

**CITY OF CRAIG  
COUNCIL AGENDA  
JULY 18, 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.*

- City Council Meeting Minutes of May 16, 2019
- City Council Meeting Minutes of June 6, 2019

**HEARING FROM THE PUBLIC**

- Open for public comment
- Public hearing on Ordinances and Resolutions

**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) APCM May Report
- 2) Disaster Relief for Alaska Fisheries

**CONSIDERATION OF RESOLUTIONS AND ORDINANCES**

- 1) Ordinance 723, FY19 Supplemental Budget

**UNFINISHED BUSINESS**

- 1) Offer to Purchase Lot 2, Block 27, USS 1430 from Jim Seley

**CITY OF CRAIG  
COUNCIL AGENDA  
JULY 18, 2019  
COUNCIL CHAMBERS 7:00 PM**

**NEW BUSINESS**

- 1) Port St. Nicholas Road Fee Update
- 2) Abatement of Dangerous Building at Lot 4, Tract R, USS 2327
- 3) Consider Approval of Lease Renewal for HOPE

**ADJOURNMENT**

CITY OF CRAIG  
COUNCIL MEETING  
THURSDAY MAY 16, 2019

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**ROLL CALL**

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

**Staff present:** Jon Bolling, City Administrator; Kassi Mackie, City Clerk; Joyce Mason, City Treasurer; Jessica Holloway, Aquatic Center Manager; Angela Matthews, Librarian.

**Audience present:** Kim Potatzka, Lee Axmaker, Richard Trojan, Chris Reitan

**BOARD OF EQUALIZATION**

- Consideration of Appeals on 2019 Property Tax Assessments

This item was no longer needed, as all property assessment appeals had been resolved prior to the meeting.

**CONSENT AGENDA**

City Council Meeting Minutes of April 18, 2019

City Council Meeting Minutes of May 2, 2019

TROJAN/MCDONALD

moved to approve the consent agenda.

MOTION CARRIED UNANIMOUSLY

**HEARING FROM THE PUBLIC**

- Open for Public Comment
- Final Reading and Public Hearing of Ordinance 721, FY20 Operating Budget
- Final Reading and Public Hearing of Ordinance 722, Utility Rate Increase
- Resolution 19-08, Setting the 2019 Mill Levy
- Resolution 19-09. Craig Aquatic Center Instruction Fees

Richard Trojan spoke on behalf of the item for consideration under new business regarding the leased property at JT Brown Subdivision. Richard has a business plan including purchase of the property and wouldn't have built a brick and mortar building out there had there not been a consideration of purchase of the property. Richard commented on the involvement of Trojan and Son in city business and many projects by other entities within Craig. Richard commented on the possibility to have a recycling center on the property for the island. Richard has considered moving from Craig but isn't interested in doing so.

Kim Patatzka was present to comment on the ordinance providing off-street parking for each dwelling. The older property owners in Craig has complied with this, except one. Kim would like to see some resolution to this matter and has visited the Craig Police Department to comment on this issue with no resolve. Kim suggests that the council

encourage ticketing or regulation of how many vehicles can be in the city streets. Mr. Douville commented that it looked unusual and doesn't seem to be in compliance with the city code. Mayor O'Connor stated that this issue is being addressed.

## **READING OF CORRESPONDENCE**

- Southeast Senior Services Quarterly Report
- Pending Changes to SB91
- 2018 Consumer Confidence Report

## **CONSIDERATION OF RESOLUTIONS AND ORDINANCES**

### **Resolution 19-08, Setting the 2019 Mill Levy**

DOUVILLE/BAZINET

moved to adopt Resolution 19-08, 2019 Mill Levy.

MOTION CARRIED UNANIMOUSLY BY ROLL CALL VOTE

### **Resolution 19-09, Craig Aquatic Center Instruction Fees**

MCDONALD/TROJAN

moved to adopt Resolution 19-09, Aquatic Center Instruction Fees.

Jessica explained this certification and fee schedule for trainings through the City of Craig and the fees for traveling to instruct.

MOTION CARRIED UNANIMOUSLY BY ROLL CALL VOTE

### **Ordinance 721, FY20 Operating Budget**

TROJAN/BAZINET

moved to adopt Ordinance 721, FY20 Operating Budget.

MOTION CARRIED UNANIMOUSLY BY ROLL CALL VOTE

### **Ordinance 722, Utility Rate Increase**

TROJAN/DOUVILLE

moved to adopt Ordinance 722, Utility Rate Increase.

Mr. Douville asked about the per thousand-gallon rate. Jon explained that this amount doesn't reflect the 3% increase in section B of schedule B.

MOTION CARRIED UNANIMOUSLY BY ROLL CALL VOTE

## **UNFINISHED BUSINESS**

**NEW BUSINESS**

**Consider sale of leased property to Trojan and Son**

Ms. Trojan declared a conflict of interest. Mayor O’Connor recognized the conflict and accepted her abstention from the vote. Mr. Trojan commented on his intention to clean up the lot and make it more aesthetically pleasing to the public. Mr. Douville commented his hesitancy to agree to a purchase agreement on this property due to the revenue that the city receives leasing the property as opposed to selling the property. Ms. McDonald questioned the pollution insurance relationship to this agenda item. Mr. Trojan commented that it is a different matter and is not pertinent to this conversation. Ms. McDonald is in favor of making the lot more aesthetically pleasing to the town, and also commented on the value of small businesses, and support to business owners in Craig. Ms. McDonald asked about the need to report sales outside the city on business tax returns. Mr. Bolling explained that it has been practice to document sales that occurred outside the city as well. Mr. See appreciated working with Mr. Trojan, and commented the intention to come to an agreement soon on this item. Mr. Patotzka commented that there is a need for small businesses within the city, and that the business is far exceeding the payments. Mr. Trojan stated that if the purchase of property is approved, there is no intention to re-sell the property.

**Consider approval, city contribution to Craig City School District FY2020 Budget**

DOUVILLE/MCDONALD moved to approve the city’s contribution of \$642,949 to the Craig City School District Budget.

Chris Reitan commented that the news from the Governor was that there would be no reductions to the school districts, but that was contingent on the discussions with the Permanent Fund Dividend. The Craig School District is looking to increase enrollment through the PACE system, which wouldn’t cost the district any more, but could bring in more revenue.

MOTION CARRIED UNANIMOUSLY

**ADJOURNMENT**

MCDONALD/CREIGHTON moved to adjourn at 8:09 p.m.  
MOTION CARRIED UNANIMOUSLY

APPROVED \_\_\_\_\_

\_\_\_\_\_  
MAYOR TIMOTHY O’CONNOR

ATTEST \_\_\_\_\_  
KASSI MACKIE, CITY CLERK

CITY OF CRAIG  
COUNCIL MEETING  
THURSDAY JUNE 6, 2019

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**ROLL CALL**

Mayor Tim O'Connor called the meeting to order at 6:00 p.m. and the roll was taken. Present were Jim See, Hannah Bazinet, Dave Creighton and Jan Trojan. Absent excused was Julie McDonald and Mike Douville.

**Staff present:** Jon Bolling, City Administrator; Allison Fargo, Admin Clerk; Joyce Mason, City Treasurer; Chaundell Piburn, EMS Coordinator; Hans Hjort, Harbormaster; Angela Matthews, Librarian; Russel Dill, Public Works Director, RJ Ely, Police Chief, Victoria Merritt, Parks and Recreation Director

**Audience present:** Jim Seley

**CONSENT AGENDA**

- None

**HEARING FROM THE PUBLIC**

- Open for Public Comment
- Public Hearing on Resolutions and Ordinances

Jim Seley was present to discuss the contents of the letter included on the agenda. Jim mentioned the need for a streetlight on JS Street.

**REPORTS FROM CITY OFFICIALS**

**Mayor/Fire Department-** Mayor O'Connor reported meeting with Jon and a candidate for US Senate.

**Administrator-** Jon provided a written report.

**Treasurer-** Joyce provided a written report and reported that property tax statements will go out July 1<sup>st</sup>.

**Aquatic Manager-** Jessica provided a written report and was absent excused.

**City Clerk-** Kassi provided a written report and was absent excused.

**City Planner-** Brian provided a written report.

**EMS Coordinator-** Chaundell provided a written report.

**Harbormaster-** Hans provided a written report.

**Library-** Angela provided a written report and mentioned that the summer reading program begins June 15<sup>th</sup>.

**Police Chief-** RJ provided a written report.

**Public Works-** Russell provided a written report.

**Parks and Rec-** Victoria reported babysitting classes taking place and the new summer event schedule posted.

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

#### **READING OF CORRESPONDENCE**

1. APCM April Report
2. Thank you from CCSD
3. U.S. Reliance on China's Rare Earth Metals
4. Alaska Roadless Rule Newsletter
5. Public Hearing on POW-Unit 2 Wolf Harvest
6. Request to Purchase City Property- Jim Seley  
Mayor O'Connor is requesting that the council consider purchasing this lot. Jim See isn't in a hurry to purchase any properties, but the council would like to discuss this item further on the next agenda.

#### **CONSIDERATION OF RESOLUTIONS AND ORDINANCES**

##### **Resolution 19-10, Supporting Management of Roadside Vegetation Without Herbicides, Pesticides, or Spray Defoliant**

TROJAN

moved to discuss Resolution 19-10.  
MOTION DIED FOR LACK OF A  
SECOND

CREIGHTON/BAZINET

moved to approve Resolution 19-10.  
MOTION CARRIED UNANIMOUSLY BY  
ROLL CALL VOTE

#### **UNFINISHED BUSINESS**

##### **Harbor Development Cannery Site**

Brian explained that this is an opportunity to bring the council up to date on the cannery discussion, and also to layout some of the funding issues between now and construction in the upcoming years. The council had no comment.

**NEW BUSINESS**

**Consider Approval FY18 Audit**

TROJAN/BAZINET

moved to approve the FY18 Audit.

MOTION CARRIED UNANIMOUSLY

**Discussion of Public Notification for Referendum on October Municipal Ballot**

Jon explained the reason for this agenda item and requested council input on dissemination of the information for the upcoming ballot measure. Jan would like to see information in the city newsletter. Dave would like some information on social media as well, as this is a big source of news for residents. Hannah would like to see it posted all over town, and at the aquatic center.

**Consider Employee Health Insurance Renewal Options**

CREIGHTON/BAZINET

moved to approve the Employee Health Insurance using the 50 + Pooling Plans Group, Heritage and Select plan.

MOTION CARRIED UNANIMOUSLY

**ADJOURNMENT**

SEE/TROJAN

moved to adjourn at 7:53 p.m.

MOTION CARRIED UNANIMOUSLY

APPROVED \_\_\_\_\_

\_\_\_\_\_  
MAYOR TIMOTHY O'CONNOR

ATTEST \_\_\_\_\_  
KASSI MACKIE, CITY CLERK



## **CITY OF CRAIG MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: July 12, 2019  
RE: July Staff Report

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### **1. Pending Vacancies**

Advertisements are posted for the pending vacancies of the City Treasurer and City Clerk positions. As of July 10 we have received three applications for the treasurer position, and none for city clerk. Joyce Mason's last day is scheduled for July 19, and Kassi Mackie's final work day is August 9.

### **2. Fourth of July Events**

Congratulations are due to the Fourth of July Committee and Craig Recreation Director Victoria Merritt for a very successful Fourth of July celebration. I heard lots of compliments on the wide range of fun activities that occurred in Craig.

### **3. Access Easement to Wastewater Treatment Plant**

As a reminder, city staff crosses land owned by Shaan-Seet Inc. to get from the city-owned Cemetery Island Road to the city's wastewater treatment plant. A twenty-year easement providing for access to the treatment plant expired in 2016. Since the expiration date, the city has continued to use the easement corridor under the terms set out in the original easement document. Shaan-Seet Inc. has expressed an interest in renewing the easement agreement. I have told SSI that the City of Craig shares that interest.

City of Craig staff at public works recently completed some maintenance work to the easement area in response to a request by Shaan-Seet Inc. I will continue to work with SSI to renew the easement.

### **4. CTA/City of Craig Projects**

Craig Tribal Association continues to work on the Tract P Road. The agreement between the city and CTA calls for work on the road to be complete by December 31, 2020. On May 30 I signed a construction agreement with CTA that governs work on the Tract P Road. CTA staff will begin work on the road when ready, and in coordination with city staff.

CTA hired R&M Engineering as part of the process to begin construction of sidewalks along certain city streets in and around the Middle School/Elementary School property. The tribe and R&M staff are working together on identifying locations and construction needs at the sites.

Public Works Director Russell Dill and I met via telephone with a representative from the McDowell Group. The company is working under contract to develop a cost/benefit analysis to support funding for additional improvements to the Port St. Nicholas Road. Russell and I provided information on the road and water mains during the conversation, and promised to make ourselves available to the company to provide more assistance before the project deadline.

### **5. PSN Cost Recovery**

Keta Seafoods continues its king salmon cost recovery efforts at PSN. The catch volume is about 300 fish less to date than 2018, but is still a good return.

## **6. New POW District Ranger**

Mr. Scot Shuler recently moved to Craig to work as the Craig/Thorne Bay District Ranger for the US Forest Service. I met with Mr. Shuler last week to welcome him to Craig and discuss past and ongoing USFS programs on Prince of Wales Island.

## **7. SBS Building Inspection**

On June 6 I walked through the city's cold storage/seafood processing building at the JT Brown Industrial Park. The walk through is part of the annual landlord inspection of the building that I make each year. Public Facilities Director Doug Ward also attended the walk through. Silver Bay Seafoods occupies the building under a long-term lease with the city.

As I have reported to the council in past years, SBS has been a very good tenant. The company is attentive to repairs needed at the building, and appears to me to managing the facility with a view to indefinite occupation. The company's tenant improvements are well done, and the few maintenance items I identify that appear to need attention are promptly worked on. There are a few areas of chronic damage to the building's siding, due to impacts from fork lifts and pallet jacks, but nothing out of the ordinary wear and tear we should expect on the building.

## **8. Meeting with Federal Officials**

On July 6, Mayor O'Connor and I met with Sen. Lisa Murkowski, USFS Chief Vicki Christiansen, and several other USFS and federal officials. The mayor and I met the group in Naukati. We spoke with the Senator regarding the status of a reprogramming request from the US Army Corps of Engineers for design funding for the city's downtown harbor project. The request needs approval from two congressional committees, one of which includes Sen. Murkowski as committee chair. I followed up that meeting with a call to Steve Silver to ask him to monitor and lobby for the pending reprogramming approval.

The group then traveled from Naukati to a nearby logging unit where the group discussion included talk of USFS contracting policy, and the recent POW Landscape Level Assessment document. In my experience, Senator Murkowski has always been interested in Craig projects, and helpful in response to city requests and inquiries regarding federal programs and policies. The July 6 visit was no exception.

