

CITY OF CRAIG
COUNCIL MEETING
THURSDAY JUNE 01, 2017

ROLL CALL

Mayor Dennis Watson called the meeting to order at 7:00 p.m. and the roll was taken. Present were, Greg Dahl, Mike Douville, Jan Trojan, Jim See, Don Pierce, and Hannah Bazinet.

Staff present: Jon Bolling, City Administrator; Kassi Mackie, City Clerk; Jessica Holloway, Aquatic Center Manager; Brian Templin, City Planner; Chaundell Piburn, EMS Coordinator; Hans Hjort, Harbormaster; Kim Baxter, Librarian; Rj Ely, Police Chief; Ron McIntosh, Public Works Director; Victoria Merritt, Parks and Recreation Director; Doug Ward, Parks and Public Facilities Manager

Audience present: Rob Ensley, Patrick Tyner, Andy Deering, Troy Thain, Di Thain, Dave Creighton, Jen Creighton, Millie Schoonover

CONSENT AGENDA

DAHL/BAZINET

moved to pull Ordinances 696, 697, 698 for further discussion under Consideration of Resolutions and Ordinances and approve the consent agenda with the amendment.
MOTION CARRIED UNANIMOUSLY

HEARING FROM THE PUBLIC

Patrick Tyner spoke on behalf of the bed tax being proposed. Mr. Tyner believes that 10% is too much for the bed tax, but is in support of imposing one at a lower rate. Mr. Tyner is concerned about running business out of town if the tax is too high.

Gail Slentz also spoke as a business owner in Craig that the bed tax would affect. Mrs. Slentz also supports the city finding new revenue as well, but believes the 10% rate is too steep.

Richard Manning of Catch a King Charters also commented on the bed tax rate being too high to begin with. Mr. Manning is concerned that more business will go to the Port St. Nicholas charter businesses. Mr. Manning believes that the council should do what they can to keep the rates reasonable for Craig businesses, since the charter businesses out Port St. Nicholas are exempt from tax.

Dave Creighton was present to discuss the bed tax as well. Representing Shelter Cove Lodge, Mr. Creighton discussed the package rates that Shelter Cove charges, and would like for the council to consider how the 10% affects the package rate and what it amounts to. Mr. Creighton believes that the tourism industry in Craig is just beginning to pick up, and wouldn't want to dissuade the clients.

Andy Deering was present and opposed to any new kind of tax implementation in Craig.

Jen Creighton was present to discuss the tax, and mentioned that in the winter, most of the business for Shelter Cove is government, which is exempt from tax anyway, so a full summer increase on summer tax may be more advantageous to the city. Mrs. Creighton also asked the council to consider looking at the pool equipment and high school equipment in the gym and consider combining them to bring in more revenue at the Aquatic Center.

Millie Schoonover was present and representing Shaan Seet. Mrs. Schoonover is also opposed to the 10% rate, and look at the bed tax as a reasonable revenue source, but not at the current proposed rate.

REPORTS FROM CITY OFFICIALS

Mayor/IFA- Mayor Watson reported travel to Juneau for Southeast Conference. The conference will not be renewing the executive director position and will be restructuring the conference staff.

Administrator- Jon provided a written report. Mike Douville asked about purchasing fire pumps for incidents like the North Cove fires that happened last week. Staff will consider purchasing something like this. Jan Trojan asked about purchasing ATV's for running hoses down the dock and other tasks around the city.

Treasurer- Joyce provided a written report.

Aquatic Manager- Jessica provided a written report.

City Clerk- Kassi provided a written report and would add that the council chambers have been repainted and stained and will have more improvements as time permits. Kassi thanked EMS staff and Parks and Public Facilities staff for the assistance with the updates.

City Planner- Brian provided a written report.

EMS Coordinator- Chaundell reported that the EMS department received a \$5000 grant to help supplement the cost of the OMNILERT system.

