

**CITY OF CRAIG  
COUNCIL AGENDA  
MARCH 19, 2020  
COUNCIL CHAMBERS 7:00 PM**

**ROLL CALL**

Mayor Tim O'Connor, Dave Creighton, Hannah Bazinet, Jim See, Julie McDonald, Michael Kampnich, Chanel McKinley

**Moment of Silence in Memory of Marjorie Young**

**CONSENT AGENDA**

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

- 1) City Council Meeting Minutes of March 5, 2020
- 2) Liquor License Renewal – Loyal Order of Moose #1206

**HEARING FROM THE PUBLIC**

- Open for public comment
- Resolution 20-04, establishing EMS response stipends

**READING OF CORRESPONDENCE**

- Alaska Permanent Capital Management Market Comments
- Alaska Permanent Capital Fund Management Monthly Report

**CONSIDERATION OF RESOLUTIONS AND ORDINANCES**

- Resolution 20-04, establishing EMS response stipends

**UNFINISHED BUSINESS**

**NEW BUSINESS**

- Consider joining Alaska Municipal League Remote Sales Tax Program
- COVID-19 Virus Update
- Consider Approval, Cooperative Planning Project Agreement
- Consider Waiving Credit Card Transaction Fee

**COUNCIL COMMENTS**

**ADJOURNMENT**

CITY OF CRAIG  
COUNCIL MEETING  
THURSDAY MARCH 5, 2020

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**ROLL CALL**

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

**Staff present:** Jon Bolling, City Administrator; Jillian Carl, City Clerk; Jessica Holloway, Aquatic Center Manager; Hans Hjort, Harbormaster; Sheri Purser, Treasurer; Chaundell Piburn, EMS Coordinator; Angela Matthews, Librarian; RJ Ely, Police Chief; Victoria Merritt, Parks and Recreation; Doug Ward, Parks and Public Facilities.

**Audience present:** No audience present

**CONSENT AGENDA**

1. City Council Meeting Minutes of February 20, 2020

KAMNPNICH/CREIGHTON

move to approve the consent agenda.

MOTION CARRIED UNANIMOUSLY

**HEARING FROM THE PUBLIC**

- Open for Public Comment
- Resolution 20-05, Setting Rate for Request for Public Records

**REPORTS FROM CITY OFFICIALS**

**Mayor/Fire Department-** Nothing to report.

**Administrator-** Jon provided a written report. Chanel McKinley asked if all of the council would be meeting for the March 17<sup>th</sup> workshop with the Craig City School District. All but Dave Creighton will be able to attend.

**Treasurer-** Sheri provided a written report.

**Aquatic Manager-** Jessica provided a written report.

**City Clerk-** Jillian provided a written report.

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

**EMS Coordinator-** Chaundell provided a written report. Chaundell informed the council that Resolution 20-05 will be ready for the next council meeting. Also, due to the Coronavirus, the EMS symposium will be canceled.

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

**Library-** Angela provided a written report. Angela has a big craft project coming up for the younger kids.

**Police Chief-** RJ provided a written report. Chief informed the council that they have hired a new police officer.

**Public Works-** Russell provided a written report. The council asked Russell if there has been any trouble with the garbage cans tipping over around town. Russell said that he has not heard any complaints.

**Parks and Rec-** Victoria provided a written report

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

## READING OF CORRESPONDENCE

## CONSIDERATION OF RESOLUTIONS AND ORDINANCES

### 1. Resolution 20-05, Setting Rate for Request for Public Records

KAMPNICH/MCDONALD

move to approve Resolution 20-05,  
MOTION CARRIED UNANIMOUSLY

## UNFINISHED BUSINESS

### 1. Update on Port St. Nicholas Road Fee Litigation

Jon updated the council on the court ruling and attorney fees.

### 2. Summary of Meeting with US Army Corps of Engineers

Jon asked the council for permission to meeting with the CTA regarding historical artifacts for the Small Boat Harbor project. The council agreed to have Jon meet with the CTA.

## NEW BUSINESS

## COUNCIL COMMENT

Michael Kampnich commented that he read the office wolf harvest numbers of 165 wolves that have been sealed. Also, that Neck Lake Hatchery has been struggling, they were going to shut it down but after some efforts done by Kampnich and others; they decided they would keep the summer program going and close the fall program.

Chanel McKinley added that Siler Bay will not be opening this summer.

## ADJOURNMENT

SEE/KAMPNICH

move to adjourn at 7:55 p.m.

MOTION CARRIED UNANIMOUSLY

APPROVED on the 19<sup>th</sup> of March 2020

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

ATTEST

\_\_\_\_\_  
JILLIANCARL, CITYCLERK



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

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

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

March 5, 2020

City of Craig

Via Email: [cityclerk@craigak.com](mailto:cityclerk@craigak.com) ; [adminclerk@craigak.com](mailto:adminclerk@craigak.com)

**Re: Notice of 2020/2021 Liquor License Renewal Application**

License #	DBA	License Type
746	Loyal Order of Moose #1206	Club

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

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

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

Sincerely,

Glen Klinkhart, Director  
[amco.localgovernmentonly@alaska.gov](mailto:amco.localgovernmentonly@alaska.gov)

# From Alaska Permanent Capital Management

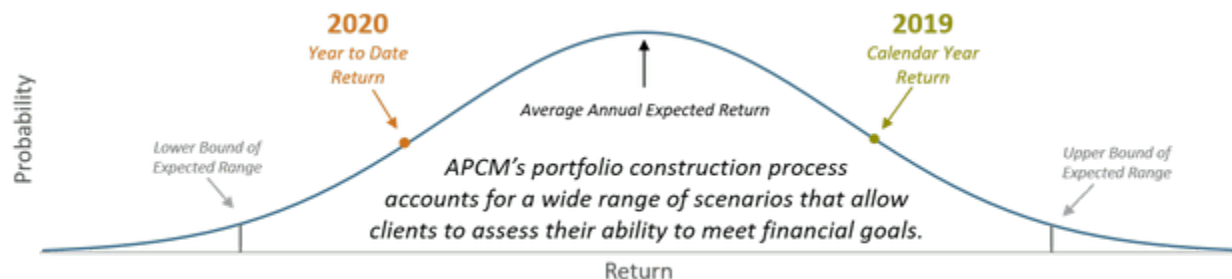
## Together, We've Planned for This

Posted in [Alaska's Eye on Wall Street](#)

APCM understands that these sharp moves in the markets and alarming headlines are unnerving. We aren't immune to the anxiety ourselves as we think about what the current market environment means to our clients and the beneficiaries of the funds that we manage. But, we also have the benefit of understanding that over the long term, situations like these won't derail the strategic plan that APCM and our clients worked side by side to put together. It is nerve-racking to be sure, but our clients' customized strategic asset allocations take into account time horizon and risk tolerance (among other important inputs) for just such situations.