## **9. 2016 Pink Salmon Disaster Relief Fund**

The federal government recently approved distribution of these funds to processors and commercial fishermen. Funding earmarked for communities was not approved for distribution, apparently because the federal agency is uncertain about how to best distribute that portion of the funding. At this point I believe Craig to be eligible for some portion of the funding due to communities, but there is no way of knowing at this point the timing of the distribution or any amount due to Craig.

## **10. Travel Schedule**

September 17-21: Southeast Conference meeting in Sitka.

## City OF Craig Memorandum

To: Mayor Tim O'Connor, Craig City Council  
From: Jessica Holloway, Aquatic Manager  
Re: June/ July report  
Date: July 10, 2019

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June was a crazy month for the pool. We successfully completed our shut down with very little issues. We reopened on time with all pools up and running. I was in Juneau from June 20<sup>th</sup>- 25<sup>th</sup> teaching a LIG course. The class went great and I was able to see where some tweaking will need to happen for the next round of classes. Lessons started back up on June 24<sup>th</sup> and will continue on every two weeks with a new age group.

July has already been "fun" . ON Monday July 1<sup>st</sup> there were some power issues around town and as a result we had to shut down the pools for a few hours while we worked out our own power fails. Doug helped us get almost everything back up and running. The power surges and the power phase fails killed the kiddy pool motor. We re- ordered it and it was due to arrive in Craig on July 9<sup>th</sup>. Unfortunately it was miss labeled and misplaced at the Seattle warehouse for Samson and will not arrive until the 17<sup>th</sup>. So the result is, the kiddy pool is out of order. Hopefully by the council meeting it will be up and running.

The pool is currently recruiting for a Full Time Lifeguard II position. We are hoping to get this position filled ASAP. This person will need to be 18 or over and be willing to teach swim lessons to the school aged kids. The position is needed to help and take the burden off of Chris and Jessica while Chris is traveling for swim team. Between the months of August – October and pretty much all of April Chris is traveling for High school swimming along with Wave runners.

The Wave runners have a small summer swim league happing this month as well. It is Monday, Wed, and Friday form 12pm-1pm. They did not get the turn out they were hoping for, but it seems to be working.

I am looking to teach another LGI course here in Craig in October or November. I am waiting on the schools swim schedule to come out so I can start planning that. I have also started towards my goal of getting everyone and anyone that works with the public CPR /AED certified. This is not something that I expect to complete in a year but it is something that I would like to try. There has been a little fuss about me doing these courses from a couple of people but again this is my goal.

Of course if you have questions or concerns please feel free to call or email me at any time.

# City of Craig Memorandum

Date: May 30, 2019

To: Mayor O'Connor and Craig City Council

From: Kassi Mackie, City Clerk

Re: Clerk's Report

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## **Website**

If you have anything you think should be highlighted on the website, please let Brian or I know. The information the council passed for dissemination regarding Proposition 1 is up on the website as well as the City of Craig social media sites.

## **Elections**

I have been working to prepare all materials for the 2019 Municipal Election prior to my resignation.

## **Next Meeting**

August 1<sup>st</sup>

## **NW Clerks Institute**

I attended Professional Development IV in June. This institute is held at the University of Puget Sound, and includes city clerks from Washington, Oregon and Alaska. The topic for this intense three-day training was Leadership Skills. I will provide a full report to the council at the August 1 meeting.

## **CITY OF CRAIG MEMORANDUM**

To: Craig Mayor and City Council  
From: Brian Templin, City Planner  
Date: May 30, 2019  
RE: Planning Department Staff Report – May 2019

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1. Craig Harbor Development. Staff has been collecting and inputting survey results for the new harbor design. The survey was developed by staff and reviewed by the harbor advisory committee before being opened to the public. The survey will stay open until August. The public working group formed by the planning commission is continuing to meet and discuss development of the uplands. Most of the discussion to date has centered on some historical preservation of the site. The public working group is expected to bring some recommendations to the planning commission in August. I will be scheduling a joint workshop with the planning commission and harbor advisory committee in September/October to finalize the design recommendations for the new harbor. Staff is continuing to work with the federal delegation on appropriations needed to start the USACE design work this fall.
2. Tract P Access Road. The Craig Tribal Association begun construction of a new access road on Tract P from Cold Storage Road, running behind the tribal hall to Easy Street. CTA has started work at Cold Storage Road and will continue to work on the road throughout the current construction season. Planning and Public Works staff will continue to work with CTA throughout the construction project.
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. The design has been finalized for the work and CTA intends to begin work this year. Staff met with R&M on May 30<sup>th</sup> on the issue to talk about design impact to road width and adjacent properties. As a result of the meeting with the engineer some of the sidewalk segments will likely be done as design/build projects to install additional drainage pipes and fill existing ditches in some areas. CTA will likely start construction shortly on some of the sidewalk segments.
4. Prince of Wales Animal Welfare Society (PAWS). PAWS has been operating an animal shelter and the city's animal impound facility under an agreement with the city since August 2017. I met recently with PAWS staff to resolve some issues regarding payment and responsibilities outlined in the agreement. Staff will be bringing an amended agreement to the council for consideration in August.
5. Commercial Marijuana in Craig.

Marijuana Retail Establishments. Thee Treasure Chest LLC (Kit Kraft and John Wright) are continuing the work related to remodeling of the space at 9<sup>th</sup> and Water Street for their retail establishment.

Jaquie Weatherbee has still not initiated an application with the state at this time. Based on conditions in the approved conditional use permit, if she did not have a license approved by July 11, 2019 the conditional use permit was voided.

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.

There has been an application initiated for a marijuana retail store and at least two cultivation sites in Klawock, most located in the Mary Jackson Subdivision.

6. Skateboard Park. Based on direction from the city council I have started the process of looking at interest, evaluating sites, and generally moving forward with the planning for a skateboard park here in Craig. There have been a number of public hearings and the planning commission narrowed the potential sites to the East Hamilton Park and the Spruce Street Water Tank. The commission is soliciting skateboard park users to help draft concept designs to see which site works better.
7. Travel and Leave Schedule:
  - a. I will be on vacation from August 24 – September 3.



# CITY COUNCIL REPORT

# JULY 05, 2019

## PROJECT SUMMARY

REPORT DATE	PROJECT NAME	PREPARED BY
July 10, 2019	Monthly Report	Chaundell Piburn

## TRAINING AND EVENTS

Fire & EMS participated in the 4<sup>th</sup> of July parade. We hand out candy, 4<sup>th</sup> of July trinkets and necklaces and water bottles to elders.

Our SAFETY program is awesome this year. We handed out 26 ice cream cone coupons at the fishing derby on July 3<sup>rd</sup> to kids & adults wearing life vests on the dock. ( AC funds & Haunted house money)

We partner with the Police Dept. to continue our bike helmet campaign. WE have given out 42 ice cream cone coupons to bike helmet wearers around town this year. (The kids continue to follow the policemen pointing at their heads wanting their free cones!) It's a WIN

Our next safety campaign will involve safety back to school / walking to school. Our Safety Lieutenant Ben Page is coming up with some safety measures for us to use. He has been a huge part of keeping the bike helmet program going.

## SIGNIFICANT CALLS

- **June was a huge month for calls. We had over 32 call outs for EMS. Totaling more than 165 hours volunteered for the city of Craig. This means our calls lasted an average of 2 hours with 2 - 4 volunteers at a time on each call. Tim put in more than 60 hours on calls last month. Our volunteers give so many hours to the city, my hope is that we can develop a reward program as an incentive to keep them volunteering.**

## IMPORTANT OTHER INFO

- We begin planning for the 2020 Regional Symposium. This 5-day training event brings together Doctors, Nurses, Clinicians, EMS providers and instructors every year in southeast Alaska. We applied 4 years ago to help host it. It usually brings over 200 visitors to the area.

## **5/30/2019 – 6/30/2019**

Volunteer Hours: 40  
Patron Visits: 1339  
Circulation: 2579  
Computer Usage: 216  
Tests Proctored: 2  
Meetings: 5  
Alaska Digital Library Usage: 82  
Story Times: 5 Attendance: 62  
Inter-Library Loans: 19

### **Library Programs:**

- Every Friday, 10:00 am: Preschool Story Time
- Dolly Parton Imagination Library—Continuous Registrations
- June 15<sup>th</sup> – August 17<sup>th</sup>: Summer Reading Program
- June 21<sup>st</sup>: Wall-E Movie Night
- June 29<sup>th</sup>: Rocket Balloon Races

### **Summer Reading Program 2019:**

Summer Reading started with a Blast-Off party, complete with cupcakes and a galaxy photo booth. We had many more people come through the door than on a normal Saturday, and 39 people signed up for the program before 3:00! The new incentive system seems to be working for the kids; a few of them have already earned three or four small prizes and raffle tickets. Our first movie night only saw six kids, but that simply meant there was more popcorn to go around! So far we have 93 participants in the program, and still a few weeks to go!

### **Loss of OWL Program:**

The Online with Libraries (OWL) program through the Alaska State Library ceased to exist as of June 30<sup>th</sup> when the governor vetoed its funding and the legislature failed to override the veto. While the impact to the Craig Library is not as severe as the impact on more rural libraries, the biggest effect on us will be the loss of state funding for our videoconferencing programs. The state is allowing libraries to keep the equipment, but any events we do will need to be paid for by the city or with a grant. The city will also be making up a portion of our monthly internet costs previously paid for by the OWL program (90% of our internet is federally funded through a program called E-Rate).



**CITY OF CRAIG  
MEMORANDUM**



**Date: July 11, 2019**  
**To: Honorable Tim O'Connor, Craig City Council**  
**Fr: RJ Ely, Police Chief**  
**Re: Staff Report / June 2019**

*RJ Ely*

**ACTIVITY**

Activity from May 31, 2019 through June 30, 2019. Dispatch Center took the following amount of calls for service.

Craig	922
Klawock	348
AST	9

**DEPARTMENT OF MOTOR VEHICLES**

Officer Ben Page has attended and completed DMV Motorcycle Road Examination Training in Anchorage. We are now able to offer the driving test, for Motorcycle's.

**DISPATCHER(S)**

All dispatchers received updated training for ACOMS / PED

**OFFICER(S)**

Still haven't filled our open police officer position.

**OTHER**

Had Radio Tec on site, installing, upgrade our current communications center. After two days, all configured, tested and staff trained. Dispatch Center will now monitor 6 channels / frequencies.

Repairs were completed on PD's Fire Suppression System, tested and are again working properly.

HB49 was signed and new laws take effect on July 11, 2019.

Have applied for funding, for an officer to attend firearms instructor training, in October of this year.

Working with AST, providing data, info to help justify a CSO position, on POW.

# Public works Report

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## I. Streets and Alleys:

- a. PSN road maintenance performed as required 06.14-18. 2019
- b. Continued weed remove at intersections as required
- c. Weed removal from Port Bigail jersey barrier as required

## II. Sewer:

- a. Daily and Monthly General maintenance and sampling at the wastewater treatment plant as required.
- b. Responded to power outages as required.
- c. Jetted and cleared surcharged sewer line on Hill Top RD. as required
- d. Excavated sewer line at high school baseball field and removed rocks. New locking sewer cap installed.

## 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 06/26/19.
- c. Water meter repair and/or replace as required.
- d. All treatment trains are ready for service in anticipation for high demand.
- e. Resubmitted time line for DEC approval on North and South cove backflow preventer project.

## IV. Equipment:

- a) Sweeper inoperable; parts on order.

## V. Solid Waste:

- a. Weekly pick-up process performed as require.
- b. Additional 300 gallon cans and wind rings to be placed on order with in the month of July.

## VI. Requests:

# Public works Report

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## **VII. Projects:**

- a. Assist Public Facilities in removal of tree in Triangle Park.(Complete)
- b. Safety Program review
- c. Re-grade False Island boat haul-out parking lot before early April.
- d. Finish Cove Street pavement-early summer 2019.
- e. Fire Hydrant installation on PSN Road- Spring 2019
- f. Secondary containment system for used oil installed as required. (Complete)
- g. Assist Public Facilities with concrete work at Richard Ensely Park (Complete)

## Report to Craig City Council for July 18, 2019 Meeting

It has been a hectic July! The 3rd, 4th and 5th of July were a great success. The 4th of July Committee has purchased new tents! That made the entire set up and clean up so much easier! Thanks Hannah and Ben Bazinet, Betty Kubik, and Karl Benolken and Raina Bjerke. Loni and Josh Bennett ran the races. Mellisa Walters helped out too. Thanks to Doug and crew for the greasy pole, the harbor crew for setting it up, Russell and crew for the dumpsters and generator. Jose' for turning on the generator. Tyler rental for the porta-potties. AP&T for putting up the banners. Everyone working together made it all a success.

July 3rd started with the Fishing Derby at 3pm. Jay and Rhonda Kingery ran the derby. Michelle Winrod and Susan Barstow helped keep track of the most fish. Ben Bazinet ran the greasy pole with assistance from Jessica Holloway and the Harbor crew. Joshua Miller Verfuth from Scottsdale Arizona was our greasy pole winner with Charley Huestic coming in 2nd. The Raffle sellers were crowned that night, Ashlyn Smith sold the most with Joshua Bennett coming in 2nd. Fireworks was lit at 11pm by Karl, Ben, Vince Vickers and crew. Karl spent Most of the 4th sweeping the helipad.

July 4th started with the Firecracker Fun Run by the POW Runners Club. This annual event is from Alicia Roberts parking lot in Klawock to the Healing Heart totem pole in Craig. Then the parade, Raina Bjerke was in charge, We had a good turn out.

Ballpark set up started at 8am. I was there at 7:45am. With the new tents it was a snap. We had a beer garden, house shoes, BBQ, Fry bread and tacos, Lumpia , rice and skewers. The bounce slides, a Knocker ball tournament, voter registration, Tye Dye, Plants, cotton candy, balloon darts, dunk tank, cotton candy, bottle toss, soccer darts, cork guns, Shooting club, face painting, and fun for all! We gave away a lot of great prizes from all of the wonderful sponsors. Betty was a great help. Then we cleaned up.

Friday was the duck race! We met at Crab Creek with nearly 1,000 ducks. It was a slow start but the suspense ended with Loni and son Jackson Bennetts duck made it to the finish line. They won \$4660 Al Harris took home \$935 or 2nd place and Emil Nelson had the sitting duck for \$50. That concluded the festivities. All that was left was to put it all away. That is the story of the 4th of July in Craig.

