

**CITY OF CRAIG
COUNCIL AGENDA
JANUARY 3, 2019
COUNCIL CHAMBERS 7:00 PM**

ROLL CALL

Mayor Tim O'Connor, Dave Creighton, Hannah Bazinet, Jim See, Julie McDonald, Mike Douville,
Jan Trojan

CONSENT AGENDA

Items listed below will be enacted by one motion. If separate discussion is desired on an item, that item may be removed and placed on the regular meeting agenda.

- 1) City Council Meeting Minutes of December 6, 2018
- 2) Hill Bar Liquor Store License Renewal
- 3) Hill Bar Liquor License Renewal
- 4) Introduction and First Reading of Ordinance 716, Craig Child Care Center Lease Renewal

HEARING FROM THE PUBLIC

- Open for public comment
- 1) Resolution 18-23, 2019 Capital Projects

REPORTS FROM CITY OFFICIALS

- Mayor
- Administrator
- Treasurer
- Aquatic Manager
- City Clerk
- City Planner
- Fire/EMS Coordinator
- Harbormaster
- Library
- Police Chief
- Public Works
- Parks and Rec
- Parks and Public Facilities

READING OF CORRESPONDENCE

1. Airport Plowing Memo

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

- 1) Resolution 18-23- 2019 Capital Projects List

UNFINISHED BUSINESS

- 1) Roadless Rule Letter/information
- 2) Consider proposal- Steam Donkey Components

**CITY OF CRAIG
COUNCIL AGENDA
JANUARY 3, 2019
COUNCIL CHAMBERS 7:00 PM**

NEW BUSINESS

- 1) Consider Appropriation, Installation of Alum Station at Water Treatment Plant
- 2) Report on Chinook and Coho Production from SSRAA
- 3) Policy on Installation of New Water/Sewer Services

ADJOURNMENT

CITY OF CRAIG
COUNCIL MEETING
THURSDAY DECEMBER 6, 2018

ROLL CALL

Mayor Tim O'Connor called the meeting to order at 7:00 p.m. and the roll was taken. Present were, Jan Trojan, Michael Douville, Jim See, Dave Creighton and Julie McDonald. Absent Excused was Hannah Bazinet.

Staff present: Jon Bolling, City Administrator; Kassi Mackie, City Clerk; Brian Templin, City Planner; 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: Stacey Mank, Connie Ward, Johnny Rice, Gary Barlow, Kay Shrammack, Pat Tyner, Virginia Lawnicki, Barbi Armstrong.

CONSENT AGENDA

City Council Meeting Minutes of August 2, 2018

City Council Meeting Minutes of September 20, 2018

TROJAN/CREIGHTON

moved to approve the consent agenda.

MOTION CARRIED UNANIMOUSLY

HEARING FROM THE PUBLIC

- Resolution 18-21, Administrative fees for City Website
- Resolution 18-22, Local Hazard Mitigation Plan
- Resolution 18-23, Tablet Use Policy
- Second Reading and Public Hearing of Ordinance 715, Meeting Participation via Teleconference

Stacey Mank was present to thank the council on behalf of HOPE for allowing the entity to pay a reduced rate for space rent. Stacey read a letter on behalf of HOPE requesting to return the rent from the reduced rate to the regular rate.

Kay Shrammack questioned why the south side Port St. Nicholas residents would not be included on the rate scale. Kay mentioned the additional covenants that Shaan Seet had filed and explained that the additional document included both sides of PSN. In the pricing scale, the council included a quote from Southeast Road Builders, and to be budget conscious, Kay recommended purchasing the rock from Shaan Seet.

Gary Barlow was curious about the commercial truck traffic on PSN. These trucks carry a lot of weight, and Gary was curious about the fees being charged for commercial truck use. Mayor O'Connor commented that staff will be looking into this.

Virginia Lawnicki asked to have different rates for residential, commercial and other lots out PSN. Virginia also commented that the utility rate out PSN is double the in-town rate, and requested explanation. Jon explained that the basis for the differing rates is that the deficit in the water department is the responsibility of the users of the municipality. Charging the higher rates to PSN residents helps offset the cost of the in-town users that are also paying property and sales tax.

REPORTS FROM CITY OFFICIALS

Mayor/Fire Department- Nothing to discuss.

Administrator- Jon provided a written report.

Treasurer- Joyce provided a report. Budget Calendar will begin in January, and the second half of property tax will be due.

Aquatic Manager- Jessica provided a report.

City Clerk- Kassi provided a written report and mentioned the upcoming council meeting.

City Planner- Brian provided a written report and discussed the work on the city website.

EMS Coordinator- Chaundell was absent excused.

Harbormaster- Hans reported that the harbor department has been working on lights and will begin pressure washing the docks soon. The department purchased the chain for the breakwater and will work on soliciting proposals for the replacement of the chains and the lights in North Cove Harbor. Mike commented that the chains are hefty, but would it be beneficial to use a Kevlar rope or something that could have a longer lifespan. Hans commented that the only wear on the chains was where the chain meets the seafloor during tide changes, and the chains were put in during the early 90's and are still in great condition. When the new chain is put in, there will be video and pictures of what was replaced and how. Hans explained that only a portion of the chain will be replaced. Mike asked what needs to be done to get the lights working properly, as the lack of daylight proves difficult for the public that is utilizing the dock. Hans explained that the electrical engineer needs to travel here to map out the drawings and get the RFP out for bid. Mayor O'Connor asked about ladder purchases. Hans reported finding ladders and taking a price and recommendation to the Harbor Advisory Board. Mike asked about ice in the totes at the icehouse, and Hans commented that staff doesn't keep ice outside during the wintertime, but is available for customers that request ice.

Library- Angela provided a written report and would like to highlight the book sale taking place this Saturday at the Craig Bazaar. Julie asked about the snow globe project, and Angela reported 16 attendees, and a great process in place.

Police Chief- RJ was absent excused.

Public Works- Russell provided a written report and read the award that was presented to the City of Craig Water Treatment staff.

December 6, 2018 Council Meeting

Parks and Rec- Victoria was absent excused.

Parks and Public Facilities- Doug provided a written report.

READING OF CORRESPONDENCE

- APCM October Report
- Thank You from Southeast Senior Services
- Letter from Gov. Walker-Klawock Airport Winter Operations
- Updated DOT Statement-Klawock Airport
- “Borough Hears from Ucore”
- Marathon Thank You
- Regional Forester for Alaska
- Rural Schools Renewal

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

Resolution 18-21, Administrative Fees for City Website

CREIGHTON/DOUVILLE

moved to approve Resolution 18-21.

Brian explained the amendment to the memo regarding the businesses that would be subject to the free business listing vs. the out of town rate for business listings that includes criteria for what would constitute in-town vs. out of town.

MOTION CARRIED UNANIMOUSLY BY
ROLL CALL VOTE

Resolution 18-22, Local Hazard Mitigation Plan

DOUVILLE/MCDONALD

moved to approve Resolution 18-22.

MOTION CARRIED UNANIMOUSLY BY
ROLL CALL VOTE

Resolution 18-23, Tablet Use Policy

DOUVILLE/TROJAN

moved to approve Resolution 18-23.

MOTION CARRIED UNANIMOUSLY BY
ROLL CALL VOTE

Ordinance 715, Meeting Participation via Teleconference

SEE/CREIGHTON

moved to adopt Ordinance 715.

Jan commented that the definition of incapacitated could leave the public wondering about council members participating while under the influence.

MCDONALD/DOUVILLE

moved to strike “incapacitated” and replace it with non-ambulatory”.

MOTION CARRIED UNANIMOUSLY

MAIN MOTION AS AMENDED
CARRIED UNANIMOUSLY BY ROLL
CALL VOTE

UNFINISHED BUSINESS

Roadless Rule Letter/Information

Jim is concerned about Viking having a big bust after a little boom and would like to see the state re-work the Roadless Rule. Mike commented that the whole island is a mess, and Mike is not in favor of re-working the Roadless Rule and while the City has supported the timber industry in the past, Mike disagrees with the exemption effort.

Jim is concerned about the loss of jobs associated with not supporting this exemption.

Dave mentioned that without a complete management overhaul, these plans will be in place anyway with management processes in place on a lower level. Dave is in support of keeping the Roadless Rule out of the State. Jon asked about the council’s opinion of putting together a letter to the Forest Service with a position on the Roadless Rule.

Mayor O’Connor, Dave Creighton, Julie McDonald and Jan Trojan feel that the City should respond with a letter requesting to overturn the Roadless Rule. Mike would like to preserve some timber for habitats and not squander away the last of the old-growth timber on the island. Jim believes that we should continue where we are at with the board feet allowance, instead of increasing the limit.

SEE/TROJAN

moved to direct council to draft a letter on behalf of the city based on comments by the council.

MOTION CARRIED UNANIMOUSLY

Review Port St. Nicholas Road Maintenance Fee Ordinance

The council requested additional detail for the maintenance costs on the PSN road. Jon provided a memo outlining a few different options for setting the fee. Mike commented on the commercial, residential and vacant lots out PSN and possibly set varying rates depending on those comments.

Julie would like to see the City step back and direct PSN to collect their own fees and then pay the City the billed amount. This would also allow for the residents to feel that they have representation.

Jan Trojan is in favor of directing residents to create a home owners association and allowing some time to address Mike’s suggestions. Julie believes that the classification of

lots would be a lot of extra work for the city staff. Jon explained that due to the City only planning to receive a portion of the cost to maintain the road, it may not be pertinent to vary the amount of payment by the lot classification.

Jim mentioned that the home owner's association wouldn't pay for the road maintenance. Kay Shrammack and Barbi Armstrong reported the lack of interest in establishing an association. The council decided to proceed as planned with the ordinance draft.

Dave has been considering a fixed dollar amount vs. a percentage rate and believes that the percentage rate would be more accurate. Julie believes that the fixed dollar amount provides more certainty to the residents of PSN. Jim commented that the extra will be put in a separate account dedicated to road maintenance.

The council decided to go to a set fee vs. percentage rate.

Mike Douville would like to see the council set the percentage of responsibility of PSN residents set to 50%.

SEE/DOUVILLE

moved to include a sum of \$150 in the draft ordinance for the Port St. Nicholas Road Maintenance Fees.

MOTION CARRIED UNANIMOUSLY

Discussion of Designating Council Seats at Elections

Mike Douville and Jan Trojan is in favor of leaving the ordinance as-is.

NEW BUSINESS

Consider Offer for Motor Vessel Big Betty

CREIGHTON/SEE

moved to accept Mr. Stukey's offer to purchase the M/V Big Betty.

MOTION CARRIED UNANIMOUSLY

Consider Options for Steam Donkey Components

Greg Head has an interest in purchasing a portion of the winch component from the Steam Donkey. Jim See would like to revisit this at the January council meeting.

Consider Approval, 2018 Community Economic Development Strategy (CEDS) Committee

MCDONALD/DOUVILLE

moved to add Jan Trojan to the 2018 CEDS membership list and adopt the CEDS Committee.

MOTION CARRIED UNANIMOUSLY

ADJOURNMENT

DOUVILLE/TROJAN

moved to adjourn at 8:50 p.m.

MOTION CARRIED UNANIMOUSLY

APPROVED _____

MAYOR TIMOTHY O'CONNOR

ATTEST _____

KASSI MACKIE, CITY CLERK



THE STATE
of **ALASKA**
GOVERNOR MICHAEL J. DUNLEAVY

**Department of Commerce, Community,
and Economic Development**

ALCOHOL & MARIJUANA CONTROL OFFICE
550 West 7th Avenue, Suite 1600
Anchorage, AK 99501
Main: 907.269.0350

December 28, 2018

City of Craig
Attn: Kassi Bateman, City Clerk
Via Email: cityclerk@craigak.com
adminclerk@craigak.com

Re: Notice of 2019/2020 Liquor License Renewal Application

License Type:	Package Store	License Number:	1322
Licensee:	Craig Bar & Liquor Store, Inc.		
Doing Business As:	Hill Bar Liquor Store		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Handwritten signature of Erika McConnell in cursive.

Erika McConnell, Director
amco.localgovernmentonly@alaska.gov



December 28, 2018

City of Craig
Attn: Kassi Bateman, City Clerk
Via Email: cityclerk@craigak.com
adminclerk@craigak.com

Re: Notice of 2019/2020 Liquor License Renewal Application

License Type:	Beverage Dispensary	License Number:	1328
Licensee:	Craig Bar & Liquor Store, Inc.		
Doing Business As:	Hill Bar		

We have received a completed renewal application for the above listed license (see attached application documents) within your jurisdiction. This is the notice required under AS 04.11.480.

A local governing body may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the director **and** the applicant with a clear and concise written statement of reasons for the protest within 60 days of receipt of this notice, and by allowing the applicant a reasonable opportunity to defend the application before a meeting of the local governing body, as required by 3 AAC 304.145(d). If a protest is filed, the board will deny the application unless the board finds that the protest is arbitrary, capricious, and unreasonable.

To protest the application referenced above, please submit your written protest within 60 days, and show proof of service upon the applicant and proof that the applicant has had a reasonable opportunity to defend the application before a meeting of the local governing body.

Sincerely,

Handwritten signature of Erika McConnell in cursive.

Erika McConnell, Director
amco.localgovernmentonly@alaska.gov

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Jon Bolling, City Administrator
Date: December 24, 2018
RE: Ordinance No.716 Consider Renewal of Craig Child Care Center Lease

Attached you will find Ordinance No. 716. The ordinance enables city staff to negotiate the terms of a renewal of a lease between the City of Craig and the Craig Child Care Center Inc.

The City of Craig owns the child care center building, and leases the building to the Craig Child Care Center Inc., a non-profit corporation. The CCCC Inc. has leased the building from the city for decades for a nominal \$1 per year. As an IRS-recognized non-profit corporation, the CCCC Inc. is eligible under the Craig Municipal Code for a below market value lease rate.

The most recent five-year lease expired in 2018, and the CCCC Inc. would like the lease renewed. Section 16.02.140.O of the Craig Municipal Code empowers the city council to renew the lease under terms mutually agreeable to the city and CCCC Inc.

A copy of the expired lease is attached. In short, the lease calls for CCCC Inc. to provide all heat and utilities to the building. The City of Craig provides water, wastewater, and solid waste collection to the building at no cost to the tenant. The city also maintains the mechanical systems providing heat and hot water to the building, and city staff is also responsible for maintaining the building's exterior, replacing windows as needed, and other capital improvements.

