

CITY OF CRAIG
COUNCIL MEETING
THURSDAY FEBRUARY 7, 2019

ROLL CALL

Mayor Tim O'Connor called the meeting to order at 6:15 p.m. and the roll was taken. Present were, Jan Trojan, Michael Douville, Hannah Bazinet, Jim See, Dave Creighton and Julie McDonald.

Staff present: Jon Bolling, City Administrator; Kassi Mackie, City Clerk; Joyce Mason, City Treasurer; Jessica Holloway, Aquatic Center Manager; Hans Hjort, Harbormaster; Chaundell Piburn, EMS Coordinator; Angela Matthews, Librarian; Russel Dill, Public Works Director; RJ Ely, Police Chief; Doug Ward, Parks and Public Facilities Director

Audience present: Kyle Ebbighausen, Richard Trojan, Jeff Lundberg, Jessica Pinnick, Eddie Douville, Laura Hamme, Barbi Armstrong, Trampus Conatser, Brent Cole Sr, Annette Cole, Kay Shrammack, Kyle Woltjer, Patricia Ballard, Joey Slovak

EXECUTIVE SESSION

CONSENT AGENDA

City Council Meeting Minutes of January 3, 2019

City Council Meeting Minutes of January 17, 2019

DOUVILLE/ moved to approve the consent agenda.

MOTION CARRIED UNANIMOUSLY

HEARING FROM THE PUBLIC

- Open for Public Comment
- Resolution 19-03, POWCAC Transportation Priorities 2019
- Final Reading and Public Hearing of Ordinance 717, Authorization to Negotiate a lease with Petro Marine Services
- Final Reading and Public Hearing of Ordinance 718, Authorizing the city administrator to negotiate sale of city property to Richard Trojan
- Final Reading and Public Hearing of Ordinance 719, Implementing a road maintenance and improvement fee at Port St. Nicholas

Paja, Plant manager for Silver Bay Seafoods was present to introduce himself. Kyle was present as chief engineer. Pleasure to be back. Kyle mentioned that Silver Bay will be redoing the dock at the plant and appreciates all the help from the city. Mike Douville commented that it would be nice to have a shorter dock. Kyle explained that the new plan is approximately 4 feet shorter than the current dock.

Brent Cole Sr. was present to discuss Ordinance 719, in particular the Capital Improvements portion of the ordinance should have been excluded. Brent is also concerned about the obligatory 20-year maintenance agreement. Passing all of the cost on to the five or ten percent of people who use the road is not fair in Brent's opinion.

Richard Trojan was present to discuss Ordinance 718. Richard has paid over \$100,000 in lease payments with the intent to purchase the property at some point. Richard's understanding is that the purchase price will be approximately \$80,000, and Richard is prepared to take over the payments. Trojan and Sons has recently decided to get into the septic tank business and would like to keep the business in Craig. Richard would be inclined to look outside the city limits if he is unable to purchase the property as was originally agreed on by the city.

Patricia Ballard was present to ask about the difference between city resident and non-resident water rates. Jon explained that the residents out Port St Nicholas pay 2.5x the in-town rate for at least the last 20 years. The thought was that the city residents are responsible for making up cost in the water department, and the higher cost helps offset the cost for the infrastructure. Joyce also added that the water department this year alone will be \$100,000 in the hole. The city property tax will make up that cost.

Kyle Ebbighausen was present to discuss the Petro Marine Services lease. There are 8 full time employees through the year, and five part-time employees in the summer. Kyle would like to renew the lease and keep Petro functional here in Craig.

REPORTS FROM CITY OFFICIALS

Mayor/Fire Department- Mayor O'Connor reported being busy. Fire training at City Hall with 31 students. Chaundell put the course together which was helpful for fire departments across the island.

Administrator- Jon provided a written report. Jan would like to look at the POWLAT minutes.

Treasurer- Joyce provided a report and sales tax numbers for 2019. Joyce also sent a business registration application to Amazon, in hopes of receiving online sales tax from the business. Hannah asked about the deficit in the EMS department. Joyce explained that the total amount that they are booking is not what is actually being paid. The \$10,000 contract fee is what is paid to the billing company. Joyce reported that most Medicare doesn't pay. Hannah asked if there should be different fees for EMS. Joyce replied that private insurance will usually pay the full amount that is being billed, but Medicare or Medicaid won't pay the full amount. Joyce mentioned that there are just a few uncollectable accounts. They are turned over to collections. A lot of the jail calls are not collectable. Julie asked about the calls for the jail. RJ explained that the DOC will reimburse for all calls except one for the jail, but that one will not be collectable. Jan asked whether or not it is a flat fee on an ambulance call or not. Joyce replied that it is a flat fee. Increasing the rate would not be helpful. Joyce explained that EMS squads across the states are having difficulties being reimbursed.