### Market risk and exogenous shocks

One of the most important ways that APCM works with clients to customize strategic asset allocations is through the portfolio construction process. This process includes modeling a wide range of scenarios from high probability to very low probability events. Of course, we don't model viral outbreaks specifically, those are exogenous shocks and are unforeseeable and unpredictable. However, we do examine scenarios that are characterized by a turbulent market environment such as what we are experiencing now.



*Graphic for illustrative purposes only.*

### Analyzing goal risk

Once we understand what to expect in turbulent market environments with different strategic asset allocations, we put those numbers into context for our clients. We quantitatively assess the impact of these events on items that matter to our clients most, both during the modeling horizon and at the end of the modeling horizon. This approach then allows clients to not only assess the strategic asset allocation's ability to meet their specific financial goals, but also qualitatively assess the "comfort" level of each situation before they are faced with it, when emotions and worries run high.

### **Long term strategies are tuned to current market conditions**

While APCM's modeling of the strategic asset allocation has provided some guidance as to what is possible from a market risk perspective and a goal risk perspective, we also know that an assessment of the current environment can help us to either capture incremental return or mitigate some risk. With regard to the ongoing COVID-19 market environment, valuations, fluid policy responses, and the wide dispersion around virus containment expectations indicate that it is not prudent to sell into the recent market weakness. We maintain close to strategic asset allocation positioning with a conservative, dynamic rebalancing strategy informed by current developments.

### **Avoid reflexive decisions**

Outside of modeling statistics, historical experience illustrates the value of sticking to a well-designed strategic plan. Those clients who remained invested during the Global Financial Crisis experienced a full recovery and subsequent gains.

**Vinay Sharma, CFA®, CIPM®**  
**Senior Investment Analyst**

# CITY OF CRAIG

Account Statement - Period Ending January 31, 2020



ALASKA PERMANENT  
CAPITAL MANAGEMENT  
Registered Investment Adviser

## ACCOUNT ACTIVITY

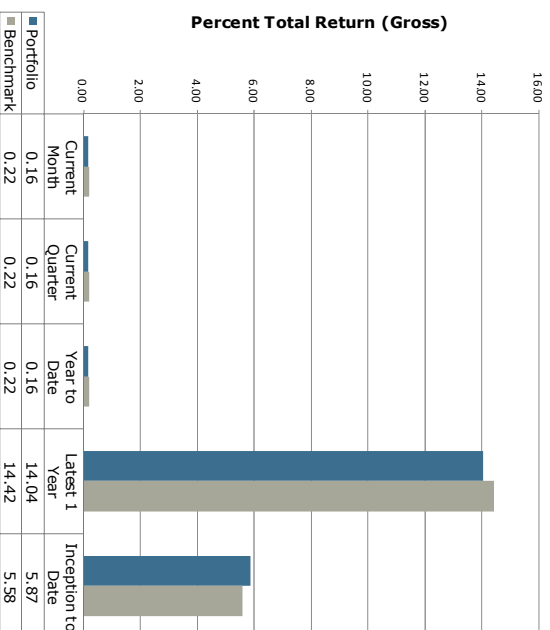
Portfolio Value on 12-31-19	11,350,092
Contributions	0
Withdrawals	-2,838
Change in Market Value	10,660
Interest	7,125
Dividends	376
Portfolio Value on 01-31-20	11,365,415

## MANAGEMENT TEAM

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

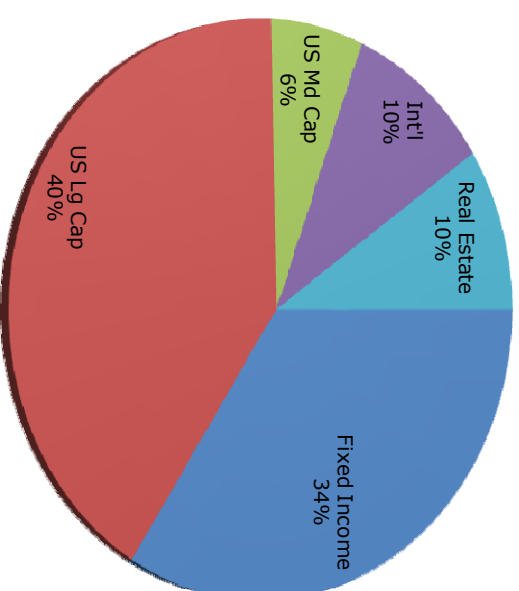
## INVESTMENT PERFORMANCE

Current Account Benchmark:  
Equity Blend



Performance is Annualized for Periods Greater than One Year

## PORTFOLIO COMPOSITION



Alaska Permanent Capital Management Co.  
**PORTFOLIO SUMMARY AND TARGET**  
***CITY OF CRAIG***  
*January 31, 2020*

Asset Class & Target	Market Value	% Assets	Range
<b>FIXED INCOME (34%)</b>			
US Fixed Income (34.0%)	3,874,920	34.1	20% to 45%
Cash (0.0%)	35,656	0.3	na
<b>Subtotal:</b>	<b>3,910,576</b>	<b>34.4</b>	
<b>EQUITY (56%)</b>			
US Large Cap (40.0%)	4,575,001	40.3	30% to 50%
US Mid Cap (6.0%)	683,569	6.0	0% to 10%
Developed International Equity (10.0%)	1,103,563	9.7	5% to 15%
<b>Subtotal:</b>	<b>6,362,132</b>	<b>56.0</b>	
<b>ALTERNATIVE INVESTMENTS (10%)</b>			
Real Estate (10.0%)	1,092,706	9.6	5% to 15%
<b>Subtotal:</b>	<b>1,092,706</b>	<b>9.6</b>	
<b>TOTAL PORTFOLIO</b>	<b>11,365,415</b>	<b>100</b>	



Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**CITY OF CRAIG**  
*January 31, 2020*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
<b>FNMA &amp; FHLMC</b>									
3,243	FHLMC POOL G14203	104.56	3,391	104.64	3,394	0.03	130	11	1.55
	4,000% Due 04-01-26				11	0.00			
	Accrued Interest		3,391		3,404	0.03		11	
<b>CORPORATE BONDS</b>									
50,000	NBC UNIVERSAL MEDIA LLC	109.20	54,602	103.14	51,570	0.45	2,187	729	1.64
	4.375% Due 04-01-21								
50,000	AMERICAN EXPRESS CREDIT	99.92	49,962	100.76	50,381	0.44	1,125	269	1.63
	2.250% Due 05-05-21								
50,000	GILEAD SCIENCES INC	96.28	48,141	100.68	50,342	0.44	975	406	1.61
	1.950% Due 03-01-22								
50,000	UNITEDHEALTH GROUP INC	102.56	51,279	102.17	51,087	0.45	1,437	543	1.82
	2.875% Due 03-15-22								
50,000	COMCAST CORP	101.83	50,917	103.55	51,773	0.46	1,425	63	1.61
	2.850% Due 01-15-23								
50,000	AFLAC INC	106.03	53,016	106.76	53,381	0.47	1,812	232	1.56
	3.625% Due 06-15-23								
50,000	BANK OF NEW YORK MELLON	97.83	48,916	101.62	50,810	0.45	1,100	504	1.72
	2.200% Due 08-16-23								
50,000	JPMORGAN CHASE & CO	105.18	52,590	107.65	53,825	0.47	1,937	969	1.88
	3.875% Due 02-01-24								
50,000	METLIFE INC	105.46	52,732	107.62	53,811	0.47	1,800	555	1.71
	3.600% Due 04-10-24								
50,000	WELLS FARGO & COMPANY	99.88	49,941	106.07	53,033	0.47	1,650	651	1.92
	3.300% Due 09-09-24								
50,000	APPLIED MATERIALS INC	107.96	53,978	110.69	55,347	0.49	1,950	650	1.90
	3.900% Due 10-01-25								
50,000	TARGET CORP	96.45	48,223	104.25	52,127	0.46	1,250	368	1.77
	2.500% Due 04-15-26								
	Accrued Interest		614,300		633,429	0.05		5,939	
<b>DOMESTIC LARGE CAP EQUITY FUNDS/ETF</b>									
14,220	SPDR S&P 500 ETF	153.23	2,178,955	321.73	4,575,001	40.25	NA		
<b>DOMESTIC MID CAP EQUITY FUNDS/ETF</b>									
3,410	ISHARES CORE S&P MIDCAP 400 ETF	112.16	382,478	200.46	683,569	6.01	NA		
<b>INTERNATIONAL EQUITY FUNDS/ETF</b>									
8,725	ISHARES ETF CORE MSCI EAFE	56.94	496,795	63.45	553,601	4.87	NA		
8,150	ISHARES MSCI EAFE INDEX FUND	61.71	502,904	67.48	549,962	4.84	NA		
			999,699		1,103,563	9.71			

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**CITY OF CRAIG**  
*January 31, 2020*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
<b>REAL ESTATE &amp; INFRASTRUCTURE</b>									
12,175	JPMORGAN BETABUILDERS MSCI US REIT ETF	77.43	942,733	89.75	1,092,706	9.61	NA		
<b>U.S. TREASURY</b>									
75,000	US TREASURY NOTES 1.750% Due 10-31-20	99.91	74,933	100.13	75,097	0.66	1,312	335	1.57
150,000	US TREASURY NOTES 2.125% Due 08-15-21	99.45	149,169	101.08	151,623	1.33	3,187	1,472	1.41
50,000	US TREASURY NOTES 2.000% Due 08-31-21	100.69	50,343	100.95	50,476	0.44	1,000	423	1.39
75,000	US TREASURY NOTES 2.000% Due 10-31-21	99.92	74,943	101.06	75,797	0.67	1,500	383	1.38
100,000	US TREASURY NOTES 2.000% Due 11-15-21	99.76	99,762	101.12	101,125	0.89	2,000	429	1.36
175,000	US TREASURY NOTES 2.625% Due 12-15-21	101.92	178,364	102.32	179,067	1.58	4,594	602	1.36
100,000	US TREASURY NOTES 1.875% Due 01-31-22	100.10	100,101	101.02	101,023	0.89	1,875	5	1.35
200,000	US TREASURY NOTES 2.125% Due 06-30-22	98.10	196,209	101.92	203,836	1.79	4,250	374	1.32
100,000	US TREASURY NOTES 1.750% Due 07-15-22	99.89	99,894	101.03	101,027	0.89	1,750	82	1.32
150,000	US TREASURY NOTES 1.625% Due 11-15-22	97.79	146,686	100.85	151,278	1.33	2,437	522	1.31
150,000	US TREASURY NOTES 2.625% Due 02-28-23	99.73	149,593	103.95	155,923	1.37	3,937	1,666	1.31
125,000	US TREASURY NOTES 2.500% Due 08-15-23	98.87	123,590	104.11	130,132	1.14	3,125	1,444	1.31
170,000	US TREASURY NOTES 1.375% Due 08-31-23	99.92	169,867	100.23	170,393	1.50	2,337	997	1.31
115,000	US TREASURY NOTES 2.125% Due 03-31-24	98.81	113,630	103.24	118,724	1.04	2,444	832	1.32
100,000	US TREASURY NOTES 2.375% Due 08-15-24	100.23	100,227	104.60	104,598	0.92	2,375	1,097	1.33
130,000	US TREASURY NOTES 2.125% Due 11-30-24	102.02	132,625	103.70	134,814	1.19	2,762	476	1.33
75,000	US TREASURY NOTES 2.000% Due 02-15-25	100.63	75,469	103.19	77,396	0.68	1,500	693	1.34
175,000	US TREASURY NOTES 2.000% Due 08-15-25	98.46	172,301	103.36	180,873	1.59	3,500	1,617	1.37
55,000	US TREASURY NOTES 2.625% Due 12-31-25	101.31	55,718	107.01	58,857	0.52	1,444	127	1.39
100,000	US TREASURY NOTES 2.500% Due 02-28-26	100.40	100,397	106.41	106,410	0.94	2,500	1,058	1.40
100,000	US TREASURY NOTES 1.625% Due 05-15-26	101.05	101,055	101.31	101,313	0.89	1,625	348	1.41