If the council adopts the ordinance, city staff will meet with the CCCC board/staff to negotiate a multi-year, below market value renewed lease. The lease document format will change to better match leases the city holds with other tenants. I may propose material changes to the lease after soliciting input from the department managers. Assuming the council authorizes city staff to negotiate the lease renewal, the final terms of the lease are subject to city council approval.

Recommendation

That the city council approve the ordinance at first reading.

**CITY OF CRAIG
ORDINANCE No. 716**

AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE WITH THE CRAIG
CHILD CARE CENTER THE TERMS OF A LEASE RENEWAL OF CITY-OWNED
PROPERTY AT THE CITY-OWNED CRAIG CHILD CARE BUILDING

Section 1. Classification. This is a non-code ordinance.

Section 2. Severability. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Effective Date. This ordinance shall be effective immediately upon adoption.

Section 4. Action. This ordinance authorizes the City Administrator to negotiate a below market value lease of city-owned property to the Craig Child Care Center Inc. for the purpose of providing child care services to the public. The property considered for the lease is limited to the facility commonly known as the child care center building at Block 15, USS 1430. Final terms of the lease are subject to the approval of the Craig city council.

The City Administrator is under no obligation to negotiate amendments to the lease of the property described above, and the City Council is under no obligation to approve any lease negotiated by the City Administrator with Community Connections.

Passed and approved on _____, 2019.

Mayor Tim O'Connor

Attest

Kassi Mackie, City Clerk

LEASE AGREEMENT

THIS INDENTURE, entered in to this 11 day of November, 2013 by and between the **CITY OF CRAIG, ALASKA** whose address is PO Box 725, Craig, AK 99921, herein after called the Lessor and **CRAIG CHILD CARE CENTER**, whose address is PO Box 296, Craig, AK 99921, herein called the Lessee:

WITNESSETH:

- A. That the Lessor does hereby demise and let unto the Lessee the following described premises, to wit: The Day Care Building constructed July, 1987, situated on USS 1430, Block 15, "School Reserve" as shown on the plat of USS 1430 dated May 20, 1922, to hold the same, with all appurtenances unto the Lessee for the term **beginning on the 1st day of July, 2008 and ending on the 30th day of June 2018**, provided, however, that the Lessee agrees that the Lessor may void this lease anytime after January 1, 2008 if, in the Lessor's sole judgment, the Lessee has failed to provide adequate child care services. The lease payment for the premises shall be \$1.00 (One Dollar) per year payable on the first day of the lease year at the office of the Lessor whose address is P.O. Box 725, Craig, AK 99921, or in advance at the option of the Lessee.

COVENANTS OF THE LEASE:

1. The Lessee does hereby covenant and agree with the Lessor that Lessee will:
 - a. Pay said rent at the times and place in the manner aforesaid;
 - b. Use and occupy said premises in a careful and proper manner;
 - c. Not use or occupy said premises for unlawful purpose;
 - d. Not assign this lease, not underlet said premises, nor any part therefore; without written consent of the Lessor except as provided in item "e" below;
 - e. Make available to the general public use of the kitchen within the Day Care Building under the following terms:
 - i. public users of the kitchen shall deposit with the Lessee a sum of \$200, refundable under the terms of kitchen use established by the Lessee;

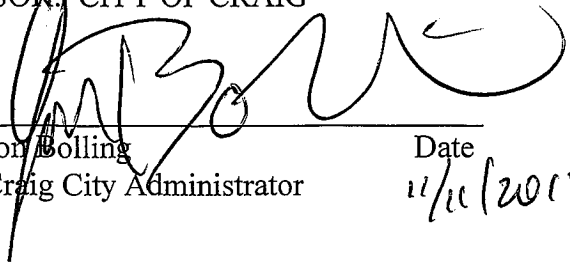
- ii. public users of the kitchen shall pay a non-refundable fee of \$50 for non-profit organizations or \$100 for for-profit organizations to the Lessee. This deposit and fee schedule may be changed by the Lessee if Lessor grants its written approval to the change.
 - f. Not use said premises or permit the same to be used or occupied, for any purpose or business deemed extra hazardous on account of fire or otherwise;
 - g. Make alterations in or to said premises only with the consent of the City of Craig;
 - h. Leave the premises at the expiration or prior termination of this lease or any renewal or extension thereof, in as good condition as received.
 - i. Permit the Lessor to enter upon said premises at all reasonable times to examine the conditions of the same;
 - j. Maintain the demised premises in good repair and tenantable condition during the continuation of this lease; the Lessee agrees to perform maintenance and repairs as may be required by the City to offset wear and tear on the building.
 - k. Indemnification: The Lessee shall hold and save the Lessor, building, its officers, agents, and employees, harmless from liability of any nature or kind, including costs and expenses for or on account of any and all suits or damages of any character whatsoever resulting from injuries or damages sustained by any person or persons or property by virtue of any act performed by the Lessee or the Lessee's agents and employees pursuant to the lease; the Lessee shall also assume all insurable risks and bear any loss or injury to property or persons occasioned by neglect or accident during the tenure of this lease, excepting only sole negligence of the Lessor;
 - l. Furnish for the total building, heat, electricity, and janitorial services and liability and fire insurance at the level required by the Lessor, without additional costs to the Lessor.
2. It is mutually agreed by and between the Lessor and Lessee that:
- a. All terms and conditions of the preceding covenants of both Lessee and Lessor are agreeable and accepted in their entirety, except as herein noted;
 - b. Lessor will provide municipal water, sewer, and garbage collection services at no cost to Lessee. Lessor is responsible for ensuring that the following building systems are in good working order:
 - i. building heat and hot and cold water supply;

- ii. floor and sub-floor, roof, exterior faces of outside walls;
- iii. weatherproofing and sealing of exterior windows;
- iv. all other building maintenance and repair of items not assigned to Lessor, including but not limited to: opening clogged drains and toilets; replacing light bulbs, fixtures and components; and other day-to-day type maintenance needs.
- c. That Section 16.02.140, paragraphs A through V of the Craig Municipal Code apply to this lease.
- d. If the Lessee shall pay the rent as herein provided, and shall keep, observe, and perform all the covenants of this lease by it to be kept, performed and observed, the Lessee shall and may, peaceably and quietly, have, hold and enjoy the said premises for the term aforesaid;
- e. This lease and all the covenants, provisions and conditions herein contained shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto;
- f. Termination: The Lessor or the Lessee may upon mutual agreement terminate this lease by giving (30) days notice in writing;
- g. The playground and gym are not subject to this lease. Both facilities are retained by the City for public use;
- h. This lease is subject to all applicable laws of the State of Alaska and/or the City of Craig;
- i. Lessor may, from time to time, as it deems necessary, replace appliances that were originally installed in the kitchen when those appliances are no longer operable;
- j. This lease is written as a result of negotiations between Lessor and Lessee;

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year written below.

LESSOR: CITY OF CRAIG

LESSEE: CRAIG CHILD CARE CENTER

BY: 
 Jon Bolling
 Craig City Administrator
 Date 11/11/2013

BY: 
 Capital Day
 Craig Child Care Center
 Date 11/11/13

Notary Acknowledgment by Lessee

STATE OF ALASKA)
)
FIRST JUDICIAL DISTRICT) ss.

THIS IS TO CERTIFY that on this 11 day of November, ²⁰¹³~~2008~~, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Crystal Day, the Board President of the Craig Child Care Center, to me known and known to be the person who represents the Craig Child Care Center to be the same identical person who executed the above and foregoing instrument on behalf of said corporation and who acknowledged to me that she had full power and authority to and did execute the above and foregoing as a free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day, month and year herein first above written.



Lisa Moore
Notary Public; State of Alaska
My commission expires: 11/6/16

Notary Acknowledgment City of Craig

STATE OF ALASKA)
)
FIRST JUDICIAL DISTRICT) ss.

THIS IS TO CERTIFY that on this 11 day of November, ²⁰¹³~~2008~~, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Jon Bolling, the City Administrator of the City of Craig, known to me to be the person who represents the City of Craig to be the same identical person who executed the above and foregoing instrument on behalf of the City of Craig and who acknowledged to me that he had full power and authority to and did execute the above and foregoing in his official capacity as City Administrator of the City of Craig, and for the purposes stated therein.

WITNESS my hand and official seal the day, month and year herein first above written.



Lisa Moore
Notary Public; State of Alaska
My commission expires: 11/6/16

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Jon Bolling, City Administrator
Date: December 28, 2018
RE: January Staff Report

1. Meeting with Staff from SBS

On December 14 I met with staff from Silver Bay Seafoods. The company has hired a new plant manager for the Craig facility, who I met at the meeting. I am told the company plans to open and operate the Craig plant in 2019. The SBS staff acknowledges the pink salmon run forecast is not strong for 2019, but they plan to process what they can during the season. The company added that they remain cognizant of the fact that the Craig area will begin to see chum salmon returns to the Port Asumcion terminal harvest area in the next couple of years, and they hope to be able to strike an agreement on processing chum salmon from that fishery at the Craig plant.

2. Port St. Nicholas Road Fee Ordinance

Staff is working with the city attorney on a final legal review of the draft road fee ordinance. My goal is to have the ordinance ready for first reading at the council's January 17 meeting. The city did receive another letter from an Anchorage-based attorney who represents some PSN property owners. The letter encourages the city to abandon any consideration of applying a road maintenance fee to PSN.

3. Subpoena of Records

The law firm that issued the subpoena that I reported on in my December staff report subsequently cancelled the subpoena when the parties involved in the court claim reached a settlement.

4. Aquatic Center Pool Basins Project

As noted in my December staff report, this project is underway. The project architect met with city staff via telephone recently. Staff gave direction to the architect to begin scheduling the design work, with initial direction to include in the bid documents two options for refinishing the pool basins, with the city to choose its preferred refinishing method upon opening bids in April. Design work should be complete by the first of March.

While the architect is in Craig for the design phase of the project, he will consider options for a mostly unrelated project: expanding the fitness area of the aquatic center.

5. Meeting with ANTHC Staff

Russell Dill, Brian Templin, and I met with staff from the Alaska Native Tribal Health Consortium on December 17. ANTHC staff was on POW to survey households in Craig and Klawock for eligibility of water and wastewater funding administered by the consortium. City staff will assist the effort, which will establish the percentage eligibility of ANTHC funding for utility projects in Craig.

We also discussed improvements needed at the city's water treatment plant and how ANTHC can assist with the design and installation of the improvements. Those improvements could include adding baffling to the chlorine contact chamber, relocating the points in the treatment process where soda ash is added to the water, changing the delivery capacity of certain chemical pumps, and making software changes to the facility's control system so that all four treatment trains may operate simultaneously.

6. Travel Schedule

February 2019: SE Conference Mid-Session Meeting in Juneau.

City of Craig Memorandum

To: City Mayor & City Council

From: Joyce Mason, Treasurer

Date: December 27, 2018

RE: Monthly Report

Now that the holidays are over it is time to start the preparation of the fiscal year 2020 operating budget. I have attached a budget calendar to this memo. Please bring any new or different programs, desired capital items or other items you would like to see funded in fiscal year 2020 to Jon or myself.

Christine Harrington, CPA and Brooke, (Staff Accountant) were here December 14 through December 19 to perform the field work for the fiscal year 2018 audit. This was Brooke's first time so there were numerous questions and she was very meticulous going through the purchasing, payroll, utility billing, and harbor billing while Christine reviewed the cash accounts and other assets. Their suggestions were to have blanket purchase orders for bulk purchases such as fuel oil and wood chips. Hopefully we will have the financial statements by the end of January.

With the new web site and updates to the accounting software we plan to promote the online payment portal. New fillable forms will also be available on the site.

If you have any questions please contact me at finance@craigak.com



Fiscal Year 2020
Budget Calendar

February 7, 2019	Budget Committee Selection
February 8, 2019	City Administrator & Treasurer estimate revenues
February 18, 2019 – March 3, 2019	City Administrator & Treasurer meet with department managers
March 8, 2019	Meet with Budget Committee
March 11 – March 22, 2019	City Administrator and Treasurer follow up meeting with department managers
March 27, 2019 – April 28, 2019	Meet with Budget Committee
May 2, 2019	Submit to City Council for first reading
May 16, 2019	Submit to City Council for second reading
May 20, 2019	Distribute adopted budget to public and department managers

City of Craig
Cash Balances
11/30/2018

General Fund

Deposit Clearing Account	3,933.65
Checking - First Bank	1,823,364.75
Checking - Wells Fargo	328,273.41
Petty Cash	300.00
Petty Cash-Harbors	200.00
Petty Cash- Aquatic Center	250.00
Petty Cash - Police	150.00
Petty Cash- Library	50.00
Specail Recreation Savings	1,941.55
Wells Fargo CD Saving Account	<u>2,000,000.00</u>
Total	<u>4,158,463.36</u>

Restricted Fund

Cash, , Police Fund	384.67
Cash Evidence, Police	4,402.02
Police Petty Cash	781.17
Cash Equipment Fund	593,883.30
Cash Hatchery Salmon Derby	2.22
MM Park Funds	12,597.08
Fish Quota Funds	15,500.41
MM POW Clinic Funds	42,804.88
MM Invest Muni Land	567,676.81
Saving Account	109,306.13
Cash MMkt NFR -School FB	18,394.83
Cash Invest School Funds APCM	3,011,886.54
NFR School ProEquities/APCM	74,996.53
Accrued Interest, School	<u>8,156.08</u>
Total	<u>4,460,772.67</u>

Endowment

Cash Held Endowment	16,081.88
CD Invest, Endowment	504,615.56
Fixed Inc. Investment Endowment	3,539,320.91
Accr. Int., Endowment	15,769.00
Equity Invest., Endowment	4,309,341.78
Unrealized Gain/Loss Endowment	(88,021.91)
Unrealized Gain/Loss Equity, Endowment	<u>2,320,259.22</u>
Total	<u>10,617,366.44</u>

Enterprise Fund

Debt Service Savings	14,992.68
Water & Wastewater Cash	4,469.55
DNR Performance CD	<u>8,500.00</u>
Total	<u>27,962.23</u>