We have activities offered for kids 3 afternoons and skating on Friday at 7pm. Karate and volleyball on Tuesdays and Thursday. Skating Tuesday at 4, kids afternoon at the youth center Wednesday 3-5 and Dodgeball on Thursday. Magic on Saturday 4pm and D & D now on Wednesday night. Stop by the City Gym and see the new paint job in the hall and restrooms.

Up coming events: Soccer will start the end of the month. June 29th there will be Girl Scout Camp at the youth/Recreation Center. A Swap meet will be held on August 9th from 9-1.

Salmon Social is in the planning stages. It will be on August 24th at 6pm in The Craig City Gym. Ann Marie Adams is helping to get donations. Kathy Peavy is helping decorate. Robin Thomas will do the food. Doug Rhodes will be the auctioneer. Chase Anderson will perform. It is all falling in place.

Radio show is on every Friday at 8:45am, except over the 4th it was on the 3rd so everyone know what was going on with the festivities. Kassi has been doing city announcements, Angela has been promoting Library activities.

That is all for now!  
Respectfully, Victoria Merritt



# Parks & Public Facilities

7/12/2019

## Staff Report –June 2019

To: Craig Mayor and City Council

From: Douglas Ward

### Current Projects Underway:

1. Ensley Park playground equipment has been installed and concreted in. The picnic area slab has been poured.
2. Medical Center HVAC controller upgrade.
3. Annual wood boiler maintenance.
4. Kiddy pool pump motor burned up in last power grid incident. New motor will be here Tuesday July 16<sup>th</sup>.
5. Ballfield restroom project. Fixtures for the restrooms have arrived and have been installed.
6. Mowing and weed eating throughout the city and parks.

### Completed Items:

1. New lighting in city dock building.
2. Burial at Craig Cemetery.
3. July 4<sup>th</sup> Ballfield preparations.

As always, don't hesitate to call or contact me anytime for questions or concerns.

# CITY OF CRAIG

Account Statement - Period Ending May 31, 2019



ALASKA PERMANENT  
CAPITAL MANAGEMENT  
Registered Investment Adviser

## ACCOUNT ACTIVITY

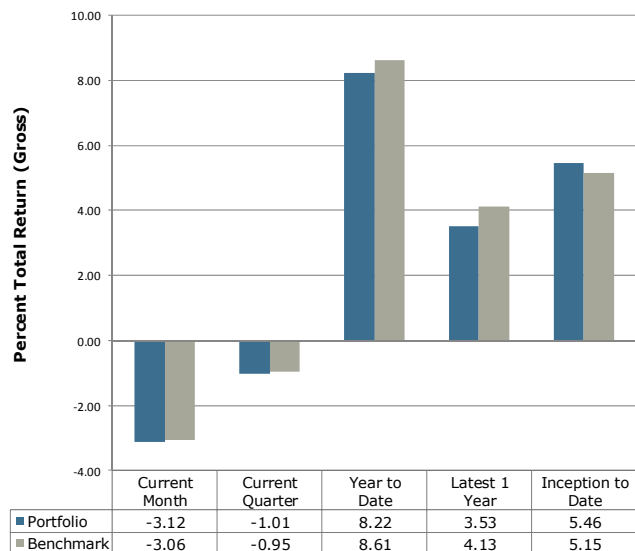
Portfolio Value on 04-30-19	10,690,564
Contributions	0
Withdrawals	0
Change in Market Value	-340,865
Interest	6,982
Dividends	0
Portfolio Value on 05-31-19	10,356,681

## MANAGEMENT TEAM

Client Relationship Manager:	Amber Frizzell, AIF® Amber@apcm.net
Your Portfolio Manager:	Bill Lierman, CFA®
Contact Phone Number:	907/272 -7575

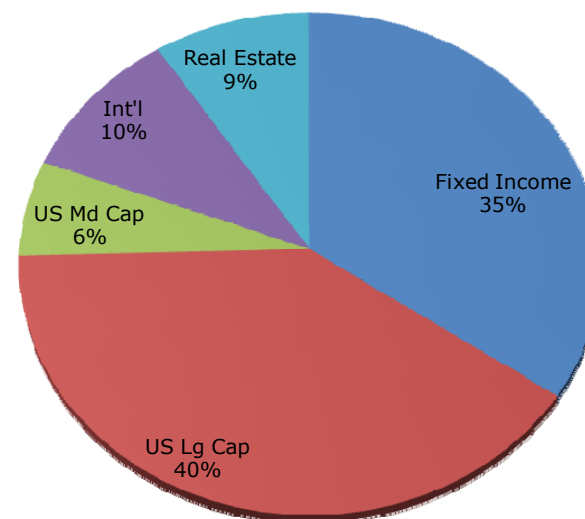
## INVESTMENT PERFORMANCE

Current Account Benchmark:  
Equity Blend



Performance is Annualized for Periods Greater than One Year

## PORTFOLIO COMPOSITION



Clients are encouraged to compare this report with the official statement from their custodian.

Alaska Permanent Capital Management Co.  
**PORTFOLIO SUMMARY AND TARGET**  
***CITY OF CRAIG***  
*May 31, 2019*

Asset Class & Target	Market Value	% Assets	Range
<b>FIXED INCOME (34%)</b>			
US Fixed Income (34.0%)	3,556,787	34.3	20% to 45%
Cash (0.0%)	31,582	0.3	na
<b>Subtotal:</b>	<b>3,588,370</b>	<b>34.6</b>	
<b>EQUITY (56%)</b>			
US Large Cap (40.0%)	4,134,555	39.9	30% to 50%
US Mid Cap (6.0%)	638,518	6.2	0% to 10%
Developed International Equity (10.0%)	1,034,286	10.0	5% to 15%
<b>Subtotal:</b>	<b>5,807,360</b>	<b>56.1</b>	
<b>ALTERNATIVE INVESTMENTS (10%)</b>			
Real Estate (10.0%)	960,951	9.3	5% to 15%
<b>Subtotal:</b>	<b>960,951</b>	<b>9.3</b>	
<b>TOTAL PORTFOLIO</b>	<b>10,356,681</b>	<b>100</b>	



Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**CITY OF CRAIG**  
*May 31, 2019*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
<b>FNMA &amp; FHLMC</b>									
3,980	FHLMC POOL G14203 4.000% Due 04-01-26 Accrued Interest	104.56	4,162	103.38	4,115	0.04	159	13	2.39
			4,162		4,128	0.04		13	
<b>CASH AND EQUIVALENTS</b>									
	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		31,582		31,582	0.30			
<b>CORPORATE BONDS</b>									
100,000	HSBC USA INC 2.375% Due 11-13-19	99.61	99,608	99.88	99,883	0.96	2,375	119	2.62
50,000	NBC UNIVERSAL MEDIA LLC 4.375% Due 04-01-21	109.20	54,602	103.38	51,691	0.50	2,187	365	2.47
50,000	AMERICAN EXPRESS CREDIT 2.250% Due 05-05-21	99.92	49,962	99.42	49,709	0.48	1,125	81	2.56
50,000	GILEAD SCIENCES INC 1.950% Due 03-01-22	96.28	48,141	98.60	49,302	0.48	975	244	2.47
50,000	UNITEDHEALTH GROUP INC 2.875% Due 03-15-22	102.56	51,279	100.87	50,435	0.49	1,437	303	2.55
50,000	COMCAST CORP 2.850% Due 01-15-23	101.83	50,917	100.79	50,394	0.49	1,425	538	2.62
50,000	AFLAC INC 3.625% Due 06-15-23	106.03	53,016	104.42	52,208	0.50	1,812	836	2.47
50,000	BANK OF NEW YORK MELLON 2.200% Due 08-16-23	97.83	48,916	98.34	49,168	0.47	1,100	321	2.62
50,000	JPMORGAN CHASE & CO 3.875% Due 02-01-24	105.18	52,590	105.01	52,506	0.51	1,937	646	2.72
50,000	METLIFE INC 3.600% Due 04-10-24	105.46	52,732	104.66	52,330	0.51	1,800	255	2.57
50,000	WELLS FARGO & COMPANY 3.300% Due 09-09-24	99.88	49,941	101.84	50,918	0.49	1,650	376	2.92
50,000	APPLIED MATERIALS INC 3.900% Due 10-01-25	107.96	53,978	105.82	52,908	0.51	1,950	325	2.89
50,000	TARGET CORP 2.500% Due 04-15-26 Accrued Interest	96.45	48,223	98.83	49,417	0.48	1,250	160	2.69
			713,908		715,440	6.91		4,568	
<b>DOMESTIC LARGE CAP EQUITY FUNDS/ETF</b>									
15,020	SPDR S&P 500 ETF	148.52	2,230,793	275.27	4,134,555	39.92	NA		
<b>DOMESTIC MID CAP EQUITY FUNDS/ETF</b>									
3,525	ISHARES CORE S&P MIDCAP 400 ETF	108.07	380,963	181.14	638,518	6.17	NA		

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**CITY OF CRAIG**  
*May 31, 2019*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
<b>INTERNATIONAL EQUITY FUNDS/ETF</b>									
8,875	ISHARES ETF CORE MSCI EAFE	56.78	503,906	59.39	527,086	5.09	NA		
8,000	ISHARES MSCI EAFE INDEX FUND	61.59	492,725	63.40	507,200	4.90	NA		
			996,631		1,034,286	9.99			
<b>REAL ESTATE</b>									
11,500	JPMORGAN BETABUILDERS MSCI US REIT ETF	76.56	880,392	83.56	960,951	9.28	NA		
<b>U.S. TREASURY</b>									
150,000	US TREASURY NOTES 1.750% Due 10-31-20	99.91	149,866	99.55	149,326	1.44	2,625	230	2.07
175,000	US TREASURY NOTES 1.875% Due 12-15-20	99.17	173,549	99.74	174,548	1.69	3,281	1,514	2.05
150,000	US TREASURY NOTES 2.125% Due 08-15-21	99.45	149,169	100.39	150,592	1.45	3,187	933	1.94
75,000	US TREASURY NOTES 2.000% Due 10-31-21	99.92	74,943	100.18	75,132	0.73	1,500	130	1.92
100,000	US TREASURY NOTES 2.000% Due 11-15-21	99.76	99,762	100.22	100,219	0.97	2,000	92	1.91
200,000	US TREASURY NOTES 2.125% Due 06-30-22	98.10	196,209	100.66	201,312	1.94	4,250	1,785	1.90
150,000	US TREASURY NOTES 1.625% Due 11-15-22	97.79	146,686	99.04	148,564	1.43	2,437	113	1.91
150,000	US TREASURY NOTES 2.625% Due 02-28-23	99.73	149,593	102.53	153,790	1.48	3,937	995	1.92
125,000	US TREASURY NOTES 2.500% Due 08-15-23	98.87	123,590	102.28	127,856	1.23	3,125	915	1.93
170,000	US TREASURY NOTES 1.375% Due 08-31-23	99.92	169,867	97.74	166,155	1.60	2,337	601	1.93
115,000	US TREASURY NOTES 2.125% Due 03-31-24	98.81	113,630	100.83	115,952	1.12	2,444	418	1.94
100,000	US TREASURY NOTES 2.375% Due 08-15-24	100.23	100,227	102.03	102,031	0.99	2,375	695	1.96
175,000	US TREASURY NOTES 2.000% Due 08-15-25	98.46	172,301	99.96	174,932	1.69	3,500	1,025	2.01
40,000	US TREASURY NOTES 2.625% Due 12-31-25	99.90	39,962	103.70	41,481	0.40	1,050	441	2.02
100,000	US TREASURY NOTES 2.500% Due 02-28-26	100.40	100,397	102.98	102,981	0.99	2,500	632	2.03
100,000	US TREASURY NOTES 1.625% Due 05-15-26	101.05	101,055	97.36	97,356	0.94	1,625	75	2.03
150,000	US TREASURY NOTES 2.000% Due 11-15-26	97.14	145,717	99.64	149,455	1.44	3,000	139	2.05
125,000	US TREASURY NOTES 2.250% Due 11-15-27	95.20	118,996	101.12	126,396	1.22	2,812	130	2.11

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
***CITY OF CRAIG***  
*May 31, 2019*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
80,000	US TREASURY NOTES 3.125% Due 11-15-28	102.02	81,613	108.41	86,731	0.84	2,500	115	2.14
125,000	US TREASURY NOTES 2.625% Due 02-15-29 Accrued Interest	99.82	124,774	104.20	130,249	1.26	3,281	961	2.14
			2,531,905		2,587,000	24.98		11,939	
<b>AGENCIES</b>									
100,000	FEDERAL HOME LOAN BANK - STEP UP 2.000% Due 11-14-22	99.86	99,865	99.47	99,473	0.96	2,000	89	2.16
100,000	FEDERAL FARM CREDIT BANK 2.850% Due 04-24-25	100.00	100,000	100.00	100,001	0.97	2,850	293	2.85
50,000	FHLB 3.625% Due 03-19-27 Accrued Interest	99.82	49,910	100.00	50,001	0.48	1,812	362	3.62
			249,775		250,220	2.42		744	
<b>TOTAL PORTFOLIO</b>			<b>8,020,111</b>		<b>10,356,681</b>	<b>100</b>	<b>81,615</b>	<b>17,265</b>	

Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
**CITY OF CRAIG**  
*From 05-01-19 To 05-31-19*

Trade Date	Settle Date	Security	Quantity	Trade Amount
<b>PURCHASES</b>				
DOMESTIC LARGE CAP EQUITY FUNDS/ETF				
05-14-19	05-16-19	SPDR S&P 500 ETF	300.0000	85,153.38
INTERNATIONAL EQUITY FUNDS/ETF				
05-14-19	05-16-19	ISHARES ETF CORE MSCI EAFE	300.0000	18,108.99
U.S. TREASURY				
05-01-19	05-02-19	US TREASURY NOTES 2.000% Due 08-15-25	75,000	73,494.45
05-01-19	05-02-19	US TREASURY NOTES 2.125% Due 08-15-21	50,000	49,878.24
05-01-19	05-02-19	US TREASURY NOTES 2.125% Due 06-30-22	75,000	74,792.32
				198,165.01
				<b>301,427.38</b>
<b>DEPOSITS AND EXPENSES</b>				
MANAGEMENT FEES				
05-31-19	05-31-19	MANAGEMENT FEES		2,589.17
				<b>2,589.17</b>
<b>INTEREST</b>				
AGENCIES				
05-14-19	05-14-19	FEDERAL HOME LOAN BANK - STEP UP 2.000% Due 11-14-22		1,000.00
CASH AND EQUIVALENTS				
05-15-19	05-15-19	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		26.62

Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
***CITY OF CRAIG***  
*From 05-01-19 To 05-31-19*