Alaska Permanent Capital Management Co.  
**PORTFOLIO APPRAISAL**  
**CITY OF CRAIG**  
*January 31, 2020*

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
200,000	US TREASURY NOTES 2.000% Due 11-15-26	98.10	196,199	103.68	207,368	1.82	4,000	857	1.43
125,000	US TREASURY NOTES 2.250% Due 11-15-27	95.20	118,996	105.84	132,300	1.16	2,812	603	1.45
80,000	US TREASURY NOTES 3.125% Due 11-15-28	102.02	81,613	113.39	90,710	0.80	2,500	536	1.49
125,000	US TREASURY NOTES 2.625% Due 02-15-29	99.82	124,774	109.48	136,851	1.20	3,281	1,516	1.50
50,000	US TREASURY NOTES 1.625% Due 08-15-29	99.35	49,673	100.97	50,486	0.44	812	375	1.52
70,000	US TREASURY NOTES 1.750% Due 11-15-29	99.71	69,800	102.08	71,457	0.63	1,225	262	1.52
	Accrued Interest				19,132	0.17		19,132	
			3,105,931		3,238,087	28.49			
<b>CASH AND EQUIVALENTS</b>			35,656		35,656	0.31			
CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT									
<b>TOTAL PORTFOLIO</b>			<b>8,263,142</b>		<b>11,365,415</b>	<b>100</b>	<b>84,867</b>	<b>25,081</b>	

Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
***CITY OF CRAIG***  
*From 01-01-20 To 01-31-20*

Trade Date	Settle Date	Security	Quantity	Trade Amount
<b>PURCHASES</b>				
U.S. TREASURY				
01-28-20	01-29-20	US TREASURY NOTES 1.750% Due 11-15-29	35,000	35,352.68
				<b>35,352.68</b>
<b>DEPOSITS AND EXPENSES</b>				
MANAGEMENT FEES				
01-31-20	01-31-20	MANAGEMENT FEES		2,841.35
				<b>2,841.35</b>
<b>DIVIDEND</b>				
REAL ESTATE & INFRASTRUCTURE				
01-03-20	01-03-20	JPMORGAN BETABUILDERS MSCI US REIT ETF		375.60
				<b>375.60</b>
<b>INTEREST</b>				
CASH AND EQUIVALENTS				
01-15-20	01-15-20	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		3.14
CORPORATE BONDS				
01-15-20	01-15-20	COMCAST CORP 2.850% Due 01-15-23		712.50
FNMA & FHLMC				
01-15-20	01-15-20	FHLMC POOL G14203 4.000% Due 04-01-26		11.17
U.S. TREASURY				
01-15-20	01-15-20	US TREASURY NOTES 1.750% Due 07-15-22		875.00

Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
***CITY OF CRAIG***  
*From 01-01-20 To 01-31-20*

Trade Date	Settle Date	Security	Quantity	Trade Amount
01-31-20	01-31-20	US TREASURY NOTES 1.875% Due 01-31-22		937.50
				1,812.50
				<b>2,539.31</b>
<b>PRINCIPAL PAYDOWNS</b>				
FNMA & FHLMC				
01-15-20	01-15-20	FHLMC POOL G14203 4.000% Due 04-01-26	106.62	106.62
				<b>106.62</b>
<b>PURCHASED ACCRUED INTEREST</b>				
U.S. TREASURY				
01-28-20	01-29-20	US TREASURY NOTES 1.750% Due 11-15-29		126.20
				<b>126.20</b>
<b>WITHDRAW</b>				
CASH AND EQUIVALENTS				
01-17-20	01-17-20	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		2,837.52
01-31-20	01-31-20	DIVIDEND ACCRUAL		22,325.29
				25,162.81
				<b>25,162.81</b>

Alaska Permanent Capital Management Co.  
**REALIZED GAINS AND LOSSES**  
***CITY OF CRAIG***  
*From 01-01-20 Through 01-31-20*

<b>Date</b>	<b>Quantity</b>	<b>Security</b>	<b>Avg. Cost Basis</b>	<b>Proceeds</b>	<b>Gain Or Loss</b>
01-15-20	106.62	FHLMC POOL G14203 4.000% Due 04-01-26	111.48	106.62	-4.86
TOTAL GAINS					0.00
TOTAL LOSSES					-4.86
			<b>111.48</b>	<b>106.62</b>	<b>-4.86</b>

Alaska Permanent Capital Management Co.

**CASH LEDGER**

***CITY OF CRAIG***

*From 01-01-20 To 01-31-20*

<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>					
01-01-20			Beginning Balance		48,625.56
01-03-20	01-03-20	dp	Dividend	JPMORGAN BETABUILDERS MSCI US REIT ETF	375.60
01-15-20	01-15-20	dp	Interest	COMCAST CORP 2.850% Due 01-15-23	712.50
01-15-20	01-15-20	dp	Interest	FHLMC POOL G14203 4.000% Due 04-01-26	11.17
01-15-20	01-15-20	dp	Paydown	FHLMC POOL G14203 4.000% Due 04-01-26	106.62
01-15-20	01-15-20	dp	Interest	US TREASURY NOTES 1.750% Due 07-15-22	875.00
01-15-20	01-15-20	dp	Interest	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT	3.14
01-17-20	01-17-20	wd	Withdrawal	from Portfolio	-2,837.52
01-28-20	01-29-20	wd	Purchase	US TREASURY NOTES 1.750% Due 11-15-29	-35,352.68
01-28-20	01-29-20	wd	Accrued Interest	US TREASURY NOTES 1.750% Due 11-15-29	-126.20
01-31-20	01-31-20	dp	Transfer from	DIVIDEND ACCRUAL	22,325.29
01-31-20	01-31-20	dp	Interest	US TREASURY NOTES 1.875% Due 01-31-22	937.50
<b>01-31-20</b>			<b>Ending Balance</b>		<b>35,655.98</b>
<b>DIVIDEND ACCRUAL</b>					
01-01-20			Beginning Balance		22,325.29
01-31-20	01-31-20	wd	Transfer to	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT	-22,325.29
<b>01-31-20</b>			<b>Ending Balance</b>		<b>0.00</b>