City of Craig, Inc.
04. Craig Gov Revenue
November 30, 2018

	M-T-D Actual	Y-T-D Actual	Budget	Variance	% of Budget
01 00.4000.00 0000 Property Tax	0	653,757	650,000	3,757	101
01 00.4050.00 0000 Sales Tax	71,612	1,015,461	1,522,000	(506,539)	67
01 00.4055.00 0000 Delinquent Sales Tax	0	0	2,000	(2,000)	0
01 00.4060.00 0000 Liquor Sales Tax	399	64,450	120,000	(55,550)	54
01 00.4065.00 0000 Transient Room Tax	1,416	24,151	25,000	(849)	97
01 00.4080.00 0000 Sales Tax Penalties	0	1,137	0	1,137	0
Total Local Taxes	73,427	1,758,956	2,319,000	(560,044)	76
01 00.4100.00 0000 Property PILOT Funding	0	289,535	280,000	9,535	103
01 00.4110.00 0000 State Revenue Sharing	0	95,942	90,168	5,774	106
01 00.4111.00 0000 Liquor Revenue Sharing	0	0	4,000	(4,000)	0
01 00.4112.00 0000 Fish Bus Tax - DOR	0	88,948	35,000	53,948	254
01 00.4120.00 0000 Shared Fish Tax - DCED	0	0	4,000	(4,000)	0
01 00.4142.00 0000 Revenue, Small GF Grants	13,500	13,500	13,500	0	0
Total State Revenue	13,500	487,925	413,168	74,757	118
01 00.4220.00 0000 EMS Service Fees	5,151	34,745	30,000	4,745	116
01 00.4250.00 0000 EMS Training Fees	0	810	1,000	(190)	81
01 00.4255.00 0000 EMS Estimated NonCollectable	(15,000)	(15,000)	0	(15,000)	0
01 00.4260.00 0000 Aquatic Center Revenue	3,590	25,525	55,000	(29,476)	46
01 00.4270.00 0000 Library Fees	0	0	1,000	(1,000)	0
01 00.4275.00 0000 Recreation Revenue	3,040	10,303	13,000	(2,697)	79
01 00.4280.00 0000 Senior Card Fees	1,950	21,075	1,000	20,075	2,108
01 00.4620.00 0000 Taxi Permit Fees	0	0	100	(100)	0
01 00.4640.00 0000 Building Permit Fees	90	270	1,000	(730)	27
01 00.4644.00 0000 Access Permit Fees	0	12,526	7,000	5,526	179
Total Permits & Fees	(1,179)	90,254	109,100	(18,847)	83
01 00.4300.00 0000 Property Lease/Rentals	4,293	20,009	72,000	(51,991)	28
01 00.4400.00 0000 Material Sales	0	0	1,000	(1,000)	0
01 00.4450.00 0000 K Salmon Hatchery Support	0	11,783	0	11,783	0
Total Local Revenue	4,293	31,792	73,000	(41,208)	44
01 00.4700.00 0000 Police-Fines,Citation	956	7,130	10,000	(2,870)	71
01 00.4703.00 0000 Motor Vehicle Commission	4,696	26,011	60,000	(33,989)	43
01 00.4650.00 0000 State Trooper Dispatch	1,625	1,625	7,200	(5,575)	23
01 00.4660.00 0000 State Jail Contract Revenue	0	89,381	353,000	(263,619)	25
01 00.4665.00 0000 Klawock Dispatch	4,424	22,120	53,088	(30,968)	42
01 00.4670.00 0000 Forest Service Dispatch	0	0	3,000	(3,000)	0
Total Public Safety Funds	11,701	146,267	486,288	(340,021)	30
01 00.4800.00 0000 Interest Income (CKNG & CD)	1	22	0	22	0
01 00.4820.00 0000 Interest Income (A/R)	272	1,186	1,000	186	119
01 00.4830.00 0000 Misc Revenue Convenience Fees	0	0	5,000	(5,000)	0
01 00.4900.00 0000 Misc Revenue	39	1,272	0	1,272	0
01 00.4910.00 0000 Donations Received	1,500	1,500	0	1,500	0
01 00.4920.00 0000 Overhead	14,445	68,257	0	68,257	0
Total Other Revenue	16,257	72,237	6,000	66,237	1,204
Total Revenues	\$ 117,999	\$ 2,587,431	\$ 3,406,556	\$ (819,126)	\$ 76

City of Craig, Inc.
Revenue and Expense MTD and YTD
November 30, 2018

	Month to Date	Y-T-D Current Year	Y-T-D Encumbra nce	Total	Budget	Variance	% of Budget
11 Administration							
Total Personnel	26,656	129,219	0	129,219	329,028	199,809	39.27
Total Personnel Benefits	10,262	45,189	0	45,189	133,488	88,299	33.85
Total Contract Services	5,587	40,680	1,000	41,680	131,000	89,321	31.82
Total Personnel Misc.	1,692	6,435	90	6,524	10,745	4,221	60.72
Total Material & Supplies	904	6,234	(80)	6,154	11,670	5,516	52.73
Total Utilities	1,518	7,517	0	7,517	16,850	9,333	44.61
Total Maintenance	0	294	0	294	2,808	2,514	10.47
Total Misc.	1,331	14,832	0	14,832	19,135	4,303	77.51
Total Capital Assets	300	25,330	0	25,330	22,000	(3,330)	(114.14)
Total Expenditures	<u>48,250</u>	<u>275,730</u>	<u>1,010</u>	<u>276,739</u>	<u>676,724</u>	<u>399,986</u>	<u>40.89</u>
12 Council							
Total Personnel	994	4,969	0	4,969	14,700	9,731	33.80
Total Personnel Benefits	764	4,225	0	4,225	37,646	33,421	11.22
Total Contract Services	0	463	0	463	950	487	48.74
Total Personnel Misc.	448	3,161	2,166	5,326	1,550	(3,776)	(342.61)
Total Material & Supplies	236	254	0	254	2,100	1,846	12.10
Total Utilities	0	0	0	0	0	0	0.00
Total Maintenance	0	0	0	0	0	0	0.00
Total Misc.	12	60	0	60	385	325	15.58
Total Capital Assets	0	2,303	0	2,303	0	(2,303)	0.00
Total Expenditures	<u>2,454</u>	<u>15,435</u>	<u>2,166</u>	<u>17,600</u>	<u>57,331</u>	<u>39,731</u>	<u>30.70</u>
13 Planning							
Total Personnel	5,703	28,011	0	28,011	50,259	22,248	55.73
Total Personnel Benefits	1,574	7,757	0	7,757	17,084	9,328	45.41
Total Contract Services	179	244	0	244	0	(244)	0.00
Total Personnel Misc.	0	876	0	876	0	(876)	0.00
Total Material & Supplies	249	499	0	499	1,000	501	49.90
Total Utilities	0	0	0	0	0	0	0.00
Total Maintenance	0	0	0	0	0	0	0.00
Total Misc.	14	110	0	110	808	698	13.61
Total Capital Assets	0	0	0	0	0	0	0.00
Total Expenditures	<u>7,719</u>	<u>37,497</u>	<u>0</u>	<u>37,497</u>	<u>69,151</u>	<u>31,655</u>	<u>54.22</u>
14 Parks & Facilities							
Total Personnel	9,151	49,111	0	49,111	122,419	73,308	40.12
Total Personnel Benefits	6,573	35,134	0	35,134	103,284	68,150	34.02
Total Contract Services	300	4,470	0	4,470	7,200	2,730	62.08
Total Personnel Misc.	0	348	0	348	0	(348)	0.00
Total Material & Supplies	1,120	11,777	38	11,815	10,700	(1,115)	(109.42)
Total Utilities	1,442	7,058	0	7,058	15,300	8,242	46.13
Total Maintenance	0	1,181	0	1,181	10,000	8,819	11.81
Total Misc.	965	4,825	0	4,825	12,178	7,353	39.62
Total Capital Assets	0	0	0	0	7,800	7,800	0.00
Total Expenditures	<u>19,551</u>	<u>113,904</u>	<u>38</u>	<u>113,942</u>	<u>288,881</u>	<u>174,939</u>	<u>39.44</u>
15 Public Works							
Total Personnel	13,071	56,943	0	56,943	145,264	88,321	39.20
Total Personnel Benefits	8,017	35,465	0	35,465	110,200	74,735	32.18
Total Contract Services	160	380	0	380	720	340	52.78

City of Craig, Inc.
Revenue and Expense MTD and YTD
November 30, 2018

	Month to Date	Y-T-D Current Year	Y-T-D Encumbra nce	Total	Budget	Variance	% of Budget
Total Personnel Misc.	0	335	0	335	0	(335)	0.00
Total Material & Supplies	1,826	13,077	8,241	21,317	30,600	9,283	69.66
Total Utilities	1,711	7,305	0	7,305	14,800	7,495	49.36
Total Maintenance	929	12,934	10,150	23,084	25,000	1,916	92.34
Total Misc.	610	3,070	0	3,070	7,711	4,641	39.81
Total Capital Assets	1,390	3,843	5,128	8,971	2,000	(6,971)	(447.55)
Total Expenditures	<u>27,714</u>	<u>133,352</u>	<u>23,519</u>	<u>156,870</u>	<u>336,295</u>	<u>179,425</u>	<u>46.65</u>

16 Police

Total Personnel	41,626	210,243	0	210,243	496,653	286,410	42.33
Total Personnel Benefits	22,347	106,722	0	106,722	371,938	265,216	28.69
Total Contract Services	0	788	0	788	4,200	3,412	18.76
Total Personnel Misc.	994	2,796	278	3,074	3,300	226	93.15
Total Material & Supplies	2,816	19,779	221	19,999	46,000	26,001	43.48
Total Utilities	2,565	11,798	0	11,798	27,000	15,202	43.70
Total Maintenance	0	0	0	0	0	0	0.00
Total Misc.	2,525	10,875	30	10,905	9,148	(1,757)	(118.21)
Total Capital Assets	0	13,150	15,762	28,911	9,500	(19,411)	(303.33)
Total Expenditures	<u>72,873</u>	<u>376,151</u>	<u>16,291</u>	<u>392,440</u>	<u>967,739</u>	<u>575,299</u>	<u>40.55</u>

17 EMS

Total Personnel	6,612	33,613	0	33,613	85,622	52,009	39.26
Total Personnel Benefits	4,578	21,265	0	21,265	58,866	37,601	36.12
Total Contract Services	3,469	4,828	0	4,828	4,200	(628)	(113.95)
Total Personnel Misc.	0	1,753	270	2,023	3,840	1,817	52.68
Total Material & Supplies	274	5,261	577	5,838	19,000	13,162	30.73
Total Utilities	505	2,622	0	2,622	5,400	2,778	48.56
Total Maintenance	0	180	0	180	950	770	18.95
Total Misc.	507	2,555	0	2,555	5,939	3,384	43.02
Total Capital Assets	995	995	0	995	5,510	4,515	18.06
Total Expenditures	<u>16,940</u>	<u>73,072</u>	<u>847</u>	<u>73,919</u>	<u>189,327</u>	<u>115,408</u>	<u>39.04</u>

18 Fire Department

Total Personnel	0	0	0	0	0	0	0.00
Total Personnel Benefits	0	0	0	0	4,186	4,186	0.00
Total Contract Services	0	0	0	0	7,400	7,400	0.00
Total Personnel Misc.	0	373	0	373	5,735	5,362	6.50
Total Material & Supplies	0	109	0	109	4,842	4,733	2.25
Total Utilities	226	1,487	0	1,487	4,830	3,343	30.79
Total Maintenance	0	0	0	0	320	320	0.00
Total Misc.	408	2,000	0	2,000	5,113	3,113	39.12
Total Capital Assets	0	0	0	0	1,980	1,980	0.00
Total Expenditures	<u>634</u>	<u>3,969</u>	<u>0</u>	<u>3,969</u>	<u>34,406</u>	<u>30,437</u>	<u>11.54</u>

19 Library

Total Personnel	4,660	23,365	0	23,365	62,250	38,885	37.53
Total Personnel Benefits	4,053	7,870	0	7,870	51,535	43,665	15.27
Total Contract Services	0	1,323	0	1,323	1,250	(73)	(104.84)
Total Personnel Misc.	0	0	0	0	0	0	0.00
Total Material & Supplies	1,164	3,813	1,493	5,305	9,150	3,845	57.98
Total Utilities	654	2,840	0	2,840	10,600	7,760	26.79
Total Maintenance	0	0	0	0	1,400	1,400	0.00
Total Misc.	130	650	0	650	1,365	715	47.62

City of Craig, Inc.
Revenue and Expense MTD and YTD
November 30, 2018

	Month to Date	Y-T-D Current Year	Y-T-D Encumbrance	Total	Budget	Variance	% of Budget
Total Capital Assets	0	0	0	0	0	0	0.00
Total Expenditures	10,661	39,861	1,493	41,353	137,550	96,197	30.06
24 Recreation							
Total Personnel	3,456	17,248	0	17,248	44,720	27,472	38.57
Total Personnel Benefits	1,905	9,200	0	9,200	24,965	15,765	36.85
Total Contract Services	200	1,000	0	1,000	5,000	4,000	20.00
Total Personnel Misc.	0	0	0	0	0	0	0.00
Total Material & Supplies	220	844	0	844	2,500	1,656	33.76
Total Utilities	838	5,592	0	5,592	13,000	7,408	43.02
Total Maintenance	0	0	0	0	0	0	0.00
Total Misc.	375	1,875	0	1,875	4,095	2,220	45.79
Total Capital Assets	0	0	0	0	2,415	2,415	0.00
Total Expenditures	6,994	35,759	0	35,759	96,695	60,936	36.98
25 Aquatic Center							
Total Personnel	9,886	51,949	0	51,949	154,470	102,521	33.63
Total Personnel Benefits	6,006	29,305	0	29,305	109,484	80,179	26.77
Total Contract Services	0	525	0	525	3,000	2,475	17.50
Total Personnel Misc.	300	832	0	832	6,110	5,278	13.62
Total Material & Supplies	407	4,266	0	4,266	26,360	22,094	16.18
Total Utilities	7,239	50,743	0	50,743	110,000	59,258	46.13
Total Maintenance	0	0	0	0	2,644	2,644	0.00
Total Misc.	825	4,504	0	4,504	10,500	5,996	42.90
Total Capital Assets	0	103,714	0	103,714	238,488	134,774	43.49
Total Expenditures	24,663	245,838	0	245,838	661,056	415,219	37.19
31 PSN Hatchery							
Total Personnel	0	0	0	0	0	0	0.00
Total Personnel Benefits	0	0	0	0	0	0	0.00
Total Contract Services	0	0	0	0	0	0	0.00
Total Personnel Misc.	0	0	0	0	0	0	0.00
Total Material & Supplies	0	0	0	0	0	0	0.00
Total Utilities	0	0	0	0	0	0	0.00
Total Maintenance	0	0	0	0	0	0	0.00
Total Misc.	13	65	0	65	0	(65)	0.00
Total Capital Assets	0	0	0	0	0	0	0.00
Total Expenditures	13	65	0	65	0	(65)	0.00
99 Inter Governmental Transfers							
Total Personnel	0	0	0	0	0	0	0.00
Total Personnel Benefits	0	0	0	0	0	0	0.00
Total Contract Services	0	0	0	0	0	0	0.00
Total Personnel Misc.	0	0	0	0	0	0	0.00
Total Material & Supplies	0	0	0	0	0	0	0.00
Total Utilities	0	0	0	0	0	0	0.00
Total Maintenance	0	0	0	0	0	0	0.00
Total Misc.	0	0	0	0	0	0	0.00
Total Capital Assets	325	1,002	0	1,002	0	(1,002)	0.00
Total Expenditures	325	1,002	0	1,002	0	(1,002)	0.00

