the SEIRP and needs to be completed.
- Table 1-2 on page 1-15 is misleading with respect to categorizing hydro projects by 'Storage' or 'Run-of-River' projects. For example, the Cascade Creek project is classified as a 'Storage' project but in reality has very little storage capability as currently designed. The Tye New Third Turbine is classified as a 'Storage' project for unexplained reasons. Adding additional generation at an existing project does generally increase storage. There is wide variation in storage capability at the projects listed however no definition of that storage is contained in the table. This table should be refined to better demonstrate the monthly generation characteristics of the projects.
- Table 1-4 on page 1-20 entitled "Results of Transmission Interconnection Public Benefit Evaluation" presents the findings in a Benefit-Cost ratio. While this analysis is common in the industry, it would be more easily understood by the general public and ratepayer if the results were in a form that reflects the cost of power to the ratepayer if a specific segment were built.
- The DSM load forecasts in the Executive Summary are a concern. As previously discussed, the successful implementation of DSM/EE and Biomass programs is, at this point in time, uncertain. SEAPA and its member utilities cannot simply wait hoping that these programs will be successful. Loads must be met and diesel generation is not an acceptable long-term solution.
- We strongly disagree that additional storage hydro will not be needed until the year 2044 as shown in Table 1-11 on page 1-50 of the Executive Summary. We have a demonstrated need for additional storage now and are working on solutions specific to this problem.
- Recommendation #4 on page 1-52 of the Executive Summary which states "The State and the region should develop a public outreach program to inform the general public regarding the Southeast Alaska IRP ..." is strongly supported by SEAPA; however, this should have been part of this project and explicitly included in the Scope of Work. It is simply unacceptable to produce a report and then fail to explain the report and its findings to the communities. This again demonstrates the lack of grass roots public and stakeholder involvement.

Volume 2:

- **Page 2-6, Section 2.4 Stakeholder Input Process.** The flow chart shows that following the public comment period, a Final Report will be issued and then Public

SOUTHEAST ALASKA POWER AGENCY

Mr. Jim Strandberg
March 26, 2012
Page 5

Presentations on the Final Results, Conclusions and Recommendations will take place. How extensive will the Public Presentations be? Will the contractor be presenting this in each of the communities? As previously discussed above, this is vitally important if the public is expected to 'buy in' with respect to the problems and recommendations.

- **Page 3-3, Section 3.2.1 Uniqueness of Southeast Alaska.** The issue 'Inflexible Utility Business Structure' was removed in the Executive Summary and should also be removed from this section. The description is inaccurate and misleading at best. SEAPA is not only obligated to serve the three communities of Wrangell, Petersburg, and Ketchikan. There is a Power Sales Agreement in place between SEAPA and those three communities. It is worth noting that the current Power Sales Agreement contains the same basic provisions that the State of Alaska (as then owner of the Four Dam Pool hydro projects) negotiated with the Four Dam Pool communities in 1985. While SEAPA does not have open access 'rules' per se, there has never been a request by anyone to interconnect into the SEAPA system. SEAPA's only concern with any interconnection is that the current ratepayers are not negatively impacted by the interconnection and that reliable delivery of power to the current ratepayers is not compromised. The statement that the SEAPA system is not economically dispatched is incorrect. There is no explanation in the report how the contractor arrived at that conclusion. The last sentence is editorial and without basis. Negligence is transparent when these types of findings are included in a professional engineering study without any detailed explanation or basis.
- **Page 3-4, Section 3.2.3 Conversion to Electric Space Heating.** It should be noted that the State of Alaska has contributed grant funds to communities to convert from oil to electric space heating.
- **Page 3-6, Section 3.2.8 High Cost of Electricity.** We question the national average, which is a 2009 average rate stated as 9.82 cents/kWh. The contractor should provide a more updated national cost, which appears to be higher as indicated by Table 5.6B of the U.S. Energy Information Administration at www.eia.gov. For 2011, the national average was 9.99 cents/kWh.
- **Page 3-8, Section 3.2.11 Risk Management Issues.** SEAPA presently shields the risk of catastrophic failure from its member communities. That was one of the primary purposes for the creation of the Four Dam Pool, the Four Dam Pool Power Agency and SEAPA. SEAPA presently has a very proactive Risk Management and Mitigation program in place. We shared this with the contractor however it appears SEAPA's program was ignored.
- **Page 4-15, Section 4.1.25 Petersburg.** Petersburg is obligated to purchase power from SEAPA regardless of the source of generation, if available. The sentence should state: "Petersburg buys the vast majority of its power from SEAPA pursuant to a Power Sales Agreement". This same statement applies to Wrangell and Ketchikan as well.
- **Page 4-20, Section 4.2 General History.** Lake Tyee should be stated as Tyee Lake.