# CITY OF CRAIG - SCHOOL FUNDS

Account Statement - Period Ending January 31, 2020



ALASKA PERMANENT  
CAPITAL MANAGEMENT  
Registered Investment Adviser

## ACCOUNT ACTIVITY

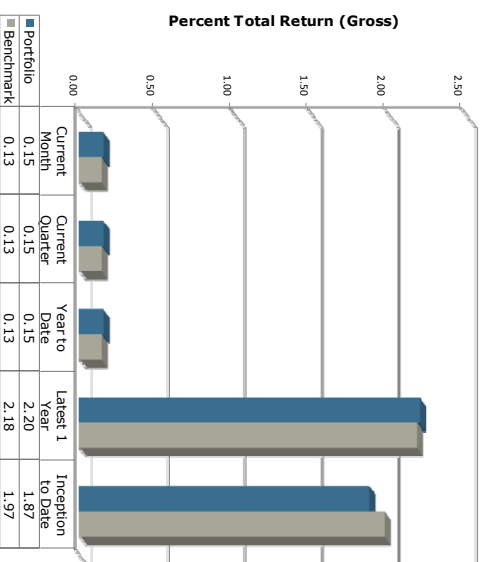
Portfolio Value on 12-31-19	3,458,273
Contributions	0
Withdrawals	-550,625
Change in Market Value	1,073
Interest	3,719
Dividends	0
Portfolio Value on 01-31-20	2,912,440

## MANAGEMENT TEAM

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

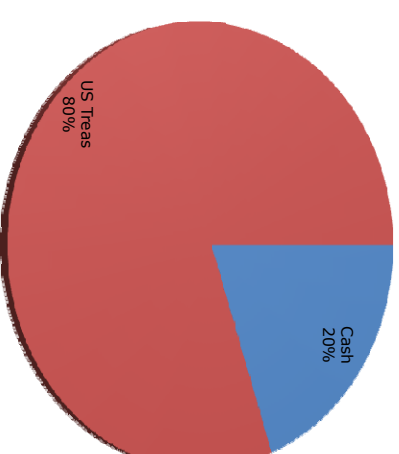
## INVESTMENT PERFORMANCE

Current Account Benchmark:  
T-Bill shown for reference



Performance is Annualized for Periods Greater than One Year

## PORTFOLIO COMPOSITION



### Fixed Income Portfolio Statistics

Average Quality: AAA Yield to Maturity: 1.57% Average Maturity: 0.41 Yrs



Alaska Permanent Capital Management Co.  
 PORTFOLIO APPRAISAL  
**CITY OF CRAIG - SCHOOL FUNDS**  
 January 31, 2020

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
<b>U.S. TREASURY</b>									
440,000	US TREASURY NOTES 1.375% Due 02-29-20	99.88	439,465	99.97	439,862	15.10	6,050	2,560	1.76
480,000	US TREASURY NOTES 1.5000% Due 04-15-20	100.32	481,517	99.97	479,850	16.48	7,200	2,144	1.65
565,000	US TREASURY NOTE 1.5000% Due 06-15-20	99.96	564,794	99.97	564,823	19.39	8,475	1,111	1.58
340,000	US TREASURY NOTES 1.5000% Due 08-15-20	99.63	338,740	99.95	339,840	11.67	5,100	2,356	1.59
500,000	US TREASURY NOTES 1.7500% Due 11-15-20 Accrued Interest	100.11	500,561	100.15	500,740	17.19	8,750	1,875	1.56
			2,325,078		2,335,162	80.18		10,046	
<b>TREASURY BILLS</b>									
560,000	US TREASURY BILLS 0.0000% Due 07-30-20	99.25	555,777	99.26	555,847	19.09	NA	0	1.49
<b>CASH AND EQUIVALENTS</b>									
	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		21,431		21,431	0.74			
<b>TOTAL PORTFOLIO</b>			<b>2,902,286</b>		<b>2,912,440</b>	<b>100</b>	<b>35,575</b>	<b>10,046</b>	

Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
**CITY OF CRAIG - SCHOOL FUNDS**  
*From 01-01-20 To 01-31-20*

Trade Date	Settle Date	Security	Quantity	Trade Amount
<b>PURCHASES</b>				
TREASURY BILLS				
01-31-20	01-31-20	US TREASURY BILLS 0.000% Due 07-30-20	560,000	555,777.48
U.S. TREASURY				
01-07-20	01-08-20	US TREASURY NOTE 1.500% Due 06-15-20	565,000	564,794.08
				<b>1,120,571.56</b>
<b>INTEREST</b>				
CASH AND EQUIVALENTS				
01-15-20	01-15-20	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		4.81
U.S. TREASURY				
01-15-20	01-15-20	US TREASURY NOTES 1.375% Due 01-15-20		3,781.25
01-31-20	01-31-20	US TREASURY NOTE 1.250% Due 01-31-20		3,500.00
				7,281.25
				<b>7,286.06</b>
<b>PURCHASED ACCRUED INTEREST</b>				
U.S. TREASURY				
01-07-20	01-08-20	US TREASURY NOTE 1.500% Due 06-15-20		555.74
				<b>555.74</b>
<b>SALES, MATURITIES, AND CALLS</b>				
TREASURY BILLS				
01-07-20	01-07-20	US TREASURY BILLS 0.000% Due 01-07-20	565,000	565,000.00