Trade Date	Settle Date	Security	Quantity	Trade Amount
<b>CORPORATE BONDS</b>				
05-06-19	05-06-19	AMERICAN EXPRESS CREDIT 2.250% Due 05-05-21		562.50
05-13-19	05-13-19	HSBC USA INC 2.375% Due 11-13-19		1,187.50
				1,750.00
<b>FNMA &amp; FHLMC</b>				
05-15-19	05-15-19	FHLMC POOL G14203 4.000% Due 04-01-26		13.55
<b>U.S. TREASURY</b>				
05-15-19	05-15-19	US TREASURY NOTES 2.250% Due 11-15-27		1,406.25
05-15-19	05-15-19	US TREASURY NOTES 3.125% Due 11-15-28		1,250.00
05-15-19	05-15-19	US TREASURY NOTES 1.625% Due 05-15-26		812.50
05-15-19	05-15-19	US TREASURY NOTES 2.000% Due 11-15-21		1,000.00
05-15-19	05-15-19	US TREASURY NOTES 1.625% Due 11-15-22		1,218.75
05-15-19	05-15-19	US TREASURY NOTES 2.000% Due 11-15-26		1,500.00
				7,187.50
				<b>9,977.67</b>
<b>PRINCIPAL PAYDOWNS</b>				
<b>FNMA &amp; FHLMC</b>				
05-15-19	05-15-19	FHLMC POOL G14203 4.000% Due 04-01-26	84.80	84.80
				<b>84.80</b>

Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
***CITY OF CRAIG***  
*From 05-01-19 To 05-31-19*

Trade Date	Settle Date	Security	Quantity	Trade Amount
<b>PURCHASED ACCRUED INTEREST</b>				
U.S. TREASURY				
05-01-19	05-02-19	US TREASURY NOTES 2.000% Due 08-15-25		314.92
05-01-19	05-02-19	US TREASURY NOTES 2.125% Due 08-15-21		223.07
05-01-19	05-02-19	US TREASURY NOTES 2.125% Due 06-30-22		537.12
				1,075.11
				<b>1,075.11</b>
<b>SALES, MATURITIES, AND CALLS</b>				
AGENCIES				
05-15-19	05-16-19	FHLMC 1.700% Due 09-29-20	100,000	98,894.10
				<b>98,894.10</b>
<b>SOLD ACCRUED INTEREST</b>				
AGENCIES				
05-15-19	05-16-19	FHLMC 1.700% Due 09-29-20		221.94
				<b>221.94</b>

Alaska Permanent Capital Management Co.  
**REALIZED GAINS AND LOSSES**  
***CITY OF CRAIG***  
*From 05-01-19 Through 05-31-19*

<b>Date</b>	<b>Quantity</b>	<b>Security</b>	<b>Avg. Cost Basis</b>	<b>Proceeds</b>	<b>Gain Or Loss</b>
05-15-19	84.80	FHLMC POOL G14203 4.000% Due 04-01-26	88.67	84.80	-3.87
05-15-19	100,000	FHLMC 1.700% Due 09-29-20	99,730.00	98,894.10	-835.90
TOTAL GAINS					0.00
TOTAL LOSSES					-839.77
			<b>99,818.67</b>	<b>98,978.90</b>	<b>-839.77</b>

Alaska Permanent Capital Management Co.

**CASH LEDGER**

***CITY OF CRAIG***

*From 05-01-19 To 05-31-19*

<b>Trade Date</b>	<b>Settle Date</b>	<b>Tran Code</b>	<b>Activity</b>	<b>Security</b>	<b>Amount</b>
<b>CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT</b>					
05-01-19			Beginning Balance		224,906.10
05-01-19	05-02-19	wd	Purchase	US TREASURY NOTES 2.000% Due 08-15-25	-73,494.45
05-01-19	05-02-19	wd	Accrued Interest	US TREASURY NOTES 2.000% Due 08-15-25	-314.92
05-01-19	05-02-19	wd	Purchase	US TREASURY NOTES 2.125% Due 08-15-21	-49,878.24
05-01-19	05-02-19	wd	Accrued Interest	US TREASURY NOTES 2.125% Due 08-15-21	-223.07
05-01-19	05-02-19	wd	Purchase	US TREASURY NOTES 2.125% Due 06-30-22	-74,792.32
05-01-19	05-02-19	wd	Accrued Interest	US TREASURY NOTES 2.125% Due 06-30-22	-537.12
05-06-19	05-06-19	dp	Interest	AMERICAN EXPRESS CREDIT 2.250% Due 05-05-21	562.50
05-13-19	05-13-19	dp	Interest	HSBC USA INC 2.375% Due 11-13-19	1,187.50
05-14-19	05-16-19	wd	Purchase	SPDR S&P 500 ETF	-85,153.38
05-14-19	05-16-19	wd	Purchase	ISHARES ETF CORE MSCI EAFE	-18,108.99
05-14-19	05-14-19	dp	Interest	FEDERAL HOME LOAN BANK - STEP UP 2.000% Due 11-14-22	1,000.00
05-15-19	05-15-19	dp	Interest	FHLMC POOL G14203 4.000% Due 04-01-26	13.55
05-15-19	05-15-19	dp	Paydown	FHLMC POOL G14203 4.000% Due 04-01-26	84.80
05-15-19	05-15-19	dp	Interest	US TREASURY NOTES 2.250% Due 11-15-27	1,406.25
05-15-19	05-15-19	dp	Interest	US TREASURY NOTES 3.125% Due 11-15-28	1,250.00



Alaska Permanent Capital Management Co.

**CASH LEDGER**

***CITY OF CRAIG***

*From 05-01-19 To 05-31-19*

<b>Trade Date</b>	<b>Settle Date</b>	<b>Tran Code</b>	<b>Activity</b>	<b>Security</b>	<b>Amount</b>
05-15-19	05-15-19	dp	Interest	US TREASURY NOTES 1.625% Due 05-15-26	812.50
05-15-19	05-15-19	dp	Interest	US TREASURY NOTES 2.000% Due 11-15-21	1,000.00
05-15-19	05-15-19	dp	Interest	US TREASURY NOTES 1.625% Due 11-15-22	1,218.75
05-15-19	05-15-19	dp	Interest	US TREASURY NOTES 2.000% Due 11-15-26	1,500.00
05-15-19	05-15-19	dp	Interest	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT	26.62
05-15-19	05-16-19	dp	Sale	FHLMC 1.700% Due 09-29-20	98,894.10
05-15-19	05-16-19	dp	Accrued Interest	FHLMC 1.700% Due 09-29-20	221.94
<b>05-31-19</b>			<b>Ending Balance</b>		<b>31,582.12</b>

# CITY OF CRAIG - SCHOOL FUNDS

Account Statement - Period Ending May 31, 2019



ALASKA PERMANENT  
CAPITAL MANAGEMENT  
Registered Investment Adviser

## ACCOUNT ACTIVITY

Portfolio Value on 04-30-19	2,512,380
Contributions	0
Withdrawals	0
Change in Market Value	3,574
Interest	1,839
Dividends	0
Portfolio Value on 05-31-19	2,517,792

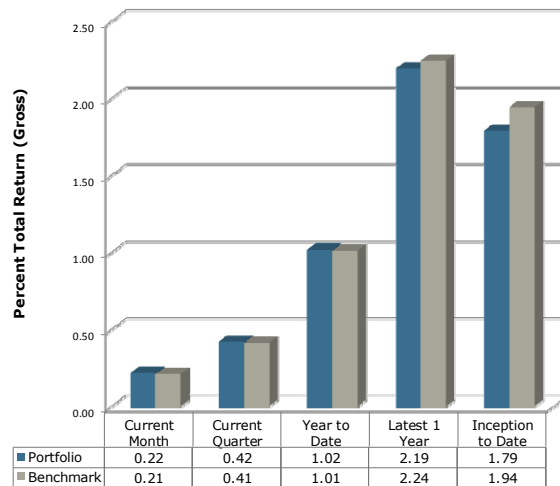
## MANAGEMENT TEAM

Client Relationship Manager:	Amber Frizzell, AIF® Amber@apcm.net
Your Portfolio Manager:	Bill Llerman, CFA®
Contact Phone Number:	907/272-7575

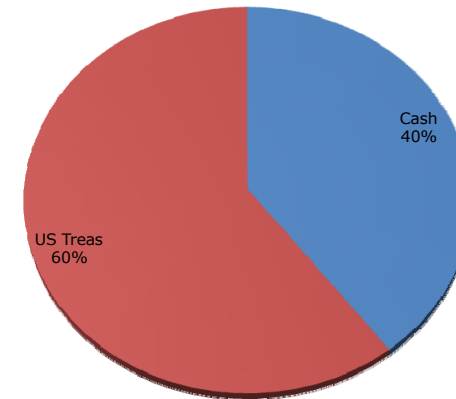
## PORTFOLIO COMPOSITION

## INVESTMENT PERFORMANCE

Current Account Benchmark:  
T-Bill shown for reference



Performance is Annualized for Periods Greater than One Year



## Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 2.18% Average Maturity: 0.27 Yrs

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**CITY OF CRAIG - SCHOOL FUNDS**  
*May 31, 2019*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
<b>CASH AND EQUIVALENTS</b>									
	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		93,179		93,179	3.70			
<b>U.S. TREASURY</b>									
560,000	US TREASURY NOTES 1.625% Due 07-31-19	99.25	555,810	99.87	559,261	22.21	9,100	3,042	2.40
405,000	US TREASURY NOTE 1.625% Due 08-31-19	99.74	403,955	99.79	404,145	16.05	6,581	1,663	2.46
550,000	US TREASURY NOTES 1.375% Due 01-15-20	99.08	544,923	99.41	546,777	21.72	7,562	2,862	2.32
	Accrued Interest				7,567	0.30			
			1,504,688		1,517,750	60.28		7,567	
<b>TREASURY BILLS</b>									
500,000	US TREASURY BILLS 0.000% Due 06-13-19	99.77	498,859	99.94	499,685	19.85	NA	0	1.76
410,000	US TREASURY BILLS 0.000% Due 09-19-19	98.98	405,822	99.31	407,177	16.17	NA	0	2.30
			904,681		906,863	36.02		0	
<b>TOTAL PORTFOLIO</b>			<b>2,502,549</b>		<b>2,517,792</b>	<b>100</b>	<b>23,244</b>	<b>7,567</b>	

Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
**CITY OF CRAIG - SCHOOL FUNDS**  
*From 05-01-19 To 05-31-19*

Trade Date	Settle Date	Security	Quantity	Trade Amount
<b>PURCHASES</b>				
TREASURY BILLS				
05-08-19	05-09-19	US TREASURY BILLS 0.000% Due 06-13-19	500,000	498,859.00
U.S. TREASURY				
05-10-19	05-13-19	US TREASURY NOTE 1.625% Due 08-31-19	405,000	403,954.71
				<b>902,813.71</b>
<b>INTEREST</b>				
CASH AND EQUIVALENTS				
05-15-19	05-15-19	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		71.93
				<b>71.93</b>
<b>PURCHASED ACCRUED INTEREST</b>				
U.S. TREASURY				
05-10-19	05-13-19	US TREASURY NOTE 1.625% Due 08-31-19		1,323.40
				<b>1,323.40</b>
<b>SALES, MATURITIES, AND CALLS</b>				
TREASURY BILLS				
05-10-19	05-13-19	US TREASURY BILLS 0.000% Due 05-14-19	405,000	404,958.68
				<b>404,958.68</b>

Alaska Permanent Capital Management Co.  
**REALIZED GAINS AND LOSSES**  
***CITY OF CRAIG - SCHOOL FUNDS***  
*From 05-01-19 Through 05-31-19*

<b>Date</b>	<b>Quantity</b>	<b>Security</b>	<b>Avg. Cost Basis</b>	<b>Proceeds</b>	<b>Gain Or Loss</b>
05-10-19	405,000	US TREASURY BILLS 0.000% Due 05-14-19	403,501.43	404,958.68	1,457.25
TOTAL GAINS					1,457.25
TOTAL LOSSES					0.00
			<b>403,501.43</b>	<b>404,958.68</b>	<b>1,457.25</b>

Alaska Permanent Capital Management Co.  
**CASH LEDGER**  
**CITY OF CRAIG - SCHOOL FUNDS**  
*From 05-01-19 To 05-31-19*

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
<b>CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT</b>					
05-01-19			Beginning Balance		592,285.96
05-08-19	05-09-19	wd	Purchase	US TREASURY BILLS 0.000% Due 06-13-19	-498,859.00
05-10-19	05-13-19	dp	Sale	US TREASURY BILLS 0.000% Due 05-14-19	404,958.68
05-10-19	05-13-19	wd	Purchase	US TREASURY NOTE 1.625% Due 08-31-19	-403,954.71
05-10-19	05-13-19	wd	Accrued Interest	US TREASURY NOTE 1.625% Due 08-31-19	-1,323.40
05-15-19	05-15-19	dp	Interest	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT	71.93
<b>05-31-19</b>			<b>Ending Balance</b>		<b>93,179.46</b>



**FOR IMMEDIATE RELEASE**

July 2, 2019

## **Alaska Congressional Delegation Welcome Disaster Relief for Alaska Fisheries**

*\$53 Million for Fishermen & Stakeholders Affected by 2016 Gulf of Alaska Pink  
Salmon Fishery Disaster*

**WASHINGTON D.C.** – U.S. Senators Lisa Murkowski, Dan Sullivan, and Congressman Don Young, (all R-Alaska), today welcomed an announcement by the National Oceanic and Atmospheric Administration (NOAA) that the agency approved \$53.8 million to restore losses for Alaska fisheries impacted by the 2016 Gulf of Alaska pink salmon fishery disaster. NOAA approved and transferred the funds to the Pacific States Marine Fisheries Commission, the agency tasked with distributing the relief payments to fishermen and their deckhands, processors, and for salmon research in the affected regions.

“This funding has been a long-time coming. We are pleased that Alaskans who have been waiting for this economic relief that was promised to them will finally receive it. By restoring losses incurred during the 2016 pink salmon disaster, our federal government is following through not only on the commitment we made to Alaska’s commercial fisherman, but also to their families, processors, and coastal communities who were hit hard by this disaster,” **said the Alaska Congressional Delegation.** “We pushed hard to secure this relief for those whose livelihoods depend on the health of our fisheries. And we will continue to stand up for Alaska’s fisheries to ensure that this industry that is so vital to our state remains strong and vibrant for generations to come.”