SOUTHEAST ALASKA POWER AGENCY

Mr. Jim Strandberg
March 26, 2012
Page 6

- **Page 4-25, Section 4.2.1.1 SEAPA System Region.** The Power Sales Agreement requires Ketchikan, Wrangell, and Petersburg to purchase power from SEAPA first except for locally owned projects that were online prior to 1985. The Power Sales Agreement was provided to the contractor. The language in this section should be changed to reflect the provisions of the Power Sales Agreement. The Swan-Tyee Intertie was not a 'largely state-grant financed' project. It was funded almost equally between the State and the Federal governments. The Swan-Tyee Intertie was developed only in part to transmit excess ("Additional Dedicated") power to Ketchikan. The completion of the Intertie will allow existing and new generation resources (including diesel) to be transmitted anywhere within the interconnected region – presently from Ketchikan to Petersburg.
- **Page 4-59, Section 4.3 Utility Systems.** In the third paragraph it states that the FDPPA began discussions to 'diversify' the agency. The correct word should be 'restructure'.
- **Page 4-60, Sections 4.3.1.2 and 4.3.1.3.** As stated previously, the Power Sales Agreement requires its members to purchase power from SEAPA regardless of the source (currently Swan or Tyee). While this may seem a minor point, the provisions of the Power Sales Agreement should be accurately stated.
- **Page 5-3, Table 5-1 Natural Gas Price Forecast.** We question this table in light of current pricing and recent price forecasts. The current Henry Hub price is much less than stated. The contractor should review current pricing and adjust the table as necessary.
- **Page 5-6, Table 5-3 Diesel Price Projections (all cases):** These tables are hard to read and confusing. It would seem a much simpler table could be provided while still exhibiting the price forecasts.
- **Page 5-10, Table 5-6 – Heating Oil Price Projections (all cases).** The same applies as above.
- **Page 6-2, Table 6-1 Cost of Capital and Fixed Charge Rates for the Southeast Alaska Utilities.** It is disappointing that, after considerable discussion about the benefits of longer term financing (50 years) for hydro projects, nothing was added here except for a comment that this would need State support. This is an important attribute and should not be summarily dismissed because State support is needed. The contractor should provide the data for inclusion within this table for a 50-year term.
- **Pages 9-1 to 9-12, Sections 9.0 to 9.5 – Financing.** This was generally a good discussion and we would expect a public presentation of these findings. As the proposed Watana Hydro Project in the Railbelt and the existing Bradley Lake project use a longer-term financing model (50 years), this discussion should extend to Southeast as well.