Alaska Permanent Capital Management Co.  
**TRANSACTION SUMMARY**  
***CITY OF CRAIG - SCHOOL FUNDS***  
*From 01-01-20 To 01-31-20*

Trade Date	Settle Date	Security	Quantity	Trade Amount
U.S. TREASURY				
01-15-20	01-15-20	US TREASURY NOTES 1.375% Due 01-15-20	550,000	550,000.00
01-31-20	01-31-20	US TREASURY NOTE 1.250% Due 01-31-20	560,000	560,000.00
				1,110,000.00
				<b>1,675,000.00</b>
<b>WITHDRAW</b>				
CASH AND EQUIVALENTS				
01-22-20	01-22-20	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		550,600.00
01-22-20	01-22-20	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		25.00
				550,625.00
				<b>550,625.00</b>

Alaska Permanent Capital Management Co.  
**REALIZED GAINS AND LOSSES**  
***CITY OF CRAIG - SCHOOL FUNDS***  
*From 01-01-20 Through 01-31-20*

<b>Date</b>	<b>Quantity</b>	<b>Security</b>	<b>Avg. Cost Basis</b>	<b>Proceeds</b>	<b>Gain Or Loss</b>
01-07-20	565,000	US TREASURY BILLS 0.000% Due 01-07-20	563,744.42	565,000.00	1,255.58
01-15-20	550,000	US TREASURY NOTES 1.375% Due 01-15-20	544,923.09	550,000.00	5,076.91
01-31-20	560,000	US TREASURY NOTE 1.250% Due 01-31-20	558,024.20	560,000.00	1,975.80
TOTAL GAINS					8,308.29
TOTAL LOSSES					0.00
			<b>1,666,691.71</b>	<b>1,675,000.00</b>	<b>8,308.29</b>

Alaska Permanent Capital Management Co.  
**CASH LEDGER**  
**CITY OF CRAIG - SCHOOL FUNDS**  
*From 01-01-20 To 01-31-20*

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
<b>CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT</b>					
01-01-20			Beginning Balance		10,896.94
01-07-20	01-07-20	dp	Sale	US TREASURY BILLS 0.000% Due 01-07-20	565,000.00
01-07-20	01-08-20	wd	Purchase	US TREASURY NOTE 1.500% Due 06-15-20	-564,794.08
01-07-20	01-08-20	wd	Accrued Interest	US TREASURY NOTE 1.500% Due 06-15-20	-555.74
01-15-20	01-15-20	dp	Interest	US TREASURY NOTES 1.375% Due 01-15-20	3,781.25
01-15-20	01-15-20	dp	Sale	US TREASURY NOTES 1.375% Due 01-15-20	550,000.00
01-15-20	01-15-20	dp	Interest	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT	4.81
01-22-20	01-22-20	wd	Withdrawal	from Portfolio	-550,600.00
01-22-20	01-22-20	wd	Withdrawal	from Portfolio	-25.00
01-31-20	01-31-20	dp	Sale	US TREASURY NOTE 1.250% Due 01-31-20	560,000.00
01-31-20	01-31-20	dp	Interest	US TREASURY NOTE 1.250% Due 01-31-20	3,500.00
01-31-20	01-31-20	wd	Purchase	US TREASURY BILLS 0.000% Due 07-30-20	-555,777.48
<b>01-31-20</b>			<b>Ending Balance</b>		<b>21,430.70</b>

## **CITY OF CRAIG MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: March 11, 2020  
RE: Resolution 20-04: EMS Responder Incentives

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Attached you will find Resolution 20-04. The resolution establishes financial incentives to encourage more members of the city's EMS squad to respond to EMS calls.

Based on information from Craig EMS, most local EMS calls are responded to by just a few volunteers. To broaden the number of responders, Craig EMS Coordinator Chaundell Piburn recommended adoption of an incentive schedule that rewards roster participants based on the number of responses made to EMS calls.

The incentives are tiered, meaning that the compensation increases with the aggregate number of responses by an individual in a given year.

I expect that the cost of the incentives could amount to approximately \$23,000 above what the EMS department has currently budgeted, assuming one person takes on each day's 12-hour on-call shift, and the amount of calls for the year is about the same as past years. Chaundell will track the number of responses of each EMS squad member and report the results.

City staff will report to the council later this year on implementation of the incentive schedule.

### Items of note:

- The tax exempt card incentive at Tier 5, if it remains in the schedule, will require adoption of an ordinance modifying the sales tax code to implement. I suggest removing this item from the incentive schedule.
- The council might also want to consider setting a sunset date for the schedule. Setting an ending date for the incentives ensures that the council will review the program in a year or so, and can renew or modify the awards at that time.

### **Recommendation**

Adopt Resolution 20-04.

**CITY OF CRAIG  
RESOLUTION 20-04**

**Establishing EMS Response Stipends**

WHEREAS, the City of Craig supports volunteer Fire and EMS squads to respond to emergencies in Craig; and,

WHEREAS, the City of Craig emergency services department is primarily staffed by Volunteers; and,

WHEREAS, to help in recruiting and retaining volunteers the City of Craig is providing incentives to volunteer Fire and EMS members; and,

WHEREAS, the City has developed an incentives list based upon Fire and EMS volunteer participation.

NOW, THEREFORE, BE IT RESOLVED that the Craig City Council, hereby adopts the City of Craig EMS Reward Tiers shown on attachment "A"; and,

BE IT FURTHER RESOLVED that the effective date of Attachment A is January 1, 2020.

APPROVED \_\_\_\_\_, 2020.

\_\_\_\_\_  
Tim O'Connor, Mayor

ATTEST \_\_\_\_\_  
Jillian Carl, City Clerk

## Resolution 20-04 Attachment A

### EMS Reward Tiers:

The reward tiers identified below are intended to build a reward system that encourages more responses to EMS calls and encourage Craig EMS squad members to commit to being officially “On call” for 12-hour shifts. Calls average between 1.5 hours to 2.5 hours in length. Medivac calls are commonly over three hours. The reward schedule separates the actual responses with on call time rewards to encourage people to sign up for shifts.