### **Background:**

- In January 2017, the Secretary of Commerce declared the 2016 Gulf of Alaska pink salmon fishery disaster due to disastrously low returns. The following Alaska areas were included in the disaster declaration for poor pink salmon harvests in 2016: Prince William Sound, Kodiak Management, Chignik Management, Lower Cook Inlet Management, Yakutat, South Alaska Peninsula, and Southeast.
- The Alaska Congressional Delegation fought to secure inclusion of fisheries disaster funding in the [Bipartisan Budget Act](#), which was signed into law in February 2018 and appropriated \$200 million for fisheries disasters across eight states and U.S. territories. This funding appropriation was in response to nine fisheries disasters declared in Alaska,

Washington, California and Oregon, coupled with fisheries failures in the Gulf of Mexico and Caribbean as a result of Hurricanes Harvey, Irma, and Maria.

- Following the disaster declaration, the Secretary of Commerce announced in June 2018 that Alaska would receive \$56.3 million in disaster funding to support compensation, recovery, and relief for fishermen, communities, and stakeholders affected by the 2016 Gulf of Alaska pink salmon fishery disaster. (Note: NOAA's announcement accounts for the approval and release of over \$53 million of the \$56.3 million total funding package.)

###



CITY OF CRAIG  
MEMORANDUM

July 12, 2019

To: City Council

From: Joyce Mason, Treasurer

Re: Supplemental Budget

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Attached is the ordinance to adopt the supplemental budget for fiscal year, 2019. According to AS 29.35.100 a supplemental budget is prepared to authorize payments of appropriations not previously approved in the original budget.

The highlights of the changes for the supplemental budget are as follows:

- The General Fund revenues were higher than expected. Sales tax receipts were \$128,000 higher than anticipated, State payments (PILT, Revenue sharing, and the jail contract) were higher than anticipated.
- Contract services increased because of higher legal fees and technical services.
- Maintenance on the city's building and vehicles continues to be costly.
- Police expenditures include new equipment purchased through state funds.
- Fuel costs are raising and will continue to in fiscal year 2019.
- The Enterprise fund has a net gain due to the leases at the JT Brown industrial park.
- The water department struggles to meet expensed with a loss of over \$97,000.
- The harbor department increased revenues did not provide enough for the expenses.
- With the additional revenues the city should have an excess after expenses of \$90,000.

Enclosed is also a worksheet that details the comparison of the original budget and the supplemental budget for your information.

**Recommendation:** Approve second reading of Ordinance number 714, FY 2019 Supplemental Budget.

CITY OF CRAIG

ORDINANCE NO. 723

PROVIDING FOR THE ADOPTION OF THE FISCAL YEAR 2019 SUPPLEMENTAL  
OPERATING BUDGET

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CRAIG:

Section 1. Classification. This ordinance is a non-code ordinance and is not of a general and permanent nature and shall not become a part of the code of the City of Craig, Alaska.

Section 2. Effective Date. This ordinance shall become effective immediately upon adoption.

Section 3. Authorization and Appropriation. The appropriations identified in "Attachment A" hereto are adopted and authorized for the period of July 1, 2018 through June 30, 2019 and are the budget for that period. The Administrator may modify line item expenditures within an authorized appropriation to another line item in any amount which would not annually exceed ten (10) percent or \$10,000, whichever is more.

Section 4. Unexpended Balances. All unexpended balances lapse as of June 30, 2019.

APPROVED this \_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
MAYOR TIM O'CONNOR

\_\_\_\_\_  
ATTEST: KASSI MACKIE, CITY CLERK

## Attachment A

City of Craig  
 FY 2019 Supplemental Budget  
 June 2019

<b>General Fund</b>	<b><u>Revised</u></b>	<b><u>Original</u></b>	<b><u>Change</u></b>
	<b><u>Budget</u></b>	<b><u>Budget</u></b>	
<b>Total Revenues</b>	\$ 3,697,934	\$ 3,406,556	\$ 291,378
<b><u>Expenditures</u></b>			
Administration	691,330	676,724	14,606
Aquatic Center	552,888	661,056	(108,168)
Council	34,395	57,331	(22,936)
EMS	181,395	189,326	(7,931)
Facilities & Parks	279,170	288,881	(9,711)
Fire	16,216	34,406	(18,190)
Library	117,785	137,549	(19,764)
Planning	79,395	69,151	10,244
PS Hatchery	56,000	2,000	54,000
Police	1,079,010	967,739	111,271
Public Works	567,073	336,295	230,778
Recreation	101,723	96,695	5,028
<b>Total General Fund Expenditures</b>	<b>3,756,380</b>	<b>3,517,153</b>	<b>239,227</b>
Net Assets before Transfers	\$ (58,446)	\$ (110,597)	\$ 52,151
<b>Transfers</b>			
To the School Saving Account	(250,000)	(250,000)	0
From the Enterprise Fund	109,714	97,597	12,117
From Endowment Fund	233,000	233,000	0
From Hatchery Savings	56,000		
Transfer From(To) Equipment	(90,268)	30,000	(120,268)
<b>Net Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>

## Attachment A

City of Craig  
 FY 2019 Supplemental Budget  
 June 2019

<b>Enterprise Fund</b>	<b><u>Revised</u></b>	<b><u>Original</u></b>	<b><u>Change</u></b>
<b><u>Revenue</u></b>	<b><u>Budget</u></b>	<b><u>Budget</u></b>	
Sewer Fees	\$ 304,000	\$ 290,000	\$ 14,000
Water Sales & Transfer	344,835	307,300	37,535
Garbage Fees	388,540	315,000	73,540
Harbor Services	428,000	388,500	39,500
JTB Industrial Services	468,000	413,023	54,977
Cannery Revenue	7,000	7,000	0
<b>Total Revenue</b>	<b>1,940,375</b>	<b>1,720,823</b>	<b>219,552</b>
<b><u>Expenses</u></b>			
Sewer Expenses	301,790	259,960	41,830
Water Expenses	438,290	405,143	33,147
Garbage Expenses	291,808	306,770	(14,962)
Harbor Expenses	523,793	431,108	92,685
JTB Industrial Park Expenses	268,380	213,364	55,016
Cannery Expenses	6,600	6,881	(281)
<b>Total Fund Expenses</b>	<b>1,830,661</b>	<b>1,623,226</b>	<b>207,435</b>
Net Revenue Over Expense	109,714	97,597	12,117
Transfer to General Fund	(109,714)	(97,597)	
<b>Change in Net Assets</b>	<b>\$ -</b>	<b>\$ -</b>	

**City of Craig, Inc.**  
**15 Craig Gov Revenue Supp Budget**

**June 30, 2019**

	Actual	Revised Budget	Budget	Variance
01 00.4000.00 000 Property Tax	646,502	645,000	650,000	(5,000)
01 00.4050.00 000 Sales Tax	1,651,986	1,650,000	1,522,000	128,000
01 00.4055.00 000 Delinquent Sales Tax	0	4,400	2,000	2,400
01 00.4060.00 000 Liquor Sales Tax	114,334	115,000	120,000	(5,000)
01 00.4065.00 000 Transient Room Tax	30,661	30,000	25,000	5,000
01 00.4070.00 000 Property Tax Penalties	3,095	0	0	0
01 00.4080.00 000 Sales Tax Penalties	4,465	0	0	0
<b>Total Local Taxes</b>	<b>2,451,043</b>	<b>2,444,400</b>	<b>2,319,000</b>	<b>125,400</b>
01 00.4100.00 000 Property PILT Funding	289,535	289,000	280,000	9,000
01 00.4110.00 000 State Revenue Sharing	95,942	95,900	90,168	5,732
01 00.4111.00 000 Liquor Revenue Sharing	7,350	7,350	4,000	3,350
01 00.4112.00 000 Fish Bus Tax - DOR	88,948	88,948	35,000	53,948
01 00.4120.00 000 Shared Fish Tax - DCED	3,310	3,310	4,000	(690)
01 00.4142.00 000 Revenue, Small GF Grants	14,500	0	0	0
01 00.4190.00 000 National Forest Receipts - Title III	10,000	10,000	0	10,000
01 00.4195.00 000 National Forest Receipts - Title I - Roads	16,638	16,638	0	16,638
<b>Total State Revenue</b>	<b>526,223</b>	<b>511,146</b>	<b>413,168</b>	<b>97,978</b>
01 00.4220.00 000 EMS Service Fees	36,062	36,000	50,000	(14,000)
01 00.4250.00 000 EMS Training Fees	3,540	1,000	1,000	0
01 00.4255.00 000 EMS Estimated NonCollectable	(8,698)	8,600	(20,000)	28,600
01 00.4260.00 000 Aquatic Center Revenue	50,591	55,000	55,000	0
01 00.4270.00 000 Library Fees	1,364	1,000	1,000	0
01 00.4275.00 000 Recreation Revenue	18,786	18,000	13,000	5,000
01 00.4280.00 000 Senior Card Fees	22,850	22,800	1,000	21,800
01 00.4620.00 000 Taxi Permit Fees	0	0	100	(100)
01 00.4640.00 000 Building Permit Fees	1,780	1,800	1,000	800
01 00.4644.00 000 Access Permit Fees	12,741	12,700	7,000	5,700
01 00.4645.00 000 Subdivision Fees	240	0	0	0
<b>Total Permits &amp; Fees</b>	<b>139,256</b>	<b>156,900</b>	<b>109,100</b>	<b>47,800</b>
01 00.4300.00 000 Property Lease/Rentals	60,183	72,000	72,000	0
01 00.4400.00 000 Material Sales	0	1,000	1,000	0
01 00.4450.00 000 K Salmon Hatchery Support	11,783	0	0	0
<b>Total Local Revenue</b>	<b>71,966</b>	<b>73,000</b>	<b>73,000</b>	<b>0</b>
01 00.4700.00 000 Police-Fines,Citation	11,920	12,000	10,000	2,000
01 00.4702.00 000 Drivers License Fees	1,324	0	0	0
01 00.4703.00 000 Motor Vehicle Commision	64,651	65,000	60,000	5,000
01 00.4650.00 000 State Trooper Dispatch	4,875	7,200	7,200	0
01 00.4660.00 000 State Jail Contract Revenue	357,524	353,000	353,000	0
01 00.4665.00 000 Klawock Dispatch	48,664	53,088	53,088	0
01 00.4670.00 000 Forest Service Dispatch	3,000	3,000	3,000	0
<b>Total Public Safety Funds</b>	<b>491,958</b>	<b>493,288</b>	<b>486,288</b>	<b>7,000</b>
01 00.4800.00 000 Interest Income (CKNG & CD)	5,332	0	0	0
01 00.4820.00 000 Interest Income (A/R)	2,924	5,400	1,000	4,400
01 00.4830.00 000 Misc Revenue Convenience Fees	0	4,500	5,000	(500)
01 00.4900.00 000 Misc Revenue	4,495	0	0	0
01 00.4910.00 000 Donations Received	9,372	9,300	0	9,300
<b>Total Other Revenue</b>	<b>22,123</b>	<b>19,200</b>	<b>6,000</b>	<b>13,200</b>
<b>Total Revenues</b>	<b>\$ 3,702,569</b>	<b>\$ 3,697,934</b>	<b>\$ 3,406,556</b>	<b>\$ 291,378</b>

**City of Craig, Inc.**

Revenue and Expense MTD and YTD

June 30, 2019

	Y-T-D Current Year	Y-T-D Encumbrance	Total	Revised Budget	Budget
11 Administration					
Total Personnel Expenses	296,034.40	0.00	296,034.40	329,700.00	329,028.00
Total Personnel Benefits Expenses	108,796.05	0.00	108,796.05	118,680.00	133,488.00
Total Contract Expenses	116,567.56	0.00	116,567.56	147,850.00	131,000.00
Personnel Misc Expenses	11,995.12	1,125.00	13,120.12	12,100.00	10,745.00
Material & Supplies Expenses	12,055.02	149.79	12,204.81	13,370.00	11,670.00
Utilities Expenses	19,832.16	0.00	19,832.16	20,600.00	16,850.00
Maintenance Expenses	1,147.00	0.00	1,147.00	1,200.00	2,808.00
Misc Expenses	22,035.96	0.00	22,035.96	22,830.00	19,135.00
Capital Expenses	<u>25,330.14</u>	<u>593.64</u>	<u>25,923.78</u>	<u>25,000.00</u>	<u>22,000.00</u>
Total Expenditures	<u>613,793.41</u>	<u>1,868.43</u>	<u>615,661.84</u>	<u>691,330.00</u>	<u>676,724.00</u>
12 Council					
Total Personnel Expenses	10,214.84	0.00	10,214.84	12,000.00	14,700.00
Total Personnel Benefits Expenses	10,120.86	0.00	10,120.86	13,490.00	37,646.00
Total Contract Expenses	462.95	399.53	862.48	450.00	950.00
Personnel Misc Expenses	5,382.68	0.00	5,382.68	5,475.00	1,550.00
Material & Supplies Expenses	547.58	0.00	547.58	550.00	2,100.00
Utilities Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Expenses	0.00	0.00	0.00	0.00	0.00
Misc Expenses	120.00	0.00	120.00	120.00	385.00
Capital Expenses	<u>2,303.00</u>	<u>0.00</u>	<u>2,303.00</u>	<u>2,310.00</u>	<u>0.00</u>
Total Expenditures	<u>29,151.91</u>	<u>399.53</u>	<u>29,551.44</u>	<u>34,395.00</u>	<u>57,331.00</u>
13 Planning					
Total Personnel Expenses	64,926.98	0.00	64,926.98	53,200.00	50,259.00
Total Personnel Benefits Expenses	19,625.41	0.00	19,625.41	23,040.00	17,084.00
Total Contract Expenses	667.09	0.00	667.09	700.00	0.00
Personnel Misc Expenses	1,188.69	0.00	1,188.69	1,200.00	0.00
Material & Supplies Expenses	640.59	0.00	640.59	620.00	1,000.00
Utilities Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Expenses	0.00	0.00	0.00	0.00	0.00
Misc Expenses	548.94	0.00	548.94	635.00	808.00
Capital Expenses	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Expenditures	<u>87,597.70</u>	<u>0.00</u>	<u>87,597.70</u>	<u>79,395.00</u>	<u>69,151.00</u>
14 Parks & Facilities					
Total Personnel Expenses	116,993.82	0.00	116,993.82	121,700.00	122,419.00
Total Personnel Benefits Expenses	70,705.65	0.00	70,705.65	72,900.00	103,284.00
Total Contract Expenses	8,345.00	0.00	8,345.00	8,500.00	7,200.00