City of Craig, Inc.
Revenue and Expense MTD and YTD
November 30, 2018

	Q-T-D Actual	Y-T-D Actual	Y-T-D Encumbrance	Total	Y-T-D Budget	Variance	% Budget
Sewer							
Total Revenues	\$ 47,086.60	\$ 130,955.54	\$ 0.00	\$ 130,955.54	\$ 290,000.00	\$ (159,044.46)	(45.16)
Total Personnel Expenditures	21,823.66	36,716.30	0.00	36,716.30	71,586.00	34,869.70	51.29
Total Benefits Expenditures	12,935.72	21,269.07	0.00	21,269.07	46,047.00	24,777.93	46.19
Total Contract Expenditures	1,062.70	1,607.10	0.00	1,607.10	7,800.00	6,192.90	20.60
Total Travel & Expenditures	0.00	100.00	0.00	100.00	300.00	200.00	33.33
Total Materials Expenditures	1,589.01	2,239.22	0.00	2,239.22	5,400.00	3,160.78	41.47
Total Utilities Expenditures	8,143.59	20,138.95	0.00	20,138.95	44,200.00	24,061.05	45.56
Total Repairs & Maint Expenditures	0.00	1,871.12	386.85	2,257.97	4,000.00	1,742.03	56.45
Total Other Expenditures	8,388.93	20,236.38	0.00	20,236.38	18,130.00	(2,106.38)	(110.62)
Total Capital & Debt Expenditures	0.00	68,408.06	0.00	68,408.06	62,497.00	(5,911.06)	(108.46)
Total Expenditures	\$ 53,943.61	\$ 172,586.20	\$ 386.85	\$ 172,973.05	\$ 259,960.00	\$ 86,986.95	66.54
Excess Revenue Over (Under) Expenditures	(6,857.01)	(41,630.66)	(386.85)	(42,017.51)	30,040.00	(246,031.41)	139.87
Water							
Total Revenues	\$ 48,600.40	\$ 158,371.00	\$ 0.00	\$ 158,371.00	\$ 307,300.00	\$ (148,929.00)	(51.54)
Total Personnel Expenditures	33,258.27	60,348.00	0.00	60,348.00	140,483.00	80,135.00	42.96
Total Benefits Expenditures	17,604.28	31,522.82	0.00	31,522.82	79,614.00	48,091.18	39.59
Total Contract Expenditures	1,967.75	3,630.25	0.00	3,630.25	8,000.00	4,369.75	45.38
Total Travel & Expenditures	1,360.75	2,075.75	0.00	2,075.75	0.00	(2,075.75)	0.00
Total Materials Expenditures	819.58	18,892.21	4,223.57	23,115.78	51,600.00	28,484.22	44.80
Total Utilities Expenditures	8,342.31	20,438.99	0.00	20,438.99	59,400.00	38,961.01	34.41
Total Repairs & Maint Expenditures	0.00	1,397.53	0.00	1,397.53	10,000.00	8,602.47	13.98
Total Other Expenditures	8,898.93	21,547.30	0.00	21,547.30	8,850.00	(12,697.30)	(242.47)
Total Capital & Debt Expenditures	0.00	25,195.97	0.00	25,195.97	47,196.00	22,000.03	53.39
Total Expenditures	\$ 72,251.87	\$ 185,048.82	\$ 4,223.57	\$ 189,272.39	\$ 405,143.00	\$ 215,870.61	46.72
Excess Revenue Over (Under) Expenditures	(23,651.47)	(26,677.82)	(4,223.57)	(30,901.39)	(97,843.00)	(364,799.61)	(31.58)
Garbage							
Total Revenues	\$ 53,935.50	\$ 140,165.50	\$ 0.00	\$ 140,165.50	\$ 315,000.00	\$ (174,834.50)	(44.50)
Total Personnel Expenditures	9,694.80	18,695.95	0.00	18,695.95	39,564.00	20,868.05	47.25
Total Benefits Expenditures	8,911.77	16,415.78	0.00	16,415.78	39,006.00	22,590.22	42.09
Total Contract Expenditures	30,042.00	90,881.16	0.00	90,881.16	212,500.00	121,618.84	42.77
Total Travel & Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Materials Expenditures	1,215.20	4,270.93	375.85	4,646.78	7,000.00	2,353.22	66.38
Total Utilities Expenditures	55.31	132.05	0.00	132.05	0.00	(132.05)	0.00
Total Repairs & Maint Expenditures	0.00	975.90	140.81	1,116.71	5,000.00	3,883.29	22.33
Total Other Expenditures	8,030.93	19,387.30	0.00	19,387.30	3,700.00	(15,687.30)	(522.98)
Total Capital & Debt Expenditures	0.00	4,297.11	0.00	4,297.11	0.00	(4,297.11)	0.00
Total Expenditures	\$ 57,950.01	\$ 155,056.18	\$ 516.66	\$ 155,572.84	\$ 306,770.00	\$ 151,197.16	50.71

**City of Craig, Inc.
Revenue and Expense MTD and YTD
November 30, 2018**

Excess Revenue Over (Under) Expenditures

Harbor

	Q-T-D Actual	Y-T-D Actual	Y-T-D Encumbrance	Total	Y-T-D Budget	Variance	% Budget
Total Revenues	\$ 139,936.60	\$ 190,604.37	\$ 0.00	\$ 190,604.37	\$ 258,500.00	\$ (67,895.63)	\$ (73.73)
Total Personnel Expenditures	41,291.22	56,046.69	0.00	56,046.69	126,220.00	70,173.31	44.40
Total Benefits Expenditures	19,795.24	26,412.16	0.00	26,412.16	90,159.00	63,746.84	29.30
Total Contract Expenditures	2,124.00	1,547.00	0.00	1,547.00	0.00	(1,547.00)	0.00
Total Travel & Expenditures	589.56	3,686.95	0.00	3,686.95	4,400.00	713.05	83.79
Total Materials Expenditures	4,473.23	9,050.22	1,035.95	10,086.17	7,900.00	(2,186.17)	(126.67)
Total Utilities Expenditures	9,367.80	26,255.00	0.00	26,255.00	27,400.00	1,145.00	95.82
Total Repairs & Maint Expenditures	2,186.57	3,170.95	0.00	3,170.95	22,450.00	19,279.05	14.12
Total Other Expenditures	6,083.25	27,680.30	0.00	27,680.30	21,580.00	(6,100.30)	(127.27)
Total Capital & Debt Expenditures	7,402.69	12,510.03	828.71	13,338.74	131,000.00	117,661.26	10.18

Total Expenditures

\$ 93,313.56	\$ 166,359.30	\$ 1,864.66	\$ 168,223.96	\$ 431,109.00	\$ 262,885.04	\$ 39.02	
Excess Revenue Over (Under) Expenditures	46,623.04	24,245.07	(1,864.66)	22,380.41	(172,609.00)	(330,780.67)	12.97
Other Fund Sources	0.00	0.00	0.00	0.00	(130,000.00)	(130,000.00)	1.00

Excess Revenue Over (Under) Expenditures

JTB Industrial Park

	Q-T-D Actual	Y-T-D Actual	Y-T-D Encumbrance	Total	Y-T-D Budget	Variance	% Budget
Total Revenues	\$ 390,686.70	\$ 496,040.48	\$ 0.00	\$ 496,040.48	\$ 413,023.00	\$ 83,017.48	\$ 119.10
Total Personnel Expenditures	10,479.00	56,366.61	0.00	56,366.61	86,791.00	30,424.39	64.95
Total Benefits Expenditures	5,827.80	12,442.17	0.00	12,442.17	41,465.00	29,022.83	30.01
Total Contract Expenditures	0.00	60.00	827.32	887.32	1,800.00	912.68	49.30
Total Travel & Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Materials Expenditures	176.79	4,761.26	0.00	4,761.26	12,200.00	7,438.74	39.03
Total Utilities Expenditures	8,011.03	36,380.77	0.00	36,380.77	55,000.00	18,619.23	66.15
Total Repairs & Maint Expenditures	494.21	4,420.63	0.00	4,420.63	5,000.00	579.37	88.41
Total Other Expenditures	3,135.71	7,724.79	0.00	7,724.79	9,606.00	1,881.21	80.42
Total Capital & Debt Expenditures	0.00	0.00	0.00	0.00	1,500.00	1,500.00	0.00

Total Expenditures

\$ 28,124.54	\$ 122,156.23	\$ 827.32	\$ 122,983.55	\$ 213,362.00	\$ 90,378.45	\$ 57.64	
Excess Revenue Over (Under) Expenditures	362,562.16	373,884.25	(827.32)	373,056.93	199,661.00	(7,360.97)	(186.85)

Excess Revenue Over (Under) Expenditures

Ward Cove Cannery

	Q-T-D Actual	Y-T-D Actual	Y-T-D Encumbrance	Total	Y-T-D Budget	Variance	% Budget
Total Revenues	\$ 541.80	\$ 2,897.80	\$ 0.00	\$ 2,897.80	\$ 7,000.00	\$ (4,102.20)	\$ (41.40)
Total Personnel Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Benefits Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Contract Expenditures	0.00	0.00	0.00	0.00	2,750.00	2,750.00	0.00
Total Travel & Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Materials Expenditures	28.98	28.98	271.02	300.00	0.00	(300.00)	0.00
Total Utilities Expenditures	614.62	1,343.22	0.00	1,343.22	2,100.00	756.78	63.96
Total Repairs & Maint Expenditures	584.74	2,207.29	0.00	2,207.29	0.00	(2,207.29)	0.00
Total Other Expenditures	567.55	1,492.37	0.00	1,492.37	31.00	(1,461.37)	(4,813.10)
Total Capital & Debt Expenditures	0.00	0.00	0.00	0.00	2,000.00	2,000.00	0.00

**City of Craig, Inc.
 Revenue and Expense MTD and YTD
 November 30, 2018**

	Q-T-D Actual	Y-T-D Actual	Y-T-D Encumbrance	Total	Y-T-D Budget	Variance	% Budget
Total Expenditures	\$ 1,795.89	\$ 5,071.86	\$ 271.02	\$ 5,342.88	\$ 6,881.00	\$ 1,538.12	\$ 77.65
Excess Revenue Over (Under) Expenditures	(1,254.09)	(2,174.06)	(271.02)	(2,445.08)	119.00	(5,640.32)	2,054.69

City of Craig

Memorandum

To: Mayor Tim O'Connor, and Craig City Council

From: Jessica Holloway, Aquatic Manager

Date: December 27, 2018

RE: December report

December brought a lot of changes at the pool. Due to sports, school and other extracurricular activities all of the minors that have been working at the pool have left. This now leaves us extremely short-handed at the moment. Currently we have three people working. I can make this work and plan to. I have a couple interviews scheduled for this week and next so I hope this will change.

Good news: starting on January 7th the pool will be offering swim lessons on the regular schedule. We will only be doing one age group at a time for now until there is more staff trained to teach. These lessons will run full sessions, which is 4 days a week for two weeks. It is my hope that this will go smoothly. It has shown in the past to work for a bit and then dies off. Only time will tell. Also starting January 7th I will be adding a "bring your own inflatable" night on Wednesdays. This will be the time that if patrons want to bring their own pool toys in they can.

The New Year's Biggest Loser Challenge starts on January 2nd. This will run about 12 weeks with weekly weigh INS. At the end of the challenge the three top "Losers" will win one of three prizes.

The weekend of January 19th is the Wave Runners "Winter Games" swim meet in Craig. The Aquatic center will be closed that Saturday to accommodate for the event. Currently it's looking like the only other team that will participate in the Ketchikan Killer Whales Swim Club. The staff at the Aquatic Center will start cooling the pool for this meet on Thursday January 17th. Cooling the pool takes a little longer to do that reheating it. I will turn heaters back on for the pool mid-day on Sunday and it will be back to temp and ready to use on Monday morning.

Things may be a little hectic for the Aquatic Center for a bit. Please hang in there with us.

Hope everyone had a great holiday

Please feel free to call or email me with any questions or concerns.

CITY OF CRAIG MEMORANDUM

To: Craig Mayor and City Council
From: Brian Templin, City Planner
Date: December 26, 2018
RE: Planning Department Staff Report – January 2019

1. Craig Harbor Development. Staff has been continuing to work with the USACE and staff members at the federal delegation offices on this issue. We are currently waiting on a request by the Washington DC USACE HQ to the Assistant Secretary of the Army for Civil Works (ASA CW) to reprogram about \$500,000 to the federal share of the Preconstruction Engineering and Design (PED) on the project.

In November staff submitted a Community Development Block Grant application that would fund the engineering and design for the design work that the city will be responsible for. We anticipate that the results of that grant application will be announced in January/February.

The PED phase is anticipated to take the next 9 – 12 months. At the end of the PED phase the USACE will have all plans and specifications needed to bid out construction of the breakwaters. The city will be responsible for all design and construction costs for the floats, piling, approach piers, and upland improvements. Representative Kreiss-Tompkins is helping us work toward a state capital appropriation for the non-federal share of the project. The federal share of the construction project will be approximately \$26 – 29 million and the non-federal share will be \$7 – 10 million.