Harbormaster- Hans provided a written report. Jon reported that the insurance company for the city had sent a representative to review the damage from the fire. The finger float is repairable. Hans responded to Mike Douville's inquiry about dogs on the dock, and explained that the harbor staff is working to clear off the docks and install video surveillance that will help with the enforcement.

Library- Kim provided a written report.

Police Chief- RJ provided a written report.

Public Works- Ron provided a written report.

Parks and Rec- Victoria provided a written report. Victoria also reported a large turnout for the Blessing of the Fleet.

Parks and Public Facilities- Doug provided a written report.

READING OF CORRESPONDENCE

Nothing to discuss.

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

Resolution 17-07, Payment in Lieu of Health Insurance

PIERCE/DAHL

moved to adopt Resolution 17-07.

MOTION CARRIED UNANIMOUSLY BY
ROLL CALL VOTE

Ordinance 695, FY18 Operating Budget

PIERCE/DAHL

moved to adopt Ordinance 695.

MOTION CARRIED UNANIMOUSLY BY
ROLL CALL VOTE

Ordinance 696, Sales Tax on Marijuana, and Marijuana Products

SEE/TROJAN

moved to approve Ordinance 696 at first
reading.

Jim See questioned if this tax should be an excise tax or not. Jan Trojan commented that the council may be discouraging business by additional taxing.

MOTION CARRIED UNANIMOUSLY

Ordinance 697, Bed Tax

DAHL/PIERCE

moved to approve Ordinance 697 at first
reading.

Hannah Bazinet would like to see the bed tax rate set at \$5 per room per night. The council agreed. Jon mentioned that changing the rate from a tax percentage to a flat rate, staff would recommend postponing the first reading to the next meeting.

MOTION WAS RECINDED BY MAKER
AND SECOND

PIERCE/SEE

moved to direct staff to draft an ordinance
with a flat tax of \$5 per room per night.
MOTION CARRIED UNANIMOUSLY

Ordinance 698, Changes to Title 3- Revenue and Finance

PIERCE/DAHL

moved to approve Ordinance 698 at first
reading.

Hannah Bazinet doesn't think that the annual rate of \$25 is reasonable. Joyce mentioned that Klawock is proposing an increased rate of \$30 per year for a senior tax card. Jim See would like to limit who is able to get a senior card by their residency. Jon mentioned that it would have to be limited to just Craig, or statewide as it is now.

PIERCE/DAHL

moved to amend the motion to be \$75 for
all applicants for a three-year card.

MOTION CARRIED UNANIMOUSLY

Ordinance 699, Utility Rate Change

DAHL/PIERCE

moved to approve Ordinance 699 at first reading.

Hannah would like the base rate for sewer to be per meter instead of per dwelling unit for the multi-unit apartments. Joyce explained that this rate helps offset the debt payment for the sewer plant repairs.

BAZINET/TROJAN

moved to amend the ordinance from a base rate per dwelling unit to a base rate per meter for wastewater.

MOTION CARRIED UNANIMOUSLY

MAIN MOTION CARRIED UNANIMOUSLY

UNFINISHED BUSINESS

NEW BUSINESS

Approval of Sale of Lot 3, Ptarmigan Subdivision

DAHL/DOUVILLE

moved to approve the sale of parcels 3 from the 2017 Craig Residential Land Sale to Kevin and Julie McDonald. Further move to direct staff to place the proceeds of the sale into the city's land development fund.

MOTION CARRIED UNANIMOUSLY

Consider Approval, Lynn Jones Property Tax Exemption

DOUVILLE/DAHL

moved to approve Lynn Jones senior property tax exemption application.

MOTION CARRIED UNANIMOUSLY

ADJOURNMENT

DOUVILLE/DAHL

moved to adjourn at 8:13 p.m.

MOTION CARRIED

APPROVED Aug 3, 2017

Dennis Watson
MAYOR DENNIS WATSON

Kassi Mackie
KASSI MACKIE, CITY CLERK