**City of Craig, Inc.**

Revenue and Expense MTD and YTD

June 30, 2019

	Y-T-D Current Year	Y-T-D Encumbrance	Total	Revised Budget	Budget
Personnel Misc Expenses	347.50	0.00	347.50	350.00	0.00
Material & Supplies Expenses	30,392.93	8,840.66	39,233.59	33,300.00	10,700.00
Utilities Expenses	17,887.39	0.00	17,887.39	18,670.00	15,300.00
Maintenance Expenses	2,381.40	4,085.00	6,466.40	2,700.00	10,000.00
Misc Expenses	9,650.00	819.00	10,469.00	10,550.00	12,178.00
Capital Expenses	10,435.70	0.00	10,435.70	10,500.00	7,800.00
<b>Total Expenditures</b>	<b>267,139.39</b>	<b>13,744.66</b>	<b>280,884.05</b>	<b>279,170.00</b>	<b>288,881.00</b>
<b>15 Public Works</b>					
Total Personnel Expenses	140,680.63	0.00	140,680.63	153,750.00	145,264.00
Total Personnel Benefits Expenses	86,701.51	0.00	86,701.51	97,073.00	110,200.00
Total Contract Expenses	4,754.40	678.50	5,432.90	4,850.00	720.00
Personnel Misc Expenses	453.96	0.00	453.96	500.00	0.00
Material & Supplies Expenses	37,706.47	9,897.94	47,604.41	39,150.00	30,600.00
Utilities Expenses	18,343.27	0.00	18,343.27	20,250.00	14,800.00
Maintenance Expenses	43,670.80	16,802.62	60,473.42	45,000.00	25,000.00
Misc Expenses	6,160.00	0.00	6,160.00	7,500.00	7,711.00
Capital Expenses	200,268.04	481.00	200,749.04	199,000.00	2,000.00
<b>Total Expenditures</b>	<b>538,739.08</b>	<b>27,860.06</b>	<b>566,599.14</b>	<b>567,073.00</b>	<b>336,295.00</b>
<b>16 Police</b>					
Total Personnel Expenses	511,297.84	0.00	511,297.84	565,790.00	496,653.00
Total Personnel Benefits Expenses	254,463.90	0.00	254,463.90	374,150.00	371,938.00
Total Contract Expenses	4,705.25	0.00	4,705.25	4,600.00	4,200.00
Personnel Misc Expenses	5,923.36	612.00	6,535.36	6,100.00	3,300.00
Material & Supplies Expenses	42,499.88	7,309.98	49,809.86	47,850.00	46,000.00
Utilities Expenses	27,885.76	0.00	27,885.76	32,100.00	27,000.00
Maintenance Expenses	166.20	0.00	166.20	200.00	0.00
Misc Expenses	27,601.72	1,121.95	28,723.67	22,020.00	9,148.00
Capital Expenses	22,843.88	15,761.64	38,605.52	26,200.00	9,500.00
<b>Total Expenditures</b>	<b>897,387.79</b>	<b>24,805.57</b>	<b>922,193.36</b>	<b>1,079,010.00</b>	<b>967,739.00</b>
<b>17 EMS</b>					
Total Personnel Expenses	74,175.72	0.00	74,175.72	75,500.00	85,622.00
Total Personnel Benefits Expenses	35,987.02	0.00	35,987.02	38,480.00	58,866.00
Total Contract Expenses	6,111.95	0.00	6,111.95	7,200.00	4,200.00
Personnel Misc Expenses	2,653.32	270.00	2,923.32	2,650.00	3,840.00
Material & Supplies Expenses	12,629.27	5,537.64	18,166.91	24,290.00	19,000.00
Utilities Expenses	6,493.07	0.00	6,493.07	7,300.00	5,400.00
Maintenance Expenses	180.06	255.00	435.06	180.00	950.00

# City of Craig, Inc.

Revenue and Expense MTD and YTD

June 30, 2019

	Y-T-D Current Year	Y-T-D Encumbrance	Total	Revised Budget	Budget
Misc Expenses	5,404.40	0.00	5,404.40	5,635.00	5,939.00
Capital Expenses	<u>8,332.97</u>	<u>1,950.00</u>	<u>10,282.97</u>	<u>20,160.00</u>	<u>5,510.00</u>
Total Expenditures	<u>151,967.78</u>	<u>8,012.64</u>	<u>159,980.42</u>	<u>181,395.00</u>	<u>189,327.00</u>
18 Fire Department					
Total Personnel Expenses	0.00	0.00	0.00	0.00	0.00
Total Personnel Benefits Expenses	0.00	0.00	0.00	0.00	4,186.00
Total Contract Expenses	0.00	0.00	0.00	0.00	7,400.00
Personnel Misc Expenses	3,809.63	0.00	3,809.63	3,900.00	5,735.00
Material & Supplies Expenses	2,079.37	3,317.54	5,396.91	2,116.00	4,842.00
Utilities Expenses	5,441.18	0.00	5,441.18	5,700.00	4,830.00
Maintenance Expenses	0.00	0.00	0.00	0.00	320.00
Misc Expenses	3,990.00	0.00	3,990.00	4,500.00	5,113.00
Capital Expenses	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,980.00</u>
Total Expenditures	<u>15,320.18</u>	<u>3,317.54</u>	<u>18,637.72</u>	<u>16,216.00</u>	<u>34,406.00</u>
19 Library					
Total Personnel Expenses	56,736.48	0.00	56,736.48	61,500.00	62,250.00
Total Personnel Benefits Expenses	24,612.08	0.00	24,612.08	32,485.00	51,535.00
Total Contract Expenses	3,140.50	0.00	3,140.50	3,250.00	1,250.00
Personnel Misc Expenses	(265.50)	0.00	(265.50)	0.00	0.00
Material & Supplies Expenses	6,214.61	1,394.79	7,609.40	9,270.00	9,150.00
Utilities Expenses	8,134.58	0.00	8,134.58	9,350.00	10,600.00
Maintenance Expenses	0.00	946.36	946.36	500.00	1,400.00
Misc Expenses	1,323.99	0.00	1,323.99	1,430.00	1,365.00
Capital Expenses	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Expenditures	<u>99,896.74</u>	<u>2,341.15</u>	<u>102,237.89</u>	<u>117,785.00</u>	<u>137,550.00</u>
24 Recreation					
Total Personnel Expenses	39,490.16	0.00	39,490.16	46,000.00	44,720.00
Total Personnel Benefits Expenses	22,797.20	0.00	22,797.20	27,233.00	24,965.00
Total Contract Expenses	4,781.00	0.00	4,781.00	5,000.00	5,000.00
Personnel Misc Expenses	0.00	0.00	0.00	0.00	0.00
Material & Supplies Expenses	2,992.00	0.00	2,992.00	3,000.00	2,500.00
Utilities Expenses	15,839.55	0.00	15,839.55	16,400.00	13,000.00
Maintenance Expenses	0.00	0.00	0.00	0.00	0.00
Misc Expenses	3,750.00	0.00	3,750.00	4,090.00	4,095.00
Capital Expenses	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,415.00</u>



**City of Craig, Inc.**

Revenue and Expense MTD and YTD

June 30, 2019

	Y-T-D Current Year	Y-T-D Encumbrance	Total	Revised Budget	Budget
Total Expenditures	<u>89,649.91</u>	<u>0.00</u>	<u>89,649.91</u>	<u>101,723.00</u>	<u>96,695.00</u>
25 Aquatic Center					
Total Personnel Expenses	128,834.85	0.00	128,834.85	145,190.00	154,470.00
Total Personnel Benefits Expenses	72,391.73	0.00	72,391.73	86,600.00	109,484.00
Total Contract Expenses	15,503.89	0.00	15,503.89	15,750.00	3,000.00
Personnel Misc Expenses	3,286.74	0.00	3,286.74	5,700.00	6,110.00
Material & Supplies Expenses	8,109.43	488.41	8,597.84	13,060.00	26,360.00
Utilities Expenses	124,571.65	0.00	124,571.65	134,000.00	110,000.00
Maintenance Expenses	2,177.80	0.00	2,177.80	2,000.00	2,644.00
Misc Expenses	8,629.00	0.00	8,629.00	10,500.00	10,500.00
Capital Expenses	139,996.32	0.00	139,996.32	140,088.00	238,488.00
Total Expenditures	<u>503,501.41</u>	<u>488.41</u>	<u>503,989.82</u>	<u>552,888.00</u>	<u>661,056.00</u>
31 PSN Hatchery					
Total Personnel Expenses	0.00	0.00	0.00	0.00	0.00
Total Personnel Benefits Expenses	0.00	0.00	0.00	0.00	0.00
Total Contract Expenses	28,218.41	0.00	28,218.41	56,000.00	0.00
Personnel Misc Expenses	0.00	0.00	0.00	0.00	0.00
Material & Supplies Expenses	0.00	0.00	0.00	0.00	0.00
Utilities Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Expenses	0.00	0.00	0.00	0.00	0.00
Misc Expenses	130.00	0.00	130.00	0.00	0.00
Capital Expenses	0.00	0.00	0.00	0.00	0.00
Total Expenditures	<u>28,348.41</u>	<u>0.00</u>	<u>28,348.41</u>	<u>56,000.00</u>	<u>0.00</u>
99 Inter Governmental Transfers					
Total Personnel Expenses	0.00	0.00	0.00	0.00	0.00
Total Personnel Benefits Expenses	0.00	0.00	0.00	0.00	0.00
Total Contract Expenses	0.00	0.00	0.00	0.00	0.00
Personnel Misc Expenses	0.00	0.00	0.00	0.00	0.00
Material & Supplies Expenses	0.00	0.00	0.00	0.00	0.00
Utilities Expenses	0.00	0.00	0.00	0.00	0.00
Maintenance Expenses	0.00	0.00	0.00	0.00	0.00
Misc Expenses	0.00	0.00	0.00	0.00	0.00
Capital Expenses	2,411.78	0.00	2,411.78	0.00	0.00
Total Expenditures	<u>2,411.78</u>	<u>0.00</u>	<u>2,411.78</u>	<u>0.00</u>	<u>0.00</u>

**City of Craig, Inc.**  
**Revenue and Expense YTD & Budget**  
**June 30, 2019**

	Y-T-D Actual	Y-T-D Encumbrance	Total	Y-T-D Budget	Revised Budget	Budget Change
<b>Sewer</b>						
Total Revenues	\$ 281,174	\$ 0	\$ 281,174	\$ 290,000	\$ 304,000	\$ 14,000
Total Personnel Expenditures	85,975	0	85,975	71,586	97,950	26,364
Total Benefits Expenditures	49,488	0	49,488	46,047	56,143	10,096
Total Contract Expenditures	3,605	0	3,605	7,800	4,300	(3,500)
Total Travel & Expenditures	1,600	220	1,820	300	1,600	1,300
Total Materials Expenditures	4,761	312	5,073	5,400	0	(5,400)
Total Utilities Expenditures	53,391	0	53,391	44,200	63,500	19,300
Total Repairs & Maint Expenditures	4,370	1,021	5,391	4,000	4,500	500
Total Other Expenditures	4,284	0	4,284	18,130	5,300	(12,830)
Total Capital & Debt Expenditures	<u>68,408</u>	<u>0</u>	<u>68,408</u>	<u>62,497</u>	<u>68,497</u>	<u>6,000</u>
Total Expenditures	<u>\$ 275,882</u>	<u>\$ 1,553</u>	<u>\$ 277,435</u>	<u>\$ 259,960</u>	<u>\$ 301,790</u>	<u>\$ 41,830</u>
Excess Revenue Over (Under) Expenditures	<u>\$ 5,292</u>	<u>\$ (1,553)</u>	<u>\$ 3,739</u>	<u>\$ 30,040</u>	<u>\$ 2,210</u>	<u>\$ (27,830)</u>
<b>Water</b>						
Total Revenues	\$ 316,508	\$ 0	\$ 316,508	\$ 307,300	\$ 344,835	\$ 37,535
Total Personnel Expenditures	131,730	0	131,730	140,483	146,950	6,467
Total Benefits Expenditures	68,536	0	68,536	79,614	77,686	(1,928)
Total Contract Expenditures	12,480	5,334	17,814	8,000	13,700	5,700
Total Travel & Expenditures	2,594	0	2,594	0	2,615	2,615
Total Materials Expenditures	58,201	11,658	69,860	51,600	61,650	10,050
Total Utilities Expenditures	51,330	0	51,330	59,400	59,400	0
Total Repairs & Maint Expenditures	1,398	0	1,398	10,000	2,000	(8,000)
Total Other Expenditures	6,920	0	6,920	8,850	8,350	(500)
Total Capital & Debt Expenditures	<u>29,874</u>	<u>19,714</u>	<u>49,588</u>	<u>47,196</u>	<u>65,939</u>	<u>18,743</u>
Total Expenditures	<u>\$ 363,063</u>	<u>\$ 36,706</u>	<u>\$ 399,770</u>	<u>\$ 405,143</u>	<u>\$ 438,290</u>	<u>\$ 33,147</u>
Excess Revenue Over (Under) Expenditures	<u>\$ (46,555)</u>	<u>\$ (36,706)</u>	<u>\$ (83,262)</u>	<u>\$ (97,843)</u>	<u>\$ (93,455)</u>	<u>\$ 4,388</u>
<b>Garbage</b>						
Total Revenues	\$ 302,766	\$ 0	\$ 302,766	\$ 315,000	\$ 338,540	\$ 23,540
Total Personnel Expenditures	42,011	0	42,011	39,564	45,268	5,704
Total Benefits Expenditures	35,538	0	35,538	39,006	40,490	1,484
Total Contract Expenditures	155,515	0	155,515	212,500	185,000	(27,500)
Total Travel & Expenditures	0	0	0	0	0	0
Total Materials Expenditures	11,515	2,042	13,557	7,000	12,250	5,250
Total Utilities Expenditures	297	0	297	0	0	0
Total Repairs & Maint Expenditures	1,360	0	1,360	5,000	1,400	(3,600)
Total Other Expenditures	2,560	0	2,560	3,700	3,100	(600)
Total Capital & Debt Expenditures	<u>4,297</u>	<u>0</u>	<u>4,297</u>	<u>0</u>	<u>4,300</u>	<u>4,300</u>
Total Expenditures	<u>\$ 253,093</u>	<u>\$ 2,042</u>	<u>\$ 255,135</u>	<u>\$ 306,770</u>	<u>\$ 291,808</u>	<u>\$ (14,962)</u>
Excess Revenue Over (Under) Expenditures	<u>\$ 49,673</u>	<u>\$ (2,042)</u>	<u>\$ 47,631</u>	<u>\$ 8,230</u>	<u>\$ 46,732</u>	<u>\$ 38,502</u>
<b>Harbor</b>						
Total Revenues	\$ 281,749	\$ 0	\$ 281,749	\$ 258,500	\$ 298,000	\$ 39,500
Total Personnel Expenditures	135,474	0	135,474	126,220	153,900	27,680
Total Benefits Expenditures	68,028	0	68,028	90,159	78,743	(11,416)
Total Contract Expenditures	5,631	0	5,631	0	11,400	11,400
Total Travel & Expenditures	3,687	0	3,687	4,400	3,700	(700)
Total Materials Expenditures	16,662	3,157	19,818	7,900	20,500	12,600
Total Utilities Expenditures	56,663	0	56,663	27,400	72,400	45,000
Total Repairs & Maint Expenditures	15,566	10,588	26,154	22,450	24,400	1,950
Total Other Expenditures	22,372	0	22,372	21,580	22,750	1,170