SOUTHEAST ALASKA POWER AGENCY

Mr. Jim Strandberg
March 26, 2012
Page 7

- **Page 10-2, Need to Develop Standardized Decision Package for Potential Hydro Projects and Linkage to Renewable Energy Grant Fund.** This is a good discussion and methodology. The requirement to have a business plan including power sales or power purchase agreements in place makes good sense and leads to the best uses for State capital.
- **Page 10-7, Table 10-2 Initial Screened Potential Hydro Project List.** As previously stated, the categorization of potential projects as storage is misleading. The amount of storage each project has and how that storage would match load profiles is missing. The contractor should be careful to avoid such broad characterizations.
- **Page 10-9.** In reference to the comment regarding removal of Lake Grace from further consideration: SEAPA disagrees with the contractor's decision to unilaterally remove this project from consideration. Admittedly, significant land use barriers exist but the project also has significant benefit. The decision to delete this project from further consideration should not be made and should be deleted.
- **Page 10-11, Table 10-4 Refined Screened Potential Hydro Project List.** As discussed above on a couple of occasions, the broad categorization of projects as either 'storage' or 'run-of-river' should be deleted. It is misleading and serves no purpose.
- **Page 10-15, Figure 10-3 SEAPA Annual Diesel Generation.** This table is poorly presented and misleading. The text block on the right (below the chart) accurately describes the challenges in determining the 'right' project to add to the system to meet load on a monthly and annual basis. Detailed hydro engineering needs to be accomplished before any of the projects listed can be determined as viable.
- **Page 10-24, Table 10-5 Generic Hydro Projects.** This is a nice table and is exactly the information needed for the evaluation of the list of projects discussed in Figure 10-3. However, Table 10-5 should include the cost of power from the generic project. It appears all the information is contained in the table to determine the cost. If possible, that should be added to the table on a MWh-basis.
- **Pages 11-1 to 11-28, Section 11-0 Other Generating Unit Alternatives.** Questions surface: With the dramatic decrease in natural gas prices, should there have been an analysis of that fuel source? SEAPA would have desired more in-depth analysis of geothermal potential on Bell Island. What steps should be taken to further evaluate this potential? What is the cost estimate for completing the next steps? Geothermal would have the advantage of delivering power 24/7/365 which could benefit the SEAPA system. It appears only a minimal effort of work was applied to this section which is disappointing. As such, the U.S. Forest Service anticipates publication of a notice later this month or April 2012 that a Draft Supplemental Environmental Impact Statement (DSEIS) for the Bell Island Geothermal Leases will be available on the web at http://www.fs.fed.us/r10/tongass/projects/nepa_project.shtml?project+35026 for public review and comment for a 45-day period following the date of publication. Notice of this publication through the IRP could be another avenue for the public to be apprised of this and given the opportunity to comment.

SOUTHEAST ALASKA POWER AGENCY

Mr. Jim Strandberg
March 26, 2012
Page 8

- **Pages 12-1, Section 12.0 Transmission Interconnection Alternatives.** This topic seemed to dominate discussion and is certainly controversial. While most everyone agrees that it would be desirable to have all of Southeast Alaska interconnected with a transmission system, the costs and economics of each segment must be part of the discussion. It would have been beneficial if the kWh cost to the individual ratepayer in the communities that would be interconnected with potential transmission lines was included in the results. Using 'Benefit/Cost' ratios do not communicate the cost of power to the ratepayer. The contractor should be encouraged to bring the transmission line evaluation 'down' to a level that the public can easily understand.
- **Page 12-9, Section 12.5.2 General Technical Considerations.** 'Lake Tyee' should be changed to 'Tyee Lake'. The Swan-Tyee Intertie is operated at 115 kV.
- **Page 12-40, Table 12.11 Basis for Estimated Transmission Interconnection Flows.** There is a typo in the 3rd column – first line. It reads '2,8002'.
- **Page 12-53, Section 12.8 – AK-BC Intertie:** This is the third study in the last six or eight years that has evaluated the economic potential of this interconnection. We agree that there is presently no economic justification for proceeding further in the evaluation of this project. However, this segment as well as other transmission segments, should be evaluated on a periodic basis to determine if market or resource conditions have changed significantly, which could enhance the development of these segments.
- **Page 13-1 to 13-30, Section 13.0 – Demand-Side Options.** This is an exhaustive and detailed discussion that will require extensive public education and awareness. Additionally, program implementation will require an extensive and expensive effort coordinated on a regional level. We added comments specific to this discussion earlier in this document but will emphasize once again that the State of Alaska (probably through the AEA) must take an active leadership and funding role if this program has any chance of being successful.
- **Page 15-16, Table 15-4 Southeast Alaska Annual Capital Costs – Heating Conversion to Pellets.** This table should be explained in a simplified manner for the reader. Our interpretation is that a capital cost of over \$43 million dollars is needed in 2012. How can this realistically be achieved? The practicality and feasibility of the numbers provided in this table are questionable.
- **Page 15-17, Section 15-6 Pellet Space Heating Program Issues.** The report recommends the formation of a Regional Biomass Conversion Program Office. Initial costs are estimated at \$2,725,000. There has been no discussion of this concept at any of the Advisory Committee meetings that I recall. The creation of this entity is daunting and begs several questions: How is the entity to be organized? How is it to be funded? Who is going to request this funding? Does AEA support this study recommendation and, if so, will it be providing the funding for this entity? As stated on several occasions in this letter, implementing this very aggressive biomass program (as well as DSM/EE)

SOUTHEAST ALASKA POWER AGENCY

Mr. Jim Strandberg
March 26, 2012
Page 9

will require extensive public education, public buy-in and capital. How is this going to be accomplished?