Staff will continue to keep the council updated on our work with the USACE as we continue to move forward with the project.

It is also time for the council to begin considering the overall development priorities and direction to staff. Some of the uplands will need to be dedicated to facilities that support the new harbor (i.e. parking, harbormaster sub-station, spill response storage, etc.) but much of the upland will be developed for other uses. The council will ultimately need to make a series of decisions on how this development takes place.

Staff will be taking time over the course of the new year to reacquaint the council with the general planning process/results that the city developed in 2007 and get the councils input on some of the development decisions moving forward. Ultimately many of the specific decisions will be dependent on the harbor design and functions but the work that we do over the next 8 – 9 months will lay the needed groundwork. I would like to plan a joint Planning Commission/City Council workshop in February to discuss the project in a less formal setting than a regular council meeting. I will work with Kassi and Jon on scheduling the workshop.

2. Tract P Access Road. The Craig Tribal Association has been working on the design and construction of a new access road on Tract P from Cold Storage Road, running behind the tribal hall to Easy Street. Staff is waiting on CTA for discussions regarding construction schedule and process.
3. Sidewalk Development. CTA has been working on a project to provide funding for design and construction of pedestrian improvements (sidewalks) on several streets in Craig. Staff will continue to work with CTA on the project.
4. Commercial Marijuana in Craig.
 - a. Marijuana Retail Establishments. Staff is continuing to monitor the progress of the applications to the state for the two conditional permits that have been issued for commercial marijuana retail establishments. As of 12-10-18 the permit for Thee Treasure Chest LLC (Kit Kraft and John Wright) was listed on the “incomplete” list, which means that the Marijuana Control Office staff has completed an initial review of the application and has requested changes, corrections, or additional information from them. Mr. Kraft is working on submitting the additional information requested by the AMCO office. There is no way of knowing how long it will take for the applicant to submit the additional information or there will be more information requests from the AMCO office. Once the application is deemed complete it will be submitted to the city clerk and reviewed by the Craig Police Chief and myself before being submitted to the council for any final comments/objections. Jaqie Weatherbee has still not initiated an application with the state at this time. There have not been any other applications for conditional use permits related to commercial marijuana in Craig. Staff will continue to monitor the state website for progress on these applications.
 - b. Marijuana Regulations – The regulations for Onsite Consumption of Marijuana at Retail Stores has been approved by the Marijuana Control Board and will be forwarded to the Department of Law for review and ultimately to the Lt. Governor for adoption. These regulations allow commercial retail marijuana establishments to apply for an endorsement to their license that allows for onsite consumption of marijuana products purchased at the retail establishment. The regulations also give municipalities the ability to (by voter referendum or by council action) prohibit onsite consumption. On March 3, 2016 the Craig City Council adopted Resolution 678. Section 5.10.055 of this ordinance prohibits onsite consumption. Based on CMC 5.10.055 no marijuana establishment in Craig will be eligible for an onsite consumption endorsement if/when the regulations are passed at the state. No further action is required by the council at this time to prohibit onsite consumption in Craig.
5. CEDS Committee. The CEDS committee membership was approved at the December 6, 2018 council meeting. I have been working with the appointed CEDS committee. To date I have been asking committee members and the public for information on economic strengths, weaknesses, opportunities and threats in

Craig through a series of electronic surveys. I will continue to send out electronic surveys and gather information through mid January when the committee meets in person.

6. City Web Site. The new city website went live on November 26th. We have been continuing to make edits and updates to the site to add information and to increase usability of the site. Recently we activated email subscription lists, which allow people to subscribe to email notification lists and we are adding businesses to the new business directory as they apply. Staff is also working closely with Municode and with the City Assessor to roll out a public interface to our property tax and general property information. We expect that the early version of this system will be live by February 1st. We will continue to make improvements to the site over the next several months.
7. Craig Emergency Response Plan. Part of the planner's salary is funded through a program called the Emergency Management Program Grant. This federal/state grant is intended to partially fund emergency management officials in communities. The grant pays a portion of salary (matched 50/50 with local funds) for the purpose of emergency planning and emergency management. The work plan for this grant over the past two years has included a major update/rewrite of the city's emergency operations plan and its annexes. The emergency operations plan (EOP) is used by the city to prepare for and respond to disasters that affect multiple jurisdictions, require the response of various local/state/federal agencies, and/or exceed the capacity of more routine emergency department responses. The plan is not intended to replace local fire, EMS, or law enforcement response protocols or procedures.

The new EOP is organized into several sections that will make it easier to pull out what is needed for a given emergency/disaster. The plan is generally organized as follows:

- General Plan. This section talks about how the plan is organized, general emergency response in Craig, Incident Management Team (IMT) organization, etc. The majority of this section will be used in preparations for emergencies.
- IMT Position Annex. Most normal positions on the IMT are listed in this annex along with job checklists, forms and additional job information based on the position. This annex will be used during exercises and real world responses. Each member of the IMT will have access to their position information during a response.
- Functional Annex. The federal government has organized all emergency response in 15 Emergency Support Functions (ESF). The 15 ESF are part of the National Incident Management System (NIMS). NIMS is required to be implemented by local jurisdictions that participate in FEMA related grant programs. The City of Craig receives funding from a number of FEMA grants or pass through grants and is required to be NIMS compliant. Functional annex documents are intended to provide information on specific functions that the city will need to do as part of a given disaster. Many functions overlap into different types of disaster.

For example, the city's plan for notification and warning could be used for Tsunami warnings, hazardous materials spills, earthquakes, etc. The plan for Notification and Warning is included in the overall EOP as Annex 15.1 (ESF 15 is the External Affairs function that includes notification and warning.) There will be multiple documents/plans included in the Functional Annex. Several of the ESF listed in the annex will have more than one document/plan included.

- Incident Specific Annex. This annex is intended to provide preplanning information for specific hazards or potential incidents that will have a large impact on the city. For example, there are a number of immediate actions that need to be taken when the city receives a credible Tsunami warning. Normally there is very little time to make the decisions and take actions. Preplanned Immediate Tsunami Response actions immediately go into effect. This preplanning gives departments and responders the opportunity to practice and prepare for these responses so that immediate action can be taken when needed.

The plan (including all annexes and attached documents) is rather large and will likely be several hundred pages when complete. Ultimately the plan (and all annexes) will be adopted by the city council.

The draft EOP General Plan is nearly complete and is ready to go out for general review. Many of the annexes are also complete, or are in the process of being completed and sent out for department/agency review. Documents will also be reviewed by the Planning Commission with input from the general public.

Given the overall size of the document it is unwieldy to send to the council as a single document so I will be sending portions of the document to the council for review and adoption over the next several months and will bring the final complete document to the council after all individual parts have been approved. This will allow the council to adopt the final documents without having to review the entire document at one sitting.

8. Travel and Leave Schedule:

- a. I will be on personal leave from January 3 – 16, 2019.



CITY COUNCIL REPORT

DECEMBER 27, 2018

TRAINING AND EVENTS

We are conducting end of year recertifications for our EMT 1's. It's a long process of skill reviews, CPR classes and applications.

We help all the communities keep their EMTs current and certified. This year the health network gave each community 1000 if we conducted training and recerts for them. Tim had us put this money in a special fund for Fire and EMS.

We are preparing for the Firefighters Basic class in January. We are still waiting for the state to give us a final estimate on cost and supplies. We are expecting at least 20 students island wide.

SIGNIFICANT CALLS

- **In November our volunteers spent 185 total hours helping the community on calls!**
- We responded to a false fire alarm at the pool this month

IMPORTANT OTHER INFO

- We are working with the Health Network for an island wide project that will train kids and adults basic skills in helping our communities.
- We received a refund of 13,000 from SEREMS with the overlapping grants for our ambulance. We plan on using it to pay for the out of pocket expenses on two other grants we have coming. 1 is new monitor for our other ambulance. Total cost is 28,000 and I have 17,000 of it covered. The other is a new gurney total cost is about 12,500 and I have 7500 covered.
- We will be hiring a full time assistant in the EMS department. We have been unsuccessful at obtaining any part time help, and we only have funding for one full time position. I will be moving to a part time position and looking for a full time assistant. Its complicated but I hope we can make it work. There is so much to do here in our Fire & EMS department. We really need 2 full time positions which I will be trying to obtain next fiscal year.
- Overall we continue to do our best for the City of Craig.



To: Craig City Council
From: Hans Hjort, Harbor Master
Date: December 26, 2018
RE: January Staff Report

Harbor department report January 2019

The month of December has kept us busy working on issues that have arisen from the wind storms that we have had.

December 16th the wind damaged the wiring to the North cove lights. The next day we were able to get a scissor lift down the dock and work on it. We found that the main problem was from the transient portion of the dock. We were able to disconnect the section of lights and the system would stay on. From there we began hooking up other sections of lights that had previously been out of service. We were able to get almost all of the dock lights working. Sunday night the 23rd the lights went out again. I was able to disconnect a portion of the lights and get them working again.

For now the transient section of the dock does not have overhead lighting. However we spent a day down there and repaired the lights that are built into the transient power pedestals. This doesn't give great light by any means but it does give the folks down there enough light that they can safely see what they are doing at night time.

The replacement of the North cove lights is still on hold. We are waiting for our electrical engineer to come down from Juneau and complete the final portion of the design work. He has tried to make it here a few times and weather has held him up. At this time he is scheduled to be here January 4th but will be attempting to come sooner if time and weather allow. Once he spends a few hours here collecting information he will return to Juneau and design the rest of the electrical system for the lights. After the design is complete we will be able to put out an RFP to have the lights replaced. The new lighting system will be all LED with all new wire, new service panel, and new switch gear as well.

We have also spent time working on the lights at South cove. Currently the lights are still high pressure sodium. We have plans to replace them with LED bulbs and convert the fixtures.

City dock is still in need of some lights. At this time we have ordered a new style of LED bulb that should fit into the old fixture. Once these bulbs arrive we will rewire the existing light fixtures and install the new bulbs. If we are happy with the light bulbs we will order more and start converting the lights in south cove harbor to LED.



On December 11th with the help of the public works crew we moved the entire stockpile of pressure treated timbers into the web loft. The lumber has been outside for several years now. Moving it inside will make it last much longer. It is also in a much more secure area.

The Brownell boat hauler has been working great for us since the last time we had Klein Diesel replace the ECD that actuates the hydraulic pump. We do plan to take the boat hauler out of service for the 3rd week of February to do some work to it. We plan to do a touch up paint job. We will prep all the surfaces that need work and treat the rust with a sealer and then give the machine another paint job. We have chosen a week that shouldn't be busy to start with, but also has bad tides for hauling boats.

One of the clear panels of roofing on the Web loft roof blew off in a storm. Parks and public facilities helped us replace the entire panel.

We have completed an RFP for the replacement of the breakwater anchor chains. Included in the RFP is a request to install foam billets under various sections of dock throughout the three harbors to level the docks out. All of the hardware for the anchor chain replacement is bought and here in Craig. We will be purchasing the foam billets soon so that we will have all materials ready for a contractor to come and install them.

We have also been working with AP&T to replace the corroded metal rings that hold the meter to the power pedestals. This project has taken awhile to get started on due to the parts being hard to find. The parts have arrived. We have approximately 40 more pedestals that need the rings replaced.

We are also working on getting all of the parts needed to go through North cove and replace all of the circuit breakers, wire to the receptacle, and 30amp receptacles. This will cut down on the problems we have with burnt up receptacles and other problems. It will also give us a starting point for keeping better records of the maintenance done to the electrical system.

SSRAA has been assembling new net pens for the Port Asumcion rearing site. The harbor department has helped the SSRAA crew by by-passing the credit card reader on the False Island dock crane. We have also made the False Island dock available for them to stage the floats on. The crew plans to come back in the beginning of January and might use the JT Brown boatyard as a place to assemble some of the pens. We will continue to offer any assistance that we can for them to complete their project.

Shaan Seet hired us to dispose of the F/V Lucky Logger. We were able to get it hauled to the burn pit December 6th.

Submitted by Angela Matthews

12/1/18-12/27/18

Volunteer Hours: 22

Patron Visits: 945

Circulation: 1835

Computer Usage: 193

Tests Proctored: 0

Meetings: 3

OWL Video Conferences: 2, Attendance: 25

Alaska Digital Library Usage: 46

Story Times: 6/ Attendance: 99

Inter-Library Loans: 30

Library Programs:

- Every Friday, 10:00 am: Preschool Story Time
- Every Wednesday, 10:00am: Head Start Story Time
- Dolly Parton Imagination Library—Continuous Registrations
- December 19th OWL: Penguins in Antarctica
- December 20th OWL: Holiday Bear

Winter Reading Program:

The 2018 Winter Reading Program started on November 17th, and we now have 65 people signed up. On December 1st we hosted a make-your-own snow globe craft with 17 kids, and it was a huge hit! I am working on a second snow globe event in January and the wait list for that is already full! On Saturday the 22nd I had 9 kids at the library decorating Christmas cookies, which was very fun and not nearly as messy as I thought it would be!

Book Sale Update:

At the December 8th Holiday Bazaar, we started the day with two tables and a dozen boxes full of books. Six hours later every box was empty and we had made \$155 (which isn't a lot, but we were only charging \$1 for as many books as a person could carry!) The remaining books will be donated to the Southeast Island School District. Huge thanks go to Jon Bolling for moving several hundred books to the gym, and to Carolyn Gardner for working the sale table with me!

OWL Programs:

The OWL programs we hosted during December were incredible. We were able to tune in with schools from all across the country to watch live video from an Adelie penguin colony in Antarctica, and Ms. James brought her entire 3rd grade class from Craig Elementary. The next day we had a much smaller group for a presentation about bear hibernation, which was informative and very, very silly. OWL days are becoming some of my favorite days at the library!

**CITY OF CRAIG
MEMORANDUM**



Date: December 27, 2018
To: Honorable Tim O'Connor, Craig City Council
Fr: RJ Ely, Police Chief
Re: Staff Report / December 2018

RJ Ely

ACTIVITY

Activity from November 28, 2018 through December 26, 2018. Dispatch Center took the following amount of calls for service:

Craig	712
Klawock	152
AST	6

DEPARTMENT OF MOTOR VEHICLES

Craig DMV is on list to get computer and/or Tablets for issuing/taking written tests.