**City of Craig, Inc.**  
**Revenue and Expense YTD & Budget**  
**June 30, 2019**

	Y-T-D Actual	Y-T-D Encumbrance	Total	Y-T-D Budget	Revised Budget	Budget Change
Total Capital & Debt Expenditures	51,720	26,734	78,454	131,000	136,000	5,000
Total Expenditures	\$ 375,803	\$ 40,479	\$ 416,281	\$ 431,109	\$ 523,793	\$ 92,684
Excess Revenue Over (Under) Expenditures	\$ (94,054)	\$ (40,479)	\$ (134,532)	\$ (172,609)	\$ (225,793)	\$ (53,184)
Other Fund Sources	0	0	0	(130,000)	(130,000)	0
Other Funding Sources/Outflows	0	0	0	(130,000)	(130,000)	0
<b>JTB Industrail Park</b>						
Total Revenues	\$ 444,492	\$ 0	\$ 444,492	\$ 413,023	\$ 468,000	\$ 54,977
Total Personnel Expenditures	83,572	0	83,572	86,791	136,000	49,209
Total Benefits Expenditures	26,527	0	26,527	41,465	33,555	(7,910)
Total Contract Expenditures	60	827	887	1,800	1,000	(800)
Total Travel & Expenditures	0	0	0	0	0	0
Total Materials Expenditures	5,836	455	6,291	12,200	9,300	(2,900)
Total Utilities Expenditures	59,610	0	59,610	55,000	65,500	10,500
Total Repairs & Maint Expenditures	8,210	1,118	9,328	5,000	8,000	3,000
Total Other Expenditures	9,771	0	9,771	9,606	12,525	2,919
Total Capital & Debt Expenditures	2,293	0	2,293	1,500	2,500	1,000
Total Expenditures	\$ 195,879	\$ 2,400	\$ 198,279	\$ 213,362	\$ 268,380	\$ 55,018
Excess Revenue Over (Under) Expenditures	\$ 248,613	\$ (2,400)	\$ 246,213	\$ 199,661	\$ 199,620	\$ (41)
<b>Ward Cove Cannery</b>						
Total Revenues	\$ 5,576	\$ 0	\$ 5,576	\$ 7,000	\$ 7,000	\$ 0
Total Personnel Expenditures	0	0	0	0	0	0
Total Benefits Expenditures	0	0	0	0	0	0
Total Contract Expenditures	0	0	0	2,750	0	(2,750)
Total Travel & Expenditures	0	0	0	0	0	0
Total Materials Expenditures	44	0	44	0	100	100
Total Utilities Expenditures	2,633	0	2,633	2,100	2,000	(100)
Total Repairs & Maint Expenditures	3,154	0	3,154	0	3,500	3,500
Total Other Expenditures	840	0	840	31	1,000	969
Total Capital & Debt Expenditures	0	0	0	2,000	0	(2,000)
Total Expenditures	\$ 6,671	\$ 0	\$ 6,671	\$ 6,881	\$ 6,600	\$ (281)
Excess Revenue Over (Under) Expenditures	\$ (1,095)	\$ 0	\$ (1,095)	\$ 119	\$ 400	\$ 281
<b>PSN Hatchery</b>						
Total Personnel Expenditures	0	0	0	0	0	0
Total Benefits Expenditures	0	0	0	0	0	0
Total Contract Expenditures	0	0	0	0	0	0
Total Travel & Expenditures	250	0	250	0	0	0
Total Materials Expenditures	0	0	0	0	0	0
Total Utilities Expenditures	0	0	0	0	0	0
Total Repairs & Maint Expenditures	0	0	0	0	0	0
Total Other Expenditures	0	0	0	0	0	0
Total Capital & Debt Expenditures	0	0	0	0	0	0
Total Expenditures	\$ 250	\$ 0	\$ 250	\$ 0	\$ 0	\$ 0
Excess Revenue Over (Under) Expenditures	\$ (250)	\$ 0	\$ (250)	\$ 0	\$ 0	\$ 0

## **CITY OF CRAIG MEMORANDUM**

To: Craig Mayor and City Council  
From: Brian Templin, City Planner  
Date: July 11, 2019  
RE: Offer to Purchase Lot 2, Block 27, USS 1430 from Jim Seley

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At the Craig City Council meeting on June 20, 2019 the council discussed a letter from Jim Seley regarding his interest in purchasing a portion of Lot 1, Block 27, USS 1430 from the city to add to his lot (Lot 2, Block 27, USS 1430) or potential interest by the city council to offer to purchase Lot 2.

At that meeting the council directed staff to make an offer to purchase Lot 2 from Mr. Seley. The council authorized staff to make a \$25,000 offer on the property.

On June 21, 2019 staff prepared an offer letter and sent it to Mr. Seley. The letter asked Mr. Seley to respond to the offer, or to make a counteroffer by July 9<sup>th</sup>. We have not received a response from Mr. Seley. While the deadline in the letter has passed the council may still consider acceptance or a counteroffer by Mr. Seley if he wants to pursue the city's purchase of the land.

This memo acts as a placeholder on the July 18, 2019 meeting agenda so that if Mr. Seley decides that he wants to accept the offer, or propose a counteroffer the council can discuss it.

If he does not submit anything to the city, no action is required by the council.

A copy of the offer is attached.



June 21, 2019

Jim Seley  
PO Box 79  
Craig, AK 99921

Dear Jim,

At the June 6, 2019 Craig City Council meeting you submitted a letter of interest to purchase a portion of Lot 1, Block 27, USS 1430 from the city for the purpose of expanding your lot (Lot 2, Block 27, USS1430). During that meeting the council expressed some interest in purchasing Lot 2 from you. The June 20, 2019 council meeting included a discussion of both city property sales and purchase procedures.

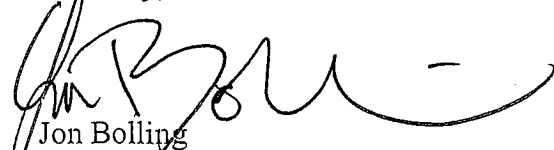
After some discussion at the June 20<sup>th</sup> meeting the council directed staff to make an offer to purchase Lot 2.

The City of Craig offers to purchase Lot 2, Block 27, USS 1430 (403 Front Street) from you for \$25,000. Please see the attached Offer to Purchase.

If you would like to make a counteroffer to the price or the proposed terms set out in the Offer to Purchase note the counteroffer amount and any modified/amended terms on page 3 of the attached form.

Please feel free to contact me or Brian at city hall or by phone at 826-3275.

Sincerely,



Jon Bolling  
Craig City Administrator

# OFFER TO PURCHASE REAL ESTATE

Address of Property: 403 Front Street, Craig, Alaska 99921

Legal Description: Lot 2, Block 27, USS 1430 (Plat V1-37, Ketchikan Recording District)

Name of Seller: James Seley

Phone: 907-401-0071 Email: james.seley@gmail.com

Name of Potential Buyer: City of Craig, Alaska

Address: PO Box 725, Craig, AK 99921

Phone: 907-826-3275 Email: jbolling@aptalaska.net

The City of Craig offers to purchase from the Seller the real estate property identified above.  
The City of Craig proposes the following terms:

Offered Purchase Price:	<u>\$25,000.00</u>
Down Payment/Earnest Money Deposit:	<u>\$0</u>
Balance Due at Closing:	<u>\$25,000.00</u>
Proposed Closing Date:	<u>45 days after acceptance of title report</u>

The offer to purchase is for Lot 2, Block 27, USS 1430. Lot 2 is a vacant lot with rock fill. The offer to purchase is for the lot "as-is" at the time that the offer is made. No property inspection or structure inspections are required for this purchase.

The following terms shall apply to this offer and any subsequent sales agreement:

1. The property shall be free of any liens, debts, or other encumbrances not approved by the Buyer. Existence of any liens, debts, or other encumbrances shall be determined by completion of a title search and report by a title search company selected by the Buyer. The cost of the title search and report shall be split between the Buyer and Seller with each party paying one-half of the total cost. Both the Buyer and the Seller shall be listed as parties to the title search report. The Buyer may cancel the purchase if there are liens, debts, or encumbrances on the property that are not acceptable to the Buyer. If

the Buyer cancels the purchase each party shall be responsible for payment of one-half of the cost of the title search and report.

2. The sale shall be a cash sale. The Buyer shall remit a check or electronic funds transfer for the full value of the agreed upon sale price to the Seller no later than 45 days after the title search is complete and the report is submitted to the Buyer.
3. The sale shall be executed by completion of a warranty deed.
4. Sales terms are subject to approval by the Craig City Council.
5. These terms may be amended or modified by written agreement of both parties.

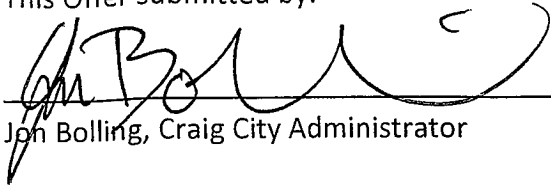
The parties agree that this document is an Offer to Purchase. If this Offer to Purchase is acceptable to the Seller, the Seller shall sign and return a copy of this form, thereby acknowledging acceptance of the terms set forth in this Offer. The Seller and Buyer shall then draft a sales agreement reflecting the terms set forth in this Offer. Terms of the sales agreement will be reviewed by the Council within thirty (30) days after the agreement is drafted. If this offer is accepted, the sales agreement shall be signed no later than seven (7) days after the terms are approved by the Craig City Council. After approval of the terms by the Council, Buyer shall select a title company to complete a title search and report.

Once the title search is complete and a report is submitted to the Buyer and Seller, the Buyer shall notify the Seller if there are any liens, debts, or other encumbrances on the property that are not acceptable to the Buyer. If there are no liens, debts or other encumbrances on the property that are not acceptable to the Buyer then the Buyer shall direct the title company to prepare the warranty deed and the Buyer shall make full payment as outlined in the terms above.

EXPIRATION: Seller shall have until 5:00 pm on July 9, 2019 to accept this offer or submit a counteroffer, unless the offer to purchase is sooner withdrawn. Acceptance shall not be effective until a copy of this document is signed by the Seller and received by the Potential Buyer. If the Seller wishes to make a counteroffer the Seller may note the counteroffer below and submit it to the Potential Buyer by the deadline noted above.

The Seller agrees that the subject Property is to be sold free and clear of all encumbrances, by good and marketable title, with full possession of said property available to Potential Buyer upon closing of the transaction.

This Offer submitted by:

  
\_\_\_\_\_  
Jon Bolling, Craig City Administrator

June 21, 2019  
Date

This Offer is accepted by:

\_\_\_\_\_  
James Seley

\_\_\_\_\_  
Date

**OR**

This COUNTEROFFER is submitted by:

\_\_\_\_\_  
James Seley

\_\_\_\_\_  
Date

COUNTEROFFER Purchase Price:

\$

COUNTEROFFER Modified or Amended Terms:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



RECEIVED  
JUL 18 2019

This Offer submitted by:

[Signature]  
John Bolling, Craig City Administrator

June 21, 2019  
Date

This Offer is accepted by:

James Seley

\_\_\_\_\_  
Date

OR

This COUNTEROFFER is submitted by:

James L. Seley  
James Seley

7-14-2019  
Date

COUNTEROFFER Purchase Price:

\$ 45,000<sup>00</sup>

COUNTEROFFER Modified or Amended Terms:

Several years ago I purchased this property for slightly less than what's offered.

Previously The City of Craig took a portion of this lot for the street. What was given in turn is now taken back. I don't think the city has earned the rightful ownership of this street.

The lot has become non-buildable because of the previous building was granted access by the questionable easement as described in the deed.

I think the Parking & Room provided by this acceptance of my Counter offer is of equal Value.

## **CITY OF CRAIG MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: July 10, 2019  
RE: Update on PSN Road Fee

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As the council is aware, a group of Port St. Nicholas property owners filed litigation in State Superior Court in opposition to City of Craig Ordinance 719, establishing a Port St. Nicholas Road fee. In addition to their initial complaint, the plaintiffs recently filed a motion for summary judgement with the court, asking the court to enjoin the city from implementing the ordinance and reversing adoption of the ordinance. I provided a copy of the summary judgement motion to the council via e-mail on July 3. I am working with the city attorney on preparing a response to the plaintiffs' motion.

The road fee ordinance took effect July 1, 2019. At this point, my view of the course of events detailed in the ordinance requires that city staff prepare for council consideration an annual plan of work for the current and subsequent fiscal years for the PSN Road. Following publication of the draft plans of work, a public comment period will occur, and the draft plans will be submitted to the council for consideration. If the plans of work are approved, staff will implement the plans for the balance of the fiscal year ending June 30, 2020, and then for Fiscal Year 2021. Staff will then prepare an annual maintenance report. Based on data in the report, the city will prepare invoices to begin collecting the fee. An example timeline for these events is listed below. Actual event dates are approximate.

### **2019**

September: Staff produces Annual Plans of Work for FY 2020 and FY 2021.  
October: End of 30-day Annual Plan of Work public comment period.  
November: City council approves Annual Plans of Work.

### **2020**

January 1: City implements FY 2020 Plan of Work.  
June 30: End of FY 2020.  
July 1: Staff implements FY 2021 Plan of Work.  
August: Staff delivers FY 2020 Annual Maintenance Report to council.  
September: Council approves FY 2020 Annual Maintenance Report.  
September: Staff invoices PSN property owners for 45% of FY2020 PSN Road maintenance costs incurred between January 1 and June 30, 2020, up to a per parcel cap of \$150.

In short, given the structure of the PSN Road fee ordinance, the city will invoice and collect fees for current fiscal year maintenance work on the PSN Road sometime after July 2020. As noted above, this timeline is approximate.

### **Recommendation**

That the council direct staff to proceed with implementation of Ordinance No. 719 based on the timeline listed above.

Recommended motion: I move to direct staff to proceed with implementation of Ordinance No. 719 based on the timeline listed in staff's July 10, 2019 memorandum.