- **Challenges presented with the DSM/EE/Biomass Recommendations.** The successful implementation of these programs will require a high level of collaboration between the State and the region's communities and utilities. The State must take the lead role and provide the necessary funding, which will be substantial. Public education will take intensive community involvement. In spite of this, there may be long-term benefits by implementing a successful program. The AEA needs to let the region know whether they agree with the report findings and recommendations and whether it will take a leadership role in the implementation of these programs and provide the required funding. The SEIRP report can be a damaging document if hydro projects are delayed or postponed in the 'hopes' that the DSM/EE/Biomass programs might be successful and lower load growth. The region's utilities must take one path or the other.
- **Page 17-14, Section 17.1.2.1 Load Forecasts.** The contractor states that they believe that heating oil prices will trend back toward the medium heating oil prices presented in Section 5.0. That is a bold statement and an explanation is warranted. There are obviously many who believe the opposite is true so some good basis-backed discussion would be helpful.
- **Page 17-13, Table 17-5 Other Generating Alternatives.** Geothermal was not listed as a potential project and should be listed as a 'Specific Project Needs More Development'.
- **Page 17-36, Table 17-19 SEAPA Subregion Capital Costs.** Within this table, only one hydroelectric project is proposed and that is a 10 MW Generic project in Metlakatla. We question this finding for several reasons. First, this assumes that the very aggressive DSM/EE/Biomass program will be successful. At this point in time and with the large number of unknowns discussed previously, we question this assumption. For the sake of discussion, let's assume the program is successful and one 10 MW Generic project is required. How could the contractor possibly recommend that this project is located in Metlakatla? The contractor admits that the study's hydro engineering effort was insufficient and a prioritization of a project was not possible. How then could a generic project located in Metlakatla be the conclusion? Frankly, the hydro engineering effort that was part of this study was disappointing and inadequate. This finding only lends support to this opinion. The project to be built within the region must be a project that best matches the resource profile to the load profile and that can be located most anywhere within the interconnected SEAPA region. While it could be in Metlakatla, it could also be elsewhere. Please correct this finding and remove Metlakatla as the location for this project.
- **Page 18-4, Sections 18.5 and 18.6 DSM/EE and Conversion to Biomass Space Heating.** The following are a few quotes from these sections that pose significant challenges:

SOUTHEAST ALASKA POWER AGENCY

Mr. Jim Strandberg
March 26, 2012
Page 10

- "... Black & Veatch believes that a regional entity should be formed to develop and deliver the DSM/EE programs."
- "Until the detailed structure is developed, it is not possible to develop a financing plan."
- "The total DSM/EE costs for the region are considerable and estimated to be \$83.34 million for the first 10 years of the planning period."
- "The entity developed to deliver the DSM/EE services will have no source of revenue unless the utilities reimburse the entity for the services. Achieving this reimbursement will likely be problematic."
- "While it is not possible at this time to completely predict the structure of the DSM/EE programs, it appears likely that the programs will need to be financed in some way or another by State appropriations."
- "Financing for the conversion to biomass space heating is even more problematic than for DSM/EE for two reasons. First, the estimated capital requirements are much larger, estimated to be \$532.1 million compared to the \$83.3 million for the DSM/EE programs. Second, there is no commercial entity in place that directly benefits from the biomass conversion."
- "Once again it appears that some sort of State appropriation will be necessary to finance the biomass conversion costs."

The above quotes from the report pose daunting challenges and will require very significant State funding. The AEA, as sponsor of the SEIRP, needs to let SEAPA and the region know whether it supports these findings and recommendations and whether it will fund these very expensive efforts.

In closing, we appreciate the opportunity to comment on the draft SEIRP. Please contact us at your convenience should you have any questions with respect to these comments.