New equipment installed, set up, tested and working. In January of 2019, Craig DMV will be able to issue Driver's Licenses and Identification Card's that conform to the Federal ID Act. You will be able to get a standard ID Card or Driver's License, even after January, if you don't want the Real ID License or ID Card.

DISPATCHER(S)

Still advertising for a part time / fill in position.

OFFICER(S)

Ofc. Nunnally has given his intent to resign / leave PD, due to ongoing family custody issues. He plans on staying on POW and finding employment elsewhere.

OTHER

Am currently advertising for police officer, to fill Ofc. Nunnally's position.

Obtained funding to send Ofc. Page to a 2 day training, advanced strangulation course in Anchorage, January 2019.

Funding through DPS, to assist with drug investigations, starting January 2019 will be available. I will be applying for funds to assist with ongoing drug operations, equipment and other items. Funding is geared towards smaller agencies, so I'm hopeful on getting awarded some of these funds.

While in Anchorage, attending APSC Meetings, AACOP Meetings, was able to meet with the newly appointed Department of Public Safety Commissioner Amanda Price and Deputy Commissioner Michael Duxbury.

Pretrial Enforcement Division (PED) moved from Juneau to Ketchikan, that oversees defendants on PED, living on POW, not in Craig. CPD assists with these defendants, with E.M. devices and UA's.

Klawock Officer Bailey has left, leaving two officers in Klawock.

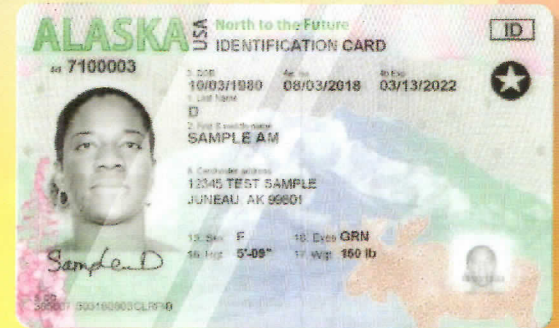
TSA Pre-Check, TWIC and Hazmat Fingerprinting has increased over past few months, same with CDL Road Testing.



Got Yours?

Beginning October 1, 2020 Alaska residents will need one of the following forms of ID to fly on commercial airlines, visit or work on a military base or other federal property:

- **Alaska Real ID compliant driver's license or state ID**
- **A currently approved federal ID like a passport, military ID, Bureau of Indian Affairs card with a photo, or others**



The  says your Alaska ID is Real ID compliant.

What is a Real ID?

It's an Alaska driver's license or state ID that meets the highest security standards required by federal law.

How Do You Get an Alaska Real ID?

Your new Alaska Real ID will replace your current driver's license or state ID. The process to get one is the same, except:

- You can't get one online, you have to visit a DMV office or DMV partner location
- Additional ID documents are required

Is it Mandatory?

No. Your regular Alaska driver's license or state ID will still be valid for all other identification purposes except flying or visiting federal properties.

Take the First Step, Visit:

DOA.ALASKA.GOV/DMV

You'll find:

- Alaska DMV locations including partner offices
- List of other federally compliant forms of ID
- List of documents required to get a Real ID
- Where to get the documents you need
- News updates and FAQs

 **Alaska Real IDs or federally compliant IDs become required beginning October 1, 2020.**

Public works Report

I. Streets and Alleys:

- a. Continued removal of vegetation from edges of asphalt to allow storm water to drain properly. This process has been started on the east side of Craig and will continue toward the west side of Craig only on specific side streets. This form of maintenance reflects the public works Department's efforts to extend the life of the asphalt by not allowing standing water to accumulate on the edges of the pavement.
- b. PSN road monthly grading performed as required.
- c. Continued storm drain ditch clean up/ maintenance as required.
- d. Sanding and snow removal on going as needed.

II. Sewer:

- a. Daily and Monthly General maintenance and sampling at the wastewater treatment plant as required.

III. Water:

- a. Daily and Monthly General maintenance and sampling at the water treatment plant and distribution system as required.
- b. Monthly water meter reading completed as required on 12/27/18.
- c. Water meter repair and/or replace as required.
- d. Currently reviewing R&M Engineering's draft site plan for North and South Cove.

IV. Equipment:

- a) Awaiting parts for plow angle hydraulic actuator manifold on Sterling Ford.

V. Solid Waste:

- a. Weekly pick-up process performed as require.
- b. wind rings will be ordered for the garbage cans by 12.31.2018 (x15)

VI. Requests:

VII. Projects:

- a. Start Alum Station installation at water treatment plant.
- b. Assist Public Facilities in removal of tree in Triangle Park.
- c. Re- locate City of Craig surplus pipe inventory from Tract P. **(completed)**
- d. Re-grade False Island boat haul-out parking lot-Dec. 2018- Jan. 2019.
- e. Finish Cove Street pavement-early summer 2019.
- f. Culvert section replacement on PSN Road-Dec.10th,2018**(completed)**
- g. Fire Hydrant installation on PSN Road- Spring 2019

Happy 2019! Craig Recreation has a lot going on this year!

After School will be back on January 7th, weekdays 3-5 and Fridays 2-5! Tuesday we skate at the Craig City Gym, Thursdays we play dodgeball with the Craig Police and Fridays we have pizza and watch a movie Monday and Wednesday we do art, projects, puzzles, play games and let the kids decide what they want to do. Bus drops off at the Rec Center. \$10 for 5 days or \$3 a day. includes a snack, and activities.

4 on 4 Community Co Ed Volleyball League!

Turn your rosters in to Craig City Hall!
Games start January 15th! Games will be Tuesday and Thursday at 7pm or 8pm. We can add more days if we have more teams. 6 players is optimal, must have both men and women to play. Ages 14 and up.

\$100 fee for the season must be **paid** before your team is put on the schedule to play.

Ballet classes will start on February 2nd with Alison Fargo, instructor. Ages 4 and up.

Break Dance Classes! Winston Johnson will share his skills and teach basic Break Dance. That class will also start on Saturday, Feb 2nd probably a 9am.

Gymnastics! Julie McDonald will be our instructor. She starts with a parent tot program and classes for older kids. We have lots of great equipment! Start and class time TBA.

Indoor Soccer is BACK!

Starting January 17 from 6pm to 8pm

\$1 open gym fee. Sunday and Wednesday. Stephen Lucey is our coach. Ages 9 and up! No cleats, just athletic shoes. We have shin guards! Waiver required to play.

Swap Meet! Saturday, January 26th 10-2pm Sign up at Craig City hall. \$10 for your first table, \$5 each additional. \$15 if you just show up.
Set up Friday at 8:45pm or Saturday at 8:30am.





Parks & Public Facilities

12/28/2018

Staff Report –December 2018

To: Craig Mayor and City Council

From: Douglas Ward

We continue to address day to day issues as they arise.

Projects completed:

- Build new box covers for planters along Helipad road.
- Install wiring for outdoor lights at ice house
- Removed downed trees at cemetery and cemetery trail.
- Replace hot water heater in Youth Center.
- Replace hot water heater in City gym.

Projects currently in progress:






















- Remove and replace slide platform at Aquatic center.
- Installation of security cameras throughout Harbor Facilities.(on hold)
- Clean gutters on Aquatic center building.

Work Orders Completed Since Last Report:



Parks & Public Facilities

12/28/2018

-  High-1830-Repair TOYO stove at Taquan.xls
-  High-1831-change oil in compressor at woodboiler.xls
-  High-1833-Overhaul blower motor in TOYO Stove.xls
-  High-1841-Reset timer for police parking lot lights.xls
-  High-1854-Replace water heater in city gym.xls
-  High-1855-Replace water heater in youth center.xls
-  High-1857-Install weather stripping on city hall front door.xls
-  High-1858-Install switch on building lights.xls
-  High-1859-Hang glove holders.xls
-  High-1860-Heating valve not working .xls
-  High-1862-move shelf. Patch wall.xls
-  High-1863-Install wall pack light upstairs city hall.xls
-  High-1864-replace ballast in light fixture.xls
-  High-1865-Door not closing on womens bathroom.xls
-  High-1866-Put plow on Gator.xls
-  High-1867-Repair camera in cell 4.xls
-  High-1868-Install bulb in porch fixture.xls
-  High-1869-Install wall pack light and change bulbs at city dock.xls
-  High-1870-Install surge protectors on crane credit card machines.xls
-  High-1871-Replace GFI in dog pound.xls
-  High-1873-Replace camera upper parking at clinic.xls

BILL WALKER
Governor



P.O. Box 110001
Juneau, AK 99811-0001
(907) 465-3500
Fax (907) 465-3532

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

November 5, 2018

The Honorable Jonathan Kreiss-Tomkins
Representative
Alaska State Legislature
201 Katlian Street, Suite 103
Sitka, AK 99835

Dear Representative Kreiss-Tomkins:

Thank you for sharing with Governor Walker your concerns regarding winter operations at the Klawock airport. I have discussed this matter with the Governor, and we want to assure you that maintaining such an important transportation link, serving so many communities on Prince of Wales Island (POW), is, and has been, a top priority for the Department of Transportation and Public Facilities (DOT&PF) and this Administration. It is unfortunate that the recent increase in scheduled air carrier service to the island has created confusion concerning the State's support for this facility. Please allow me to clarify and outline a solution for moving forward.

By way of background, the state has been grappling with an historic fiscal deficit for several years; requiring the administration to reduce the State's operating budget by over 25 percent. These reductions were keenly felt everywhere, including the Southcoast Region of DOT. Despite these significant cuts, the Southcoast Region has continued to maintain its traditional service on POW, including emergency operations, clearing 355 road miles in time for school buses in the morning, and plowing the airport for scheduled flights.

Absorbing those budget cuts without reducing the traditional service on the island has stretched the Department to the extreme. So when, this winter, they also had to contend with air carrier service growing from a 7:00 am - 6:00 pm day, to a 6:00 am - 8:00 pm day; something had to give.

The simplest solution would be to commit additional resources to the operation. However, as the state is still running large deficits, this was not deemed a practical short-term solution. Instead, the Department chose to do what it does in other locations and seek fees for after hour callouts. This is where some confusion and miscommunication unfortunately arose.

When Department staff attempted to communicate their solution to air carriers, air carriers were left with the impression the Department would be cutting back on its traditional hours of support, including support for emergency operations, as well as requiring additional fees. This is not what the Department intended to convey. For this reason, they issued a clarifying statement detailing their

The Honorable Jonathan Kreiss-Tomkins

November 5, 2018

Page 2

intentions to continue providing traditional support to the Klawock airport, including support for medevacs.

However, this still left unresolved the issue of how to cover the newly expanded flight schedule. Initially, the callout fee proposed by the Department was \$1,000 per hour, which created a financial strain on the carriers. The Department then re-evaluated this charge and was able to reduce the rate to \$250 per hour. By combining an authorization for some overtime with a significant reduction to the callout rate for after-hours, the Department was able to present a financially feasible solution, which will enable air carriers to operate their expanded schedule this winter.

Please note that this is a compromise solution, meaning it is not ideal for either party, given their particular circumstances. However, it is a reasonable short-term approach. Longer-term solutions that would require additional resources should be explored and vetted in future legislative and budgetary processes.

For a more detailed description of these latest changes to Klawock's airport operations, please see the attached updated statement from DOT&PF.

Sincerely,



John Hozey
Deputy Chief of Staff
Office of Governor Bill Walker

Enclosure: DOT&PF Updated Statement



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Transportation and Public Facilities

Southcoast Region
6860 Glacier Highway
P.O. Box 112506
Juneau, AK 99811-2506
Main: (907)465-1763
Fax: (907)465-3124
dot.alaska.gov

UPDATED DOT&PF Statement on Klawock Airport Winter Operations

November 5, 2018

DOT&PF is committed to protecting the safety of the traveling public and supporting commerce.

DOT&PF is taking steps to address the recently expanded flight schedule for service to Prince of Wales (POW) Island at the Klawock Airport:

- DOT&PF will extend the Klawock Maintenance Station's regular daily hours of operation from the Monday – Friday, 5:00 am – 1:00 pm, winter schedule that DOT&PF has used for the past five or more years.
 - Operating hours for the 2018-2019 winter season will be Monday – Friday, 5:00 am – 2:30 pm.
 - DOT&PF will accomplish this change by moving one employee to a Monday – Friday, 6:00 am – 2:30 pm shift.
 - The new hours are also possible due to a recent change to collective bargaining agreements covering staff at the Klawock station that increased the workday from 7.5 hours to 8.0 hours.
- DOT&PF will continue to provide limited after hours evening and weekend snow and ice control at the airport when workers are otherwise called out to work on POW highways, assuming overtime at a similar level as during recent winters. This includes up to one callout per weekend specifically for the airport.
- DOT&PF is reducing the after-hours charge for snow and ice management at rural airports (authorized by 17 AAC 45.035) from \$1,000 per hour to \$250 per hour for each piece of equipment used. Typically, DOT&PF uses one piece of equipment at a time for snow and ice management at the Klawock airport. In the event expanded operating hours and commitment to limited overtime are insufficient to allow an air carrier to operate its desired schedule, the air carrier may request after hours service under the revised regulation.

Protecting safety and supporting commerce are essential functions for DOT&PF. The combination of limited overtime and afterhours charges will allow DOT&PF to provide these essential functions at Klawock Airport while still maintaining the extensive POW road system.

Emergency medical transportation flights have and will continue to receive full service

Emergency medical transportation flights are exempt from after hours charges under 17 AAC 45.035. It has always been DOT&PF's policy to provide immediate services for medevacs at no additional charge to the emergency transport carrier. DOT&PF will continue to offer support at the Klawock Airport for medical and lifesaving operations.

"Keep Alaska Moving through service and infrastructure."

Changes to airport operating hours may impact DOT&PF's winter road maintenance during extreme snow events

DOT&PF classifies Klawock Airport as an unattended airport. However, DOT&PF does offer services at the airport during the Klawock Maintenance Station's regular daily hours of operation.

The newly added commercial flights pose a logistical challenge for winter operations around POW on days with snowfall events. DOT&PF workers serving the airport are also plowing roads between the 8 communities and 355 lane miles of highway on POW. These winter operations are essential functions for safety, transporting children to school, the movement of goods and freight, and more.

Although DOT&PF workers started at 5:00 am in the past, the first flights did not depart from Klawock Airport until 7:00 am. Workers were able to concentrate early morning efforts on POW highways. The addition of a 6:00 am departure will necessarily divert some of this effort to the airport. Additionally, having one worker start an hour later to cover more flights in the afternoon will affect operations on the highways.