## **CITY OF CRAIG MEMORANDUM**

To: Mayor and Craig City Council

From: Brian Templin, City Planner

Date: June 24, 2019

RE: Abatement of Dangerous Building at Lot 4, Tract R, USS 2327 (309 Easy Street)

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Lot 4, Tract R, USS 2327 (309 Easy Street) is a property owned by Charles Melendrez Jr., Philip Melendrez, Vincent Paul Melendrez, Frank Melendrez, Robert Jim Headred Melendrez, and Gregory Melendrez. The Melendrez's acquired the property in 1987. In 2010 Charles Melendrez placed a new trailer on the property and constructed framework to enclose the new trailer. The framing was completed but no roof or walls were installed.

Mr. Charles Melendrez has not occupied the trailer for several years. In 2016 age, deterioration, and weather caused the framework to collapse on the property. In October 2016 city staff was contacted by representatives of the adjacent property owner (Catch-A-King) charters. They complained to the city that the collapsed structure was potentially dangerous to their clients. On November 2, 2016 a letter was sent to Mr. Melendrez at the address shown on the most recent tax assessment roll notifying him of the issue and asking him to remedy the situation. The letter also asked him to contact the adjacent property owner about some other work that they wanted to do that required access from his property. There was no response to the letter and the problem has not been remedied.

In 2017 the city was able to contact Mr. Melendrez and notify him of the collapsed structure and to ask him to resolve the issue. To date no action has been taken to repair or remove the damaged structure.

The next tool that the city has is the power to abate dangerous buildings. This power is granted to the city's building official in CMC 14.06.010(A) using the adopted Uniform Code for the Abatement of Dangerous Buildings, 1985 Edition (UCADB1985). Staff has reviewed the UCADB1985 and determined that the following process would be required:

1. Issue a Notice and Order based on criteria in the UCADB1985 Section 401 and 302.
2. Notify the property owners of the Notice and Order.
3. Appoint a Board of Appeals consisting of five member from the mayor and city council members.

If the condition is remedied by the property owner no further action is necessary. If the condition is not remedied by the property owner the city will continue with the following steps.

1. Record a certificate certifying that the building is a dangerous building and the building owner has been so notified.
2. The building official shall order the public works director to complete the work or privately contract the work to be completed. The remedies for this situation would likely only require work be performed by the city's public works and parks and facilities staff. Cost of the work should be paid from the department's budget and adjusted during the supplemental budget process.

3. After the work is complete the city will record a new certificate declaring that it no longer exists as a dangerous building.
4. The costs of the repairs or demolition (accounted for by the city) are presented to the city clerk, who in turn presents them to the council.
5. The council will set a hearing on those costs. At the hearing the council may hear protests or objections and adjust the final cost.
6. The final cost is assessed against the property or made a personal obligation of the property owner. Since there are multiple property owners a special assessment against the property makes the most sense.

If an appeal is filed before the required remedy date then the Board of Appeals will meet to hear and adjudicate the appeal.

Abatement of buildings is not a common occurrence in the City of Craig and it is likely that most council members have not participated in the process. The current municipal code allows for the abatement process and the process is clearly spelled out in the UCADB1985 but the council should still deliberate and direct staff to proceed with abatement or to take some other course of action. A draft Notice and Order is attached to this memo for the council to consider if it chooses to direct staff to move forward with abatement. Since there has been some difficulty getting a good mailing address for Mr. Melendrez, staff intends to meet with the City Attorney regarding the notice requirements as part of the process. If the council chooses to direct staff to move forward it should also appoint five members (consisting of any five officials drawn from a pool including the mayor and council members) to be the Board of Appeals for the process in the event that there is an appeal.

If the city proceeds with the process, the property owner will be directed to demolish or repair the existing frame structure. If the property owner does not comply then city staff will demolish the frame structure and pile the lumber on the property or remove the demolished lumber, depending on which is safer.

If any members are interested in reviewing the UCADB1985, staff has a copy available.

Recommendations:

1. Move to direct staff to proceed with the abatement of the dangerous building at Lot 4, Tract R, USS 2327.
2. Appoint five members (by name) to the Board of Appeals



July 19, 2019

Mr. Charles Melendrez Jr., Philip Melendrez, Vincent Paul Melendrez, Frank Melendrez, Robert Jim Headred Melendrez, and Gregory Melendrez  
PO Box 334  
Craig, AK 99921

## NOTICE AND ORDER OF ABATEMENT OF DANGEROUS BUILDINGS

Dear Property Owners,

This letter serves as a notice and order of abatement of a dangerous building located on Lot 4, Tract R, USS 2327 as detailed in Section 401 of the Uniform Code for the Abatement of Dangerous Buildings, 1985 Edition (UCADB1985).

1. The dangerous building is located at 309 Easy Street, Craig, AK 99921. The property is legally described as Lot 4, Tract R, USS 2327 as shown on plat 86-28, Ketchikan Recording District.
2. The Craig Building Official has inspected the building and found it to be dangerous as defined in Section 302 of the UCADB1985. The frame structure on the property described above has partially collapsed and represents a danger. The following conditions found in Section 302 of the UCADB1985 were used in this determination:
  - a. Condition 5. The frame structure has partially collapsed and may injure persons or damage property.
  - b. Condition 7. The frame structure has wracked, warped, buckled or settled to such an extent that the structure is materially less resistant to winds or earthquakes.
  - c. Condition 8. The frame structure is likely to continue to partially or completely collapse.
  - d. Condition 9. The frame structure causes the structures, including the trailer on the lot, to be manifestly unsafe for occupation.
  - e. Condition 12. The frame structure has been so damaged that it has become an attractive nuisance to children and others.
3. The property owner is required to take one of the following actions to remedy the conditions which make the structure a dangerous building:
  - a. The frame structure must be repaired and the roof and wall sheathing must be completed. If the property owner chooses to repair the structure, all permits must be secured and work shall commence within 60 days of the date of this order and be completed within such time as determined reasonable by the building official.

- b. Alternatively the property owner may demolish the frame structure completely to remove the dangerous conditions within 60 days of the date of this order.
4. If required repair work or demolition is not commenced within the time frame specified, the building official will order the building vacated and may proceed to cause the work to be done and charge the costs thereof against the property or its owner.
5. Any person having record title or legal interest in the building may appeal from the notice and order or any action of the building official to the Board of Appeals, provided the appeal is made in writing as provided in the UCADB1985 and filed with the building official within 30 days from the date of service of such notice and order. Failure to appeal will constitute a waiver of all right to an administrative hearing and determination of the matter.

If you have questions or comments regarding this notice and order you may contact the Craig Building Official, Brian Templin at 907-826-3275.

Sincerely,

Brian Templin  
Craig City Planner  
Craig Building Official

Cc: Charles Melendrez  
PO Box 334  
Craig, AK 99921

Charles Melendrez  
PO Box 785  
Toledo, WA 98951

## **CITY OF CRAIG MEMORANDUM**

To: Craig Mayor and City Council  
From: Brian Templin, City Planner  
Date: July 9, 2019  
RE: Renewal of Lease of a portion of the old clinic building to HOPE

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HOPE has been leasing a portion of the old clinic building since 2010 for operation of office and administrative space related to HOPE's operations. This lease is a below market value lease set at \$225 per month to cover electricity, water, sewage disposal, and garbage collection. HOPE is responsible for heat, janitorial services, liability insurance and fire insurance at the level required by the city, for that portion of the building identified in the lease. The current lease expired last year and has been going month to month since its expiration. The new lease is back dated to start upon the expiration of the previous lease to ensure a continuous record for HOPE's grant accounting.

HOPE has been paying for heat, garbage, janitorial services and insurance as required in the lease. Due to the way the electricity, water and sewer are run in the building we have been unable to charge the leaseholder for these items since we were not able to separate those costs out. We have enough historical data of usage within the building that we have estimated of the cost of those services and charge a flat lease fee that covers those costs. I have worked with Joyce on this issue and the current payment of \$225.00 per month from HOPE to the city continues to adequately cover city expenses in these areas.

Paragraph 2g of the lease agreement states that: "This lease may be renewed under those terms and conditions acceptable to both the Lessor and Lessee."

HOPE has submitted a letter requesting a renewal of the lease until April 30, 2021 under the same terms and payment.

Staff recommends that the council approve the lease renewal for an additional five years with the terms shown on the lease document (there is no change in lease terms from the original lease document) at a rate of \$225.00 per month (\$2,700 per year) based estimated cost of electricity, water and sewer. The lease would specify that the payment was to cover costs of utilities and that the lease value of the space (approximately \$1 per square foot) would be an in-kind donation from the city to HOPE. All other terms of the lease would remain the same.

**RECOMMENDATION:** The council move to approve the terms to renew the below market value lease of Lot that portion of the old clinic building to HOPE as identified on Exhibit A of their lease.

**RECOMMENDED MOTION:** Move to approve renewal of a lease of city owned property to HOPE as presented by staff.

## ***LEASE AGREEMENT***

THIS INDENTURE, entered in to this \_\_\_\_\_ day of \_\_\_\_\_, 2019 by and between the **CITY OF CRAIG, ALASKA** whose address is PO Box 725, Craig, AK 99921, herein after called the Lessor and **HELPING OURSELVES PREVENT EMERGENCIES (HOPE)**, whose address is PO Box 145, 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: That portion of the “Craig Clinic Building”, situated on USS 1430, Block 14, Lots 1 – 3 (portion of the building to be leased is entirely located on Lot 1) 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 1<sup>st</sup> day of May 2018 and ending on the 30<sup>th</sup> day of April, 2021**. Lease area consists of approximately 960 square feet as shown on Lease Attachment A. The lease payment for the premises shall be \$225.00 (Two Hundred Twenty Five dollars) per month payable no later than the fifth (5<sup>th</sup>) day of the each month 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. The lease payment shall cover the cost of utilities provided by the Lessor including water, sewer, electricity and solid waste (garbage) collection. The cost of this lease is intended to cover the cost of utilities provided and does not include cost of the space shown in this lease (approximately \$600/month value), which is provided as an in-kind donation to HOPE.

### **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;
  - e. 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;



- f. Make alterations in or to said premises only with the consent of the City of Craig;
  - g. Leave the premises at the expiration or prior termination of this lease or any renewal or extension thereof, in as good condition as received;
  - h. Permit the Lessor to enter upon said premises at all reasonable times to examine the conditions of the same;
  - i. 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. Lessee agrees to install, maintain and operate, at Lessee's expense a heating system sufficient for Lessee's use;
  - j. 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. At no expense to the City, Lessee shall obtain and keep in force throughout the time period of this lease, comprehensive public liability insurance naming the City as an insured or as additional insured, in a coverage amount of at least \$300,000 per occurrence. Lessee will provide the City with proof of insurance coverage in the form of a certificate of insurance; and upon City request, Lessee will additionally provide a copy of the insurance policy. Said insurance policy must provide that the City will be notified at least 30 days before termination, cancellation or material change in the insurance coverage; and include a waiver of subrogation by which the insurer waives all rights of subrogation against the City for payments made under the policy.;
  - k. Furnish for that portion of the building identified in the lease, heat, janitorial services and liability and fire insurance at the level required by the Lessor, without additional costs to the Lessor.
  - l. Provide copies of keys required to enter the area shown as "exam room" on Attachment A of this lease. Keys shall be maintained by the Craig Police Department and will allow access to the building's electrical panel.
2. It is mutually agreed by and between the Lessor and Lessee that:
- a. Lessor is responsible for electricity, water, sewer, and garbage collection services;

- b. That Section 16.02.140, paragraphs A through V of the Craig Municipal Code apply to this lease.
- c. 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;
- d. 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:
- e. Termination: The Lessor or the Lessee may upon mutual agreement terminate this lease by giving (30) days notice in writing;
- f. This lease is subject to all applicable laws of the State of Alaska and/or the City of Craig;
- g. This lease may be renewed under those terms and conditions acceptable to both the Lessor and Lessee.
- h. 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: HOPE

BY: \_\_\_\_\_  
 Jon Bolling  
 Craig City Administrator

BY: \_\_\_\_\_  
 Authorized HOPE Representative

DATED: \_\_\_\_\_

DATED \_\_\_\_\_

Notary Acknowledgment by Lessee

STATE OF ALASKA                    )  
  )  
FIRST JUDICIAL DISTRICT        )        ss.

THIS IS TO CERTIFY that on this \_\_\_ day of \_\_\_\_\_, 2019, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared \_\_\_\_\_, the \_\_\_\_\_ of HOPE, to me known and known to be the person who represents HOPE 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.

\_\_\_\_\_  
Notary Public; State of Alaska  
My commission expires: \_\_\_\_\_

Notary Acknowledgment City of Craig

STATE OF ALASKA                    )  
  )  
FIRST JUDICIAL DISTRICT        )        ss.

THIS IS TO CERTIFY that on this \_\_\_ day of \_\_\_\_\_, 2019, 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.

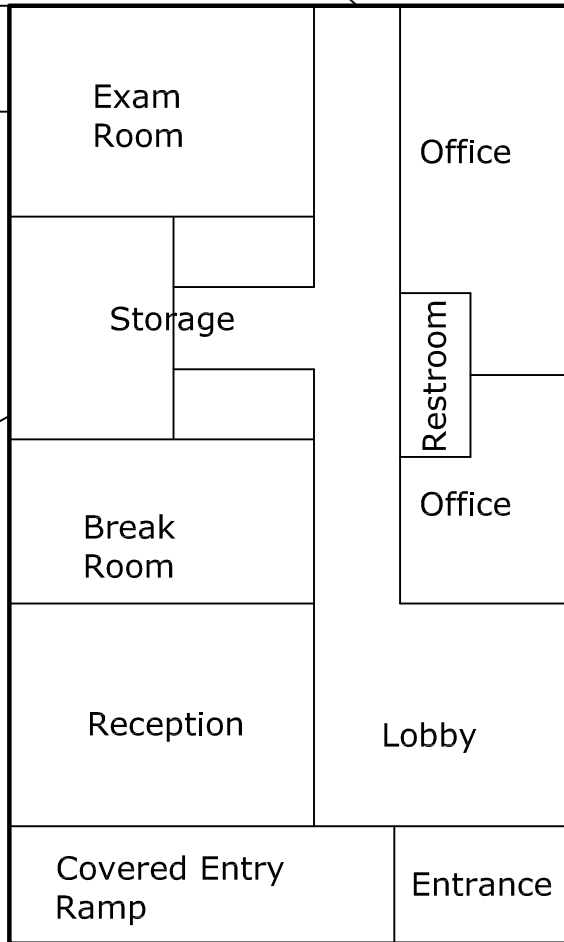
\_\_\_\_\_  
Notary Public; State of Alaska  
My commission expires: \_\_\_\_\_

Clinic Building  
(Not Part of this  
Lease)

Wall to be installed by Lessee

Exit

Lease  
Area



Helping Ourselves Prevent Emergencies Lease of City  
Owned Property at the "Old Craig Clinic" Building  
Lease Attachment A