Sincerely,



Dave Carlson, CEO
Southeast Alaska Power Agency

SOUTHEAST ALASKA POWER AGENCY

Mr. Jim Strandberg
March 26, 2012
Page 11

cc: Governor Sean Parnell
Alaska State Capitol Building, Third Floor
P. O. Box 110001
Juneau, Alaska 99811-0001

Senator Bert Stedman
State Capitol, Room 516
Juneau, Alaska 99801

Representative Peggy Wilson
State Capitol, Room 108
Juneau, Alaska 99801-1182

Representative Kyle Johansen
State Capitol, Room 114
Juneau, Alaska 99801

SEAPA Board of Directors

Jeremy Maxand, Chairman, via Email to jmaxand@hotmail.com
Robert Sivertsen, Vice Chairman, via Email to rwsivertsen@gmail.com
Robert Larson, Secretary-Treasurer, via Email to robertlarson@fs.fed.us
Charles Freeman via Email to akobinc@kpunet.net
Andrew Donato via Email to andrewd@city.ketchikan.ak.us
Jay Rhodes via Email to jayr@kpunet.net
Joe Nelson via Email to pmp1@ci.petersburg.ak.us
Ted Smith via Email to tedsmith@aptalaska.net
John Jensen via Email to omasou64@yahoo.com
Brian Ashton via Email to ashtonb@ared.net

Ray Matiashowski, Lobbyist, via Email to raym@kpunet.net

Y:\IRP\2012 0326 Letter to Jim Strandberg re IRP - FINAL.docx

CITY OF PETERSBURG, ALASKA

Resolution #2009

A Resolution Amending the FY 2011/2012 Budget to Provide \$25,500 of Property Development Fund Money for the Purchase of a New Paging System at Mountain View Manor

WHEREAS, the total Mountain View Manor facility is in need of a new paging system,
and

WHEREAS, the current system used at Assisted Living has outlived its expected life, is considered obsolete, and could fail at any time, and

WHEREAS, the old pull cord system that was in place at Elderly Housing has been out of operation for over two years, and as a replacement system, the residents at the 24 Elderly Housing apartments and the 8 Retirement Community apartments are offered emergency call pendants that are the same as those mandated for use at Assisted Living and that are now considered obsolete, and

WHEREAS, the outdated paging system poses an emergency risk to many aged and vulnerable residents of our community who need to maintain a sense of security within their home, and

WHEREAS, the Mountain View Manor financial position does not provide for the cost of the replacement paging system to come from revenue generated by the facility, and

WHEREAS, the City's Property Development Fund, currently with a balance in excess of \$230,000 derived from the sale of real property over the last couple of years, was created for the purpose of purchasing and developing or improving real property, and

WHEREAS, replacement of the paging system at Mountain View Manor qualifies for use of Property Development Funds as the new system is an improvement to public property that helps assure future occupancy by demonstrating the facility's ability to continue to provide a safe and secure environment for residents.

THEREFORE BE IT RESOLVED that the City Council for the City of Petersburg, Alaska hereby amends the 2011/2012 fiscal year budget to allow for the purchase of a replacement paging system for Mountain View Manor from the Property Development Fund in an amount not to exceed \$25,500.

Passed and Approved by the Petersburg City Council on April 2, 2012.

Al Dwyer, Mayor

tyco

**Fire &
Security**

SimplexGrinnell

SimplexGrinnell
1901 Anka Street
Juneau, Alaska 99801

Tele: 907-789-4449
Fax: 907-789-4110
www.simplexgrinnell.com
lturi@simplexgrinnell.com

3-23-2012

Shelyn,
Here is the breakout. This is not a final bill of materials and part numbers and quantities may change. I hope this helps.
Thanks,
Lucas