Tier	Participation on Calls	Drivers & ETT's	EMT 1	EMT 2	EMT 3 & MICP	Reward Incentive
1	1-10	25.00	30.00	35.00	35.00	
2	11-20	25.00	30.00	35.00	35.00	\$125.00 bonus per year
3	21-30	30.00	35.00	40.00	40.00	Additional \$5.00 added to Stipend + \$ 250.00 bonus per year
4	31-49	40.00	45.00	50.00	50.00	Additional \$10.00 added to Stipend + 6 Month (Individual) Pool Pass + \$ 500.00 Bous per year
5	50 +	40.00	45.00	50.00	50.00	Yearly (Individual) Pool Pass + \$1,000.00 Bonus per year + Tax Exempt Card

### On-call compensation

\$4.00 per hour, 12-hour shift (6:00 p.m. – 6:00 a.m.)



## **CITY OF CRAIG MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: March 13, 2020  
RE: Alaska Municipal League Remote Sales Tax Program

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At its November 7, 2019 meeting, the council reviewed a memo I wrote regarding sale tax application to online vendors. A copy of the memo is attached.

In short, the Alaska Municipal League has created the Alaska Remote Seller Sales Tax Commission to allow Alaska municipalities to collect sales taxes from online vendors when the good or service is delivered in a municipality. In order to participate, a municipality must formally join the entity, and make subsequent changes to its sales tax code to standardize its code with the other members of the entity. The changes to local sales tax codes do not appear to be onerous or significant enough to preclude maintaining the exemptions that the city has tailored for local implementation, but joining the entity will require some code changes.

The incentive for the City of Craig is that being part of the commission will compel all online vendors with transactions over a set threshold must collect and remit sales taxes to the city. Currently, there are many online vendors that do not collect sales taxes for goods sold to local customers.

Some revenue would be lost to the city by joining. For example, Amazon currently pays sales taxes to the city now. If Craig joins the commission Amazon's payments would be subject to the commission's overhead. However if the commission works as advertised, I think the city would more than make up the difference due to revenue received from online vendors that currently do not pay.

When the council considered this last November, among the uncertainties at the time was the cost to Craig to participate. At this point AML reports that the cost to communities in the current year is 18 percent of remote sales taxes collected, much of which is attributable to paying for the software to administer the program. AML's executive director tells me that the organizations goal is to drop the percent cost to 12%-15% next year, with a long-term overhead rate goal of between 7-8 percent.

Current participating communities include Juneau, Wasilla, Kenai Peninsula Borough, Kenai, Seldovia, Homer, Soldotna, Seward, Wrangell, Nome, and Haines Borough. It appears that communities may join or withdraw from the commission at will.

Given the likelihood that internet commerce will continue to increase over time, or at least remain stable, and given that sales tax is the single largest revenue source for the City of Craig, it is in the city's financial interest to join the commission. As a commission member the city will may participate in the operation of the organization, and should benefit from the collection of revenue from virtually all online vendors. Given the uncertainty of late in the financial markets,

seafood markets, and fish stocks, joining the commission is one way the city can attempt to mitigate other financial variables.

Joining the commission begins with the adoption of a resolution, with other council actions to follow. If the council is inclined to join the commission staff will prepare the initial resolution for council consideration, with the goal of starting with the commission on July 1, 2020.

**Recommendation**

Direct staff to prepare documentation necessary to join the Alaska Remote Sellers Sales Tax Commission.

## CITY OF CRAIG MEMORANDUM

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: October 25, 2019  
RE: Review Alaska Municipal League Remote Seller Sales Tax Proposal

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The Alaska Municipal League, an organization whose membership is made up of cities and borough governments around Alaska, works on many municipal policy issues. One such issue is the collection of local sales taxes from online vendors.

In 2018, the US Supreme Court ruled in *South Dakota v. Wayfair* that states may compel online vendors to collect and remit sales taxes even if the vendor has no physical presence in a given state. The decision overturned past court precedence that typically required a business have a physical presence in a taxing jurisdiction in order to be subject to the sales tax.

The court cited three examples of why South Dakota's sales tax structure was reasonable to apply to online vendors:

First, the Act applies a safe harbor to those who transact only limited business in South Dakota. Second, the Act ensures that no obligation to remit the sales tax may be applied retroactively. Third, South Dakota is one of more than 20 States that have adopted the Streamlined Sales and Use Tax Agreement. This system standardizes taxes to reduce administrative and compliance costs: It requires a single, state level tax administration, uniform definitions of products and services, simplified tax rate structures, and other uniform rules. It also provides sellers access to sales tax administration software paid for by the State. Sellers who choose to use such software are immune from audit liability.

Because the US Supreme Court specifically cited South Dakota's single statewide code in its *Wayfair* opinion, many legal observers caution that the same circumstance should apply to any state where local governments wish to collect sales tax from online vendors. Alaska has no statewide sales tax, and as a result no "single, state level tax administration" exists here. With this in mind, AML, in working with a number of communities around the state, have identified a means of organizing a statewide sales tax administration that can apply to online sales.

The proposed structure of the single state level administration in AML's model is based on a compact between those communities in the state who choose to participate. Once formed, the managing entity, tentatively titled the "Alaska Remote Seller Sales Tax Commission" the membership of which is made up from the participating communities, would write a single sales tax code that would apply to online retail sales made to Alaskans. The commission would collect the sales tax due, and remit it to the community where the sale item is delivered to by the online vendor. A portion of the sales tax collected would be retained by the commission to cover its costs. The percent of costs and terms of collection are agreed to in advance between the commission and participating cities.

Attached are some draft organizational documents regarding the proposed commission. This matter will be the topic of discussion at November's annual meeting of the AML membership. I do not plan to attend the meeting, but Mayor O'Connor will be there, as will other city staff.

While there are still some unresolved details to work out, I do see some potential advantages to the City of Craig in this effort.

- Signing on to a commission like the one proposed will make online vendor compliance with Craig's sales tax more likely. A recent test of three online vendors (Best Buy, Dell, and Brownell's) revealed that none were prepared to collect city sales tax for products scheduled for delivery to Craig.
- Entering into an agreement with the proposed commission would require paying a membership/administration fee, but that fee is likely to come out of sales tax receipts the city would not otherwise have collected.
- The system is voluntary, so the city can work with AML, or go its own way on collecting sales tax from online sales.
- Collecting local sales tax broadly from online vendors helps to "level the playing field" with our local brick and mortar merchants who compete with online vendors.