DOT&PF will continue working with air carriers to offer after-hours operations in compliance with regulations that minimize costs to air carriers and DOT&PF.

(See facts below about DOT&PF's service on Prince of Wales Island.)

DOT&PF accomplishes wide-ranging responsibilities on Prince of Wales with limited resources.

- 6 Employees
- 355.8 lane miles of roadway responsibility
- 19.3 lane miles of airport responsibility
- Regular operating hours at the Klawock Maintenance Station are from 5:00 am – 2:30 pm Monday through Friday
 - Allows DOT&PF to plow most highways prior to school buses departing, and then monitor roads for homeward-bound buses.
 - Allows DOT&PF to have most highways cleared on the most days for the 8:00 am Interisland Ferry departure from Hollis.

DOT&PF provides service to eight communities on Prince of Wales Island. All of these communities have schools. The DOT&PF sets winter schedules for the Klawock Maintenance Station to best provide safe routes for school buses and parents transporting children to school.

- Klawock
- Craig
- Thorne Bay
- Whale Pass
- Naukati Bay
- Hydaburg
- Coffman Cove
- Hollis

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Brian Templin, Craig City Planner
Date: December 26, 2018
RE: Capital Improvement Projects - Resolution 19-01

Attached you will find Resolution 19-01. The resolution identifies the city's capital project priorities for 2019.

The council has annually adopted a capital projects resolution to guide staff in prioritizing projects and capital funding requests. Listing out city priorities is useful in identifying what projects are important to Craig. It also allows legislators to match local priorities with existing or proposed funding programs.

Based on the approved list of capital projects, staff will begin working on project submissions for the state legislature (usually due in February) and the congressional delegation (usually due in February/March). Craig has been fortunate in past years to receive capital project funding through the state legislative budget process, through federal direct appropriations and through a variety of state and federal grant programs. Those projects were funded from lists provided to the state from prior year resolutions. Due to the state's fiscal position the last couple of years the city has not received any new direct legislative grants for capital projects. It is likely that this year will be the same.

Since we have several new council and staff members I have provided a brief description of each project on the list.

The council may choose to edit project titles, discuss or edit project estimates, and move projects up or down the priority list on the resolution. The resolution is generally intended to show the priority of projects for the year but it is not uncommon for specific funding opportunities to arise during the year or for staff to target funding requests to specific projects regardless of where they fall on the project resolution.

It is also important to note that the city is currently going through a Community Economic Development Strategy committee process. The results of this process will provide some input to the council for next year's resolution but the process will likely not result in a finished product this year prior to submission deadlines for state and federal project submissions.

Projects:

1. Development of Cannery Property & Harbor Construction - \$12,300,000. This project includes the non-federal share for construction of the new harbor breakwaters, harbor float system, utility upgrades related to the harbor construction, and some of the upland improvements. The city has likely secured all of the design funding (pending reappropriation of some federal funds and approval of grant funds). This funding amount

is for construction only. The USACE will provide approximately \$26 - \$29 million in funding for construction.

2. Water System Upgrades - \$600,000. The city has a number of projects related to upgrading the city's water treatment and distribution system. These projects include:
 - Increasing chlorine contact efficiency by baffling the current contact chamber, realigning the input of alum into the treated water, and making other changes to the water treatment system in order to generally increase the treated water production capacity at the treatment plan.
 - Demolition of the Spruce Street water tank to remove this unused tank from the system completely.
 - Design/engineering for raw water transmission (from North Fork Lake to the treatment plan) and treated water transmission (from the water treatment plan to the steel storage tank) line upgrades and replacement.
3. POWER Building Renovation/Construction - \$50,000. This project includes a number of upgrades/renovations to the building that POWER currently occupies. POWER is currently working with the Rasmuson Foundation to determine eligibility for grant funding. Upgrade/renovation projects include roofing, stairways, etc.
4. Public Works Heavy Equipment Purchase (Second Garbage Truck) - \$360,000. This project includes the purchase of a new garbage truck. This project will allow the city to phase the existing truck into backup status.
5. Public Works Heavy Equipment Storage - \$400,000. This project includes the design and construction of additional vehicle bays in the Public Works Yard for the purpose of storing vehicles and equipment.
6. Library Expansion Planning and Design - \$100,000. This project includes completing the process to determine if renovation of the existing facility is feasible or if a new library facility is needed and a portion of the design/engineering required for a renovated/new facility.
7. Wastewater Treatment Plant Upgrades - \$50,000. This project includes the purchase and installation of a backup power generator for the Wastewater Treatment Plant.
8. Aquatic Center Repairs, Upgrade, and Expansion - \$500,000. In July 2014 Jensen, Yorba, Lott completed a condition assessment of the pool. This condition assessment identified several million dollars worth of upgrade and renovation projects. The most critical projects included the roof and mechanical systems. In 2016 the city completed about \$2 million worth of work that included a new roof and replacement of most of the mechanical (heating) system. The city has continued to make additional improvements as time and finances have allowed. Currently the city is working on refinishing the lap pool and kiddie pool basins. The funding identified by this project will be used to upgrade/expand the facility's fitness area. This program is popular with the public but is undersized for the variety of demands.
9. Convert Ice House to Salt Water Cooling System - \$100,000. This project would convert the ice house cooling system from existing reffridgerant to recirculated salt water. This would reduce reliance on chemical cooling, reduce stored hazardous materials, and ultimately reduce operational costs of the facility.
10. Micro Hydro Generator at Water Treatment Plant - \$285,000. This project includes the design and installation of a micro hydro generator inline with the raw water line near the

city's water treatment plant. This generator would provide most of the power needed by the water treatment facility and by the SSRAA hatchery facility collocated with it.

11. Skateboard Park - \$100,000. This project includes the design and construction of a new park facility with an emphasis on usability by skateboards. The park design would include hard basins and other features common to skateboard parks.
12. Firehall/EMS Building Construction - \$4,500,000. In 2015 the city completed design for a new firehall/EMS building to replace the existing firehall and EMS office. The new building would contain office space, five vehicle bays, backup power, a training room, equipment storage, and sufficient parking. The new building will be located behind Thompson House where COHO was. This project includes construction of the new building.
13. Bridge Structures Inspection and Upgrade. The city currently owns/maintains three bridges: False Island, Dog Salmon Creek (on PSN Road) and a bridge on the road leading to the city dam at North Fork Lake. The Dog Salmon Creek bridge is fairly new and the False Island Bridge is in good shape. The log stringer bridge on the road to the dam was inspected within the past several years and is in usable shape. Both the False Island Bridge and the bridge leading to the dam should be inspected and any required maintenance/upgrades performed.
14. Wastewater Collection System (Lift Station Replacement) - \$900,000. The city maintains a number of lift stations throughout Craig. These stations are collectors at low points of the wastewater collection system. The lift stations collect wastewater and pump (force) the wastewater to the treatment plant. Several of the stations that the city maintains are aging (some past their expected lifespan). There are no major issues with existing stations but a regular scheduled maintenance and replacement plan is important. Currently the city has identified three stations that should be replaced.
15. Asphalt Surfacing - \$400,000. The city has spent several years putting asphalt on nearly all city streets and the pool parking lot. There are at least two additional parking lots (city hall and float plane facility) that are identified for asphalt surfacing. There are also a number of repairs and short sections of street that were not paved. This project includes asphalt surfacing for a number of parking lots and street segments.
16. Complete Phase II Improvements in Klawock Airport Master Plan. In 2006 the State of Alaska completed the Klawock Airport Master Plan. This plan lays out projected improvements for 20 – 25 years. The state has been steadily making improvements to navigation and facilities at the airport which have helped facilitate additional air carriers and routes and facilities at the airport. This project really encourages the state to continue to seek funding specifically for upgrading the Klawock Airport.
17. Craig-Klawock Separated Bike Path - \$4,100,000. This project includes the design and construction of a separated bike/pedestrian path from the Craig High School to Klawock. This would essentially be an extension of the existing separated bike path in Craig. This project has been on the Craig Tribe's work plan on and off over the past 20 years and the city has provided support and assistance with the project.
18. Connect Craig Tribal Hall to Wood Boiler – \$500,000. This project includes design and construction to connect the existing wood fired boiler to the Craig Tribal building to supplement/replace use of fuel oil for heating.

19. Community Quota Entity Quota Share Purchase - \$150,000. The City of Craig completed their application to be a Community Quota Entity in 2004. This allows the city to purchase and lease Halibut and Sablefish IFQ and lease it to local fishermen. The program did not contain any financing for quota shares, just the opportunity for the community to retain some quota in the community. Staff prepared a business plan for the council after the CQE was formed. The business plan shows that significant cash input would be required to allow purchase (even if a portion was financed). This project would provide funds that could be leveraged to purchase quota share to be held by the CQE and leased to local fishermen.
20. Upgrade and Expand Boat Launch Area at Industrial Park - \$200,000. This project includes the design and construction of a second (parallel) or expanded launch ramp at False Island. This would expand the capacity for launching small craft and would enhance the ability of the city owned boat haulout trailer to launch and recover vessels using the ramp.
21. Float Plane Terminal Access and Parking - \$500,000. This project would include the land acquisition, design, and construction of new access to the float plane terminal from Water Street that would avoid the multiple 90 degree turns to reach the terminal. There are a number of access points from Water Street that would be logical to use as starting points. The project also includes potential purchase of additional land and development of expanded parking at the terminal.

Recommendation

The council should discuss the priority of items shown on the attached resolution. The council may also add, delete, or modify items as it wishes. After council discussion the council should move to adopt Resolution 19-01.

CITY OF CRAIG
RESOLUTION 19-01
Establishing Capital Projects for 2019

WHEREAS, the City of Craig Council annually prepares a comprehensive capital improvement program for the City of Craig; and,

WHEREAS, the United States Government and the State of Alaska annually prepare budgets and appropriate funds to local governments and state and federal agencies for the implementation of local and state capital improvement projects; and,

WHEREAS, the Craig City Council has identified certain capital improvement project priorities for the City of Craig for calendar year 2019.

NOW, THEREFORE, BE IT RESOLVED that the following projects, set forth in order of priority, are established as the City of Craig's top priorities for capital improvement projects for calendar year 2019:

1. Development of Cannery property & Harbor Construction	\$12,300,000
2. Water System Upgrades	\$ 600,000
3. POWER Building Renovation/Construction	\$ 50,000
4. Public Works Heavy Equipment Purchase (Second Garbage Truck)	\$ 360,000
5. Public Works Heavy Equipment Storage	\$ 400,000
6. Library Expansion Planning and Design	\$ 100,000
7. Wastewater Treatment Plant Upgrades	\$ 50,000
8. Aquatic Center Repairs, Upgrade and Expansion	\$ 500,000
9. Convert Ice House to Salt Water Cooling System	\$ 100,000
10. Micro Hydro Generator at Water Treatment Plant	\$ 285,000
11. Skateboard Park	\$ 100,000
12. Firehall/EMS Building Construction	\$ 4,500,000
13. Bridge Structures Inspection and Upgrade	\$ 150,000
14. Wastewater Collection System (Lift Station Replacement)	\$ 900,000
15. Asphalt Surfacing	\$ 400,000
16. Complete Phase II Improvements in Klawock Airport Master Plan	\$ 2,650,000
17. Craig-Klawock Separated Bike Path	\$ 4,100,000
18. Connect Craig Tribal Hall to Wood Boiler	\$ 500,000
19. Community Quota Entity Quota Share Purchase	\$ 150,000
20. Upgrade and Expand Boat Launch Area at Industrial Park	\$ 200,000
21. Float Plane Terminal Access and Parking	\$ 500,000

APPROVED: January 3, 2019.

Tim O'Connor, Mayor

ATTEST _____
Kassi Mackie, City Clerk

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: December 28, 2018
RE: Draft Letter on Application of Roadless Rule on the Tongass National Forest

Attached is a draft letter to Governor Mike Dunleavy regarding application of the Roadless Rule to the Tongass National Forest.

The draft letter follows direction from the city council at its December 6 meeting to draft a letter providing support for exemption of the Tongass National Forest from the Roadless Rule, while also providing for certain management measures, including further restricting round log export, maintaining wood supply for existing mills, and retaining LUD II status for Noyes, Lulu, and Baker Islands, west of Craig.

The letter is addressed to Gov. Dunleavy, whose administration is working with the Secretary of Agriculture as to the State's position on application of the rule in Alaska.

Recommendation

That the council discuss the draft letter and give direction to staff on changes to the text.

January _____, 2019

Governor Mike Dunleavy
State Capitol
Juneau, AK 99801

Dear Governor Dunleavy:

The City of Craig supports exempting the Tongass National Forest from the national Roadless Rule.

The rule changed profoundly the management of public lands on Prince of Wales Island, and in Southeast Alaska. Application of the rule unnecessarily discourages mining, energy development, communications improvements, timber harvest, road construction, and other activities on lands that were previously open to such activities.

Removing application of the rule on the Tongass better supports the region's economy without sacrificing stewardship of public lands. Ample land use guidelines exist wholly apart from Roadless that provide for proper management of the forest. Managed access to the natural resources in the Tongass, including minerals, timber, energy, water, and other resources, is essential for the well-being of the communities in and near the forest.

When the acreage set aside by the Tongass Transition Plan and Roadless Rule is combined with the 4.5 million acres of the Tongass National Forest designated as Wilderness by the ANILCA, and the 1.1 million acres of the Tongass National Forest designated as Wilderness and Land Use Designation (LUD) II by the TTRA, resource development is limited or prohibited on approximately 15.2 million acres of the 16.9-million acre Tongass National Forest—approximately 90 percent of the Forest. On Prince of Wales Island, approximately 40 percent of the land base in the Thorne Bay Ranger District, and approximately 60 percent of the Craig Ranger District, are identified as Roadless, not including lands designated as Wilderness. Such withdrawals from the developable land base unreasonably reduce economic opportunities without commensurate community benefits.

As the Forest Service moves to eliminate application of the Roadless Rule from the Tongass, it should also modify its timber sale program. The program should provide volumes of timber from public lands suitable to meet the capacity of existing mills in the region. Sales should carry requirements for domestic, and preferably local, processing with minimal volumes authorized for round log export. If the rule is repealed, lands designated "Outside Islands LUD II Management Area" west of Craig should remain in LUD II status.