CODE	LOC	PART #	QTY	MANUF	DESCRIPTION	PRICE	EXTENDED PRICE
5000060	FD	VP-2	30	VIS	ALPHA NUMERIC PAGER	\$99.00	\$2,970.00
5000060	HE	VL120	3	SYT	INDOOR REPEATER	\$314.70	\$944.10
5000060	HE	VL180	1	SYT	PAGER TRANSMITTER 2 WATT	\$680.00	\$680.00
5000070	FD	VL160-3	44	SYT	EMERGENCY STATION WIRELESS	\$67.00	\$2,948.00
5000070	FD	VL515	20	SYT	MINI TRANSMITTER LATCHING HANDSET W/SPEAKER AND 1 PENDAN	\$82.00	\$1,640.00
5000070	FD	VL990	20	SYT		\$260.00	\$5,200.00
5000070	HE	VL175- 16R	2	SYT	RELAY BOARD/TRANSLATOR COMPUTER FOR WLESS	\$395.00	\$790.00
5000070	HE	VL2500	1	SYT	NURSECALL	\$1,995.00	\$1,995.00
5010100		5010	1		FREIGHT	\$2,895.50	\$150.00
5020150		5020	30		FIRE ALARM SHOP LABOR	\$48.00	\$1,440.00
5028250		5028	60		D-B INSTALLATION LABOR	\$80.00	\$2,889.00
5040100		5040	2		TRAVEL/MEALS/EXPENSES	\$1,500.00	\$3,000.00
							\$24,646.10

Balance Sheet - Detail

260 - Property Development Fund

March 31, 2012

YTD - 2012

YTD - 2011

ASSETS

Current Assets

Cash and Investments					
000	101100	Cash Balance		412,424.76	236,896.79
		Cash and Investments		<u>412,424.76</u>	<u>236,896.79</u>
Receivables					
000	116100	Other Receivables State & Federal		0.00	0.00
		Grants and Loans		0.00	0.00
000	111130	Accounts Receivable		0.00	0.00
		Accounts		0.00	0.00
		Receivables		<u>0.00</u>	<u>0.00</u>
		Total Current Assets		<u>412,424.76</u>	<u>236,896.79</u>
		Total Assets		<u>412,424.76</u>	<u>236,896.79</u>

LIABILITIES

Current Liabilities

Accounts Payable					
000	201100	Accounts Payable System Generated		0.00	0.00
000	201110	Accounts Payable - Other		0.00	0.00
		Accounts Payable		<u>0.00</u>	<u>0.00</u>
		Total Current Liabilities		0.00	0.00
		Total Liabilities		<u>0.00</u>	<u>0.00</u>

EQUITY

Equities

Unrestricted (deficit)					
000	353100	Fund Balance - Unrestricted		256,020.51	684,474.39
000	353300	YTD Net Income		156,404.25	-447,577.60
		Unrestricted (deficit)		<u>412,424.76</u>	<u>236,896.79</u>
		Total Equities		412,424.76	236,896.79
		Total Equity		<u>412,424.76</u>	<u>236,896.79</u>
		Total Liabilities and Equity		<u>412,424.76</u>	<u>236,896.79</u>

Petersburg, Alaska, Code of Ordinances >> - PETERSBURG, ALASKA >> Title 4 - REVENUE AND FINANCE >> Chapter 4.35 - PROPERTY DEVELOPMENT FUND >>

Chapter 4.35 - PROPERTY DEVELOPMENT FUND

Sections:

4.35.010 - Creation of a property development fund.

4.35.020 - Purpose.

4.35.030 - Restrictions of fund.

4.35.040 - Earned interest.

4.35.010 - Creation of a property development fund.

There is created a city of Petersburg property development fund.

(Ord. 921 § 3 (part), 2008; Ord. 681 § 3 (part), 1991)

4.35.020 - Purpose.

The purpose of the property development fund is to provide funding for the purchase and development or improvement of real property owned by the municipality and for the administration of real property transactions, including, but not limited to, the sale, lease or trade of real property. The property development fund shall segregate funds received from the sale of city-owned real property.

(Ord. 921 § 3 (part), 2008; Ord. 787 § 3 (part), 1997; Ord. 770 § 3, 1996; Ord. 681 § 3 (part), 1991)

4.35.030 - Restrictions of fund.

Expenditure of funds from the property development fund shall be as provided by the budgetary process and control and approval of the city council.

(Ord. 921 § 3 (part), 2008; Ord. 787 § 3 (part), 1997; Ord. 681 § 3 (part), 1991)

4.35.040 - Earned interest.

Interest earned from the proceeds of the sale of real property shall be accumulated for the same purposes as the fund.

(Ord. 921 § 3 (part), 2008; Ord. 787 § 3 (part), 1997)