Jan asked about options for billing improvement. Chaundell explained that the city needs to look at every category for billing and have a better system for recouping the funds that are not being

collected on. Jon explained that the council needs to make a policy call regarding EMS billing to give staff an idea about what is more important. Dave explained that the city may be looking at losing this service without the proper staffing and funding for EMS.

Budget committee volunteers- Hannah, Jan, Julie

Aquatic Manager- Jessica provided a report.

City Clerk- Kassi had nothing new to report.

City Planner- Brian provided a written report. Hannah asked about the review for the marijuana license, and Brian explained that it will likely be at the next meeting.

EMS Coordinator- Chaundell provided a written report and wanted the council to understand what a large undertaking this department is. Chaundell believes that just one or two extra people is what the EMS department needs to be functional. Some volunteers were going out 5-6 times a night in the evenings during the summer. Chaundell would like to see some perks for the volunteers and first responders that give incentive to stay with the department.

Harbormaster- Hans provided a written report. Motor for the crane will be rebuilt by the 13th and sent up on the barge. Storage plan has been discussed, but getting close to fishing season, it may be put off until the next winter season.

Library- Angela was excused.

Police Chief- RJ provided a written report.

Public Works- Russell provided a written report.

Parks and Rec- Victoria provided a written report, and ballet has 57 ballerinas. Break-dance class starts soon, ages 9 and up.

Parks and Public Facilities- Doug provided a written report and was absent excused.

READING OF CORRESPONDENCE

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

Resolution 19-03, 2019 POWCAC Transportation Priorities

DOUVILLE/MCDONALD

moved to adopt Resolution 19-03, 2019
POWCAC Transportation Priorities.
MOTION CARRIED UNANIMOUSLY BY
ROLL CALL VOTE

Ordinance 717, Authorization to negotiate a lease with Petro Marine

MCDONALD/CREIGHTON

moved to approve Ordinance 717,
authorizing the city administrator to negotiate
with Petro Marine the terms of a renewed
lease of city owned property at False Island.
MOTION CARRIED UNANIMOUSLY BY
ROLL CALL VOTE

Ordinance 718, Authorizing staff to negotiate the sale of Lot 9 at the JT Brown Industrial Park to Richard Trojan

MCDONALD/CREIGHTON

moved to approve Ordinance 718.

Jan declared a conflict of interest. Jon will get data and bring it back to the council prior to approval. Jim is curious about the sales tax remittance from this business. Jim also mentioned that the property is the first sign of Craig as people drive in but does not believe the lot is aesthetically pleasing as it is. Mike Douville commented that Richard collects a sales tax on the business, and Mike is comfortable with moving forward with the ordinance.

Ordinance 719, Port St. Nicholas Road Maintenance Fees

SEE/DOUVILLE

moved to adopt Ordinance 719, Port St.
Nicholas Road Maintenance Fees with the
amendment proposed by staff that includes a
public comment period.
MOTION CARRIED UNANIMOUSLY BY
ROLL CALL VOTE

UNFINISHED BUSINESS

NEW BUSINESS

Consider award of bid for breakwater chain

SEE/CREIGHTON

moved to award the Floating Breakwater
Anchor Chain Replacement and billet
placement project to Diversified Diving
Services in the amount of \$24,950.

Jan asked about pollution insurance, and Jon will look into the coverage this company carries.

MOTION CARRIED UNANIMOUSLY BY
ROLL CALL VOTE

Consider operating agreement with SSRAA for Port St. Nicholas King Salmon Hatchery

DOUVILLE/MCDONALD

moved to approve the operating agreement with SSRAA for the Port St. Nicholas King Salmon Hatchery.

MOTION CARRIED UNANIMOUSLY

Planning Commission/City Council Workshop February 26, 2019

DOUVILLE/TROJAN

moved to set approve the Planning Commission/City Council workshop set for February 26, 2019.

MOTION CARRIED UNANIMOUSLY

ADJOURNMENT

DOUVILLE/BAZINET

moved to adjourn at 8:08 p.m.

MOTION CARRIED UNANIMOUSLY

APPROVED March 7, 2019

[Signature]
MAYOR TIMOTHY O'CONNOR

ATTEST [Signature]
KASSI MACKIE, CITY CLERK