Communities are as reliant as ever on reasonable access to national forest lands. Several communities and school districts on Prince of Wales Island, for example, have converted the heating systems of public buildings to low carbon-emitting wood heat. These systems rely on ongoing timber sales from and continued access to National Forest lands. For our part, the City of Craig purchases wood byproducts from the milling process to heat three community buildings.

The city also leases to a local sawmill wood drying equipment that the mill uses in its manufacture of sawdust to manufacture compressed sawdust logs for commercial and home use.

Elimination of the Roadless Rule will provide a better opportunity for local decision-making efforts as to management measures on public lands, and eliminate the chilling effect the Rule has on historical uses of the forest. At the same time, taking steps to limit round log export of most timber harvested off the forest, providing wood to meet existing milling capacity on the Tongass preserves, and retaining the status of the Outside Islands Management Area provides for our community's economic and natural resource needs.

Sincerely,

Mayor Tim O'Connor

Cc: Alaska Congressional Delegation

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Jon Bolling, City Administrator
Date: November 29, 2018
RE: Steam Winch Components at Cannery Property

Recently, Mr. Greg Head asked about the disposition of the steam winch components stored on the cannery property. Greg is interested in acquiring the smaller of the two winches with the goal of rebuilding the unit to an operational condition. Greg offered to purchase the unit

Background

The steam winch (also referred to as steam donkey) components were a fixture on the cannery property for decades, when the site was used actively to support the local seine fleet. The steam winch components were used to haul seine boats to and from the water for maintenance work and seasonal storage. The equipment was removed from its original site to another location on the cannery property when the property beneath and around the shelter underwent cleanup of contaminated soils prior to the city purchasing the site. The equipment has remained stored outside on the property for some ten years.

Status of Equipment

The equipment has some historical value. At the same time, the equipment is also in poor condition, and will need work if there is interest in eventually displaying it in town somewhere.

Options

The council at this point should discuss the options before it, including:

- Leave the equipment as-is for the time being;
- Offer Greg Head the opportunity to work on the equipment, with some agreement in place as to returning the equipment to the city;
- Solicit proposals from the public to recondition or in some way improve the condition of the equipment.

Recommendation

That the council discuss options for the steam winch components and provide direction to staff on a preferred option.

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Jon Bolling, City Administrator
Date: December 24, 2018
RE: Consider Appropriation for Installation of Alum Station

Last fiscal year the city purchased a new alum station for use at the city's water treatment plant. The council appropriated \$40,000 to purchase and install the station in the FY 2018 budget. The city purchased and took delivery of the station, spending \$21,271. The balance of the appropriation, about \$18,729, lapsed when FY2018 ended on June 30, 2018.

The station is in hand but yet to be installed at the water treatment plant. Installation will require bringing in the vendor the city uses to maintain its supervisory control and data acquisition (SCADA) system to install controls for the station, engaging a local electrician to energize the station, and purchasing miscellaneous fittings to complete installation. The city's SCADA vendor, Boreal Controls Inc. of Juneau, provided a quote to the city (copy attached) to complete the installation. The quote totals \$8,900. I expect the electrical work and various small components will cost several thousand dollars more.

Staff proposes that the council reappropriate the unspent balance of the FY 2018 appropriation for this project. Staff will draw the amount necessary to complete installation of the station, with any unspent balance remaining in reserves.

Recommendation

That the council appropriate up to \$18,729 of the lapsed FY2018 appropriation from the Equipment Replacement Reserve Fund for the purpose of completing installation of the new alum station at the city's water treatment plant, with any unspent balance to lapse on June 30, 2019.

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: December 28, 2018
RE: Hatchery Production Report from SSRAA

Attached are reports provided to the city by Jeff Lundberg at the Southern Southeast Regional Aquaculture Association showing 2018 chinook and coho returns from the Port St. Nicholas and Klawock River facilities.

The reports show catches of king and coho salmon based on gear groups and geographic districts. Some of the districts are shown on the attached fishing district map from the Alaska Department of Fish and Game. As you can see from the reports, most of the locally produced chinook and coho salmon are caught in District 103, which runs the length of the west shoreline of Prince of Wales Island. District 113, located along the west coast of Baranof Island, and District 154, which is west of the outside islands of District 103, also accounted for large coho catches.

As the council will recall, the city contracts with SSRAA for the production of chinook salmon at the city's water treatment plant property at PSN. The city pays SSRAA between \$60,000 and \$80,000, depending upon the year, to raise the fish, and offsets some of that costs through the king salmon derby and cost recovery efforts. Recent costs have been closer to \$60,000 per year. That amount may fall further with the start up of chum salmon production at PSN.

Jeff will attend the council's January 3 meeting to present the data, and respond to questions.

2018 KRH Coho Returns

	101	102	103	104	105	106	107	108	109	113	152	154	157	(blank)	Grand Total
	District														
KLAWOCK ESTUARY 103-60	2	3	12,541	4,205	1,231				2,464	7,536	4,064	8,947		3,560	44,553
PURSE			598	1,020										513	2,130
TROLL	2	3	11,143	2,129	1,092				2,464	6,646	4,064	8,943		3,047	39,531
SPORT			800	1,057	139					890		4			2,891
KLAWOCK LK 103-60	171	62	32,686	9,533	4,322				2,876	17,890	7,102	17,562		7,446	99,649
DRIFT	69														69
PURSE		62	1,392	2,554										2,004	6,013
TROLL	102		29,145	3,799	4,190				2,876	15,515	7,102	17,562		5,441	85,732
SPORT			2,148	3,180	132					2,375					7,835
Cost Recovery	56,068														
Broodstock	4,343														
Escapement	13,643														
Common Property	144,202														
TOTAL	218,256														
Jacks															11,590

Troll 125,263
 Seine 8,143
 Drift 69
 Sport 10,726

4.87% Survival

2018 PSN Chinook Returns

District

Sum of Contribution Row Labels	Column Labels																Grand Total	
	101	102	103	104	105	106	107	108	109	110	112	113	114	152	154	212		(blank)
COFFMAN COVE 106-30	27	21	8	34	3	302	304	116	3	15	3	10	4	4	4	5	3	828
DRIFT	18					286	187	116								5		613
PURSE						3	105				3							112
TROLL	4	21	8		3	9	12		3	15		10	4	4	4		3	95
SPORT	4					3												8
PORT ST NICHOLAS CR 10360	70	14	1,120	34	7	38	34	7	23	34	60	71	32	71	32	5	16	1,560
DRIFT	43					38	21											102
NR			1,012															1,012
PURSE							13											13
TROLL	19	14	102	7	7				23	34	40	71	32	71	32		16	365
SPORT	7		6	27				7			19							68
Grand Total	97	34	1,127	34	9	340	338	124	26	49	70	71	36	71	36	5	19	2,387

Coffman Cove Troll	95	Survivals	BY12	0.01%
Seine	112	CC	BY13	0.65%
Drift	613		BY14	1.34%
Sport	8			
Total	828			
PSN Troll	365	Survivals	BY12	0.03%
Seine	13	PSN	BY13	0.30%
Drift	102		BY14	0.95%
Sport	68			
Cost Recovery	1,884			
Total	2,432			

Chart 5B - Southeast Alaska, Ketchikan Management Area

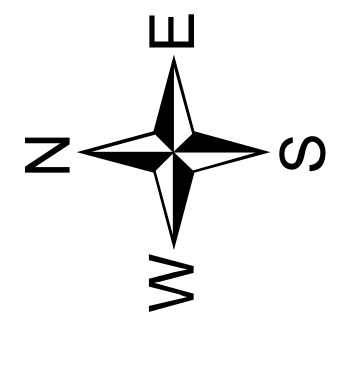
© 2018 Alaska Dept. of Fish and Game
P.O. Box 115526
Juneau, Alaska 99801
adfg@alaska.gov
http://www.adfg.alaska.gov

5th Ed., April 2018
Not for navigational use



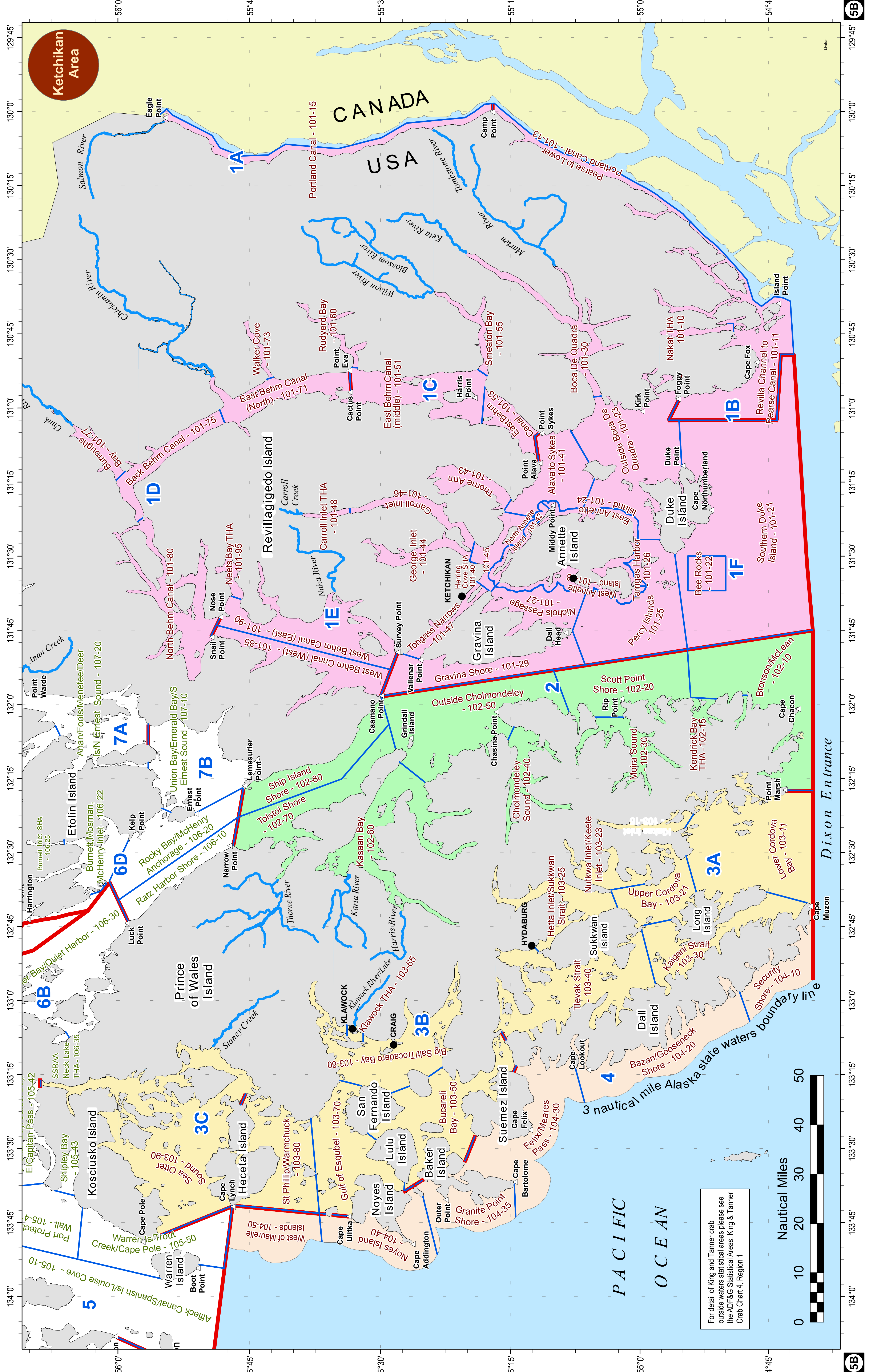
ADF & G

Salmon and Shellfish Fisheries

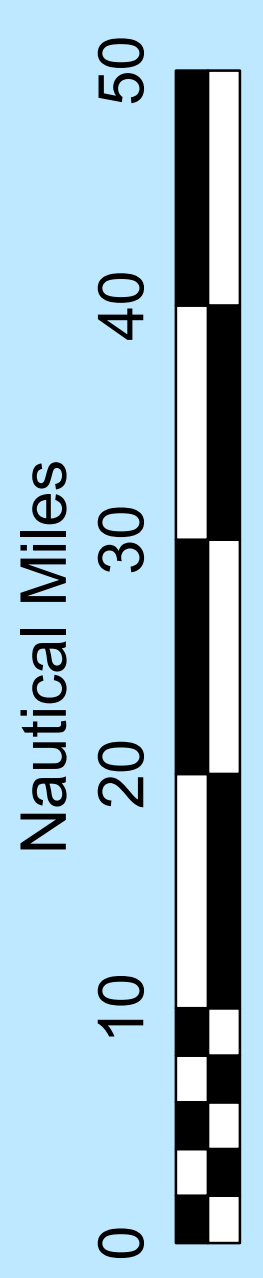


Section
Statistical Area

Ketchikan Management Districts
104 103 102 101



For detail of King and Tanner crab outside waters statistical areas please see the ADF&G Statistical Areas: King & Tanner Crab Chart 4, Region 1



**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: December 28, 2018
RE: Policy on New Water and Wastewater Services

In years past, when a lot in town needed a new water or wastewater service line, the city collected a set fee and installed the services, including performing all the needed excavation. Over time the fee set for the installation of the service lines did not cover the cost of the parts, let alone the excavation and labor needed to install the services.

In 2013, the city council adopted Resolution 13-16, which increased the fees charged for new services to match the cost of the parts needed for the services. Those parts include copper or plastic service lines, meter pit, curb stop, tapping saddle, and the water meter. Installation and excavation costs remained over and above the component costs. While the resolution clearly set the rates for new service installation, it did not specifically address who is responsible for excavation costs.

With the availability of general contractors to provide the excavation needed for new water/wastewater services, and the fact that lots not served with water and wastewater services are rare in Craig, staff proposes that the council consider changing its policy to supply all parts and labor to install the new service lines, as we do now, and leave the cost of excavation to the owner of the property served by the new lines. Doing so essentially relieves the city from providing free excavation services.

Recommendation

Adopt a policy stating that fees established by the City of Craig for new water and wastewater service lines do not include excavation services.

Recommended motion: I move that the city adopt as policy that the fees set by the City of Craig for new water and wastewater service lines do not include excavation services.