Chief among the unanswered questions at this point is what the remote seller sales tax code will look like. AML continues to work on the proposed code. My understanding is that it will be ready by the league's November meeting.

AML has issued two draft documents related to this effort: a sample Remote Seller Sales Tax Agreement that AML will ask each participating community to sign; and a sample resolution approving a given city's participation in the effort. Both are attached here for your review.

This item is presented here for discussion. I will bring to the council the updated documentation for this effort when made available by AML. In the meantime, I would appreciate any initial, general thoughts from council members on this matter.

# Alaska Intergovernmental Remote Seller Sales Tax Agreement

FINAL DRAFT

October 11, 2019

## **Alaska Intergovernmental Remote Seller Sales Tax Agreement**

This Agreement is made and entered into by the signatories representing Alaska's cities and boroughs to enable them to implement single-level, statewide administration of remote sales tax collection and remittance. The provisions of the Agreement do not apply to administration and collection of sales taxes for the sales of goods and services originating from within the boundaries of a member municipality nor does this Agreement restrict how a member municipality administers and collects sales tax on such sales, nor on sales made by those retailers with a physical presence in the municipality. The authority to set rates and exemptions is maintained by the member municipality.

### **Article I. Background Principles.**

1. The signatories wish to enable local governments to benefit from opportunities for collection of existing sales tax on sales made by remote sellers. Remote sellers are sellers who sell, often through the internet, products or services in a taxing jurisdiction without having a physical presence in the taxing jurisdiction.
2. The collection of remote sales tax provides a level playing field for local businesses and strengthens the ability of local governments to provide public services and infrastructure.
3. The signatories are particularly mindful of the specific holding in, and implications of, the Supreme Court's *South Dakota v. Wayfair* decision, which provides guidance relative to nexus and the legal defensibility of a single-level statewide administration that reduces or removes potential burdens to interstate commerce.
4. Alaska's local governments have the authority to enter into intergovernmental agreements and applicable taxing authority has been delegated to organized boroughs and cities.
5. The signatories desire to establish an intergovernmental entity to enable cooperative centralized administration of sales tax collection, remittance, and enforcement on sales made by remote sellers.

### **Article II. Purpose.**

The purpose of this Agreement is to:

1. Enable cooperative centralized administration of sales tax collection, remittance, and enforcement on sales made by remote sellers using a single statewide intergovernmental entity;
2. Provide for and promote reasonable uniformity and compatibility in significant components of local sales tax levy and collection on sales made by remote sellers and marketplace facilitators in order to facilitate streamlined joint administration; and
3. Facilitate taxpayer and tax collector convenience and compliance in the filing of tax returns, the payment of tax, and in other phases of tax administration of sales made and services provided by remote sellers and marketplace facilitators.

### **Article III. Definitions.**

As used in this Agreement:

1. “Commission” means the Alaska Remote Seller Sales Tax Commission established pursuant to this Agreement.
2. “Local Government” means any home rule, first class, or second class borough, or any home rule, first class, or second class city, or unified municipality in Alaska.
3. “Member” means a Local Government signatory to this Agreement.
4. “Remote seller” means any corporation, partnership, firm, association, governmental unit or agency, or person acting as a business entity that sells property or products or performs services in the State of Alaska or a taxing municipality in the state, using the internet, mail order, or telephone, without having a physical presence in the state or taxing municipality.
5. “Sales tax” means a tax imposed with respect to the transfer for a consideration of ownership, possession, or custody of property or the rendering of services measured by the price of the property transferred or services provided.
6. “Marketplace facilitator” means a person that provides for sellers a platform to facilitate for consideration, regardless of whether deducted as fees from the transaction, the sale of the seller’s products or services (excluding lodging and rentals) through a physical or electronic marketplace operated by the person, and engages:
  - a. Directly or indirectly, through one or more affiliated persons in any of the following:
    - i. Transmitting or otherwise communicating the offer or acceptance between the buyer and seller;
    - ii. Owning or operating the infrastructure, electronic or physical, or technology that brings buyers and sellers together;
    - iii. Providing a virtual currency that buyers are allowed or required to use to purchase products from the seller; or
    - iv. Software development or research and development activities related to any of the activities described in (b) of this subsection (3), if such activities are directly related to a physical or electronic marketplace operated by the person or an affiliated person;
  - b. In any of the following activities with respect to the seller's products:
    - i. Payment processing services;

- ii. Fulfillment or storage services;
- iii. Listing products for sale;
- iv. Setting prices;
- v. Branding sales as those of the marketplace facilitator;
- vi. Order taking;
- vii. Advertising or promotion; or
- viii. Providing customer service or accepting or assisting with returns or exchanges.

#### **Article IV. The Commission.**

##### **1. Organization and Management.**

- a. The Alaska Remote Seller Sales Tax Commission (the “Commission”) is hereby established as an intergovernmental entity in the state of Alaska. It will be comprised of one designated representative from each Member, who shall have the authority to act on the Member’s behalf.
- b. Each Member will be entitled to one vote.
- c. To assist conducting business when the full Commission is not meeting, the Commission will annually elect a Board of Directors of seven members, including officers. The Board of Directors will act subject to the provisions of this Agreement and as provided in the bylaws of the Commission, as ratified by the members.
- d. No action will be binding unless approved by a majority of the Directors present at a meeting.
- e. The Commission will adopt an official logo.
- f. The Commission will hold an annual meeting rotating the location of the meeting each year, with telephonic participation provided for, in addition to scheduled regular meetings and special meetings as provided by its bylaws. Notices of special meetings must include the reasons for the meeting and the items to be considered.
- g. The Commission will elect annually, from among its members, a Chairman, a Vice Chairman, and a Secretary/Treasurer. The bylaws of the Commission shall provide for nomination and election of officers.
- h. The Commission will contract at formation for support and administrative functions with the Alaska Municipal League (AML). The Executive Director of the AML will



serve as a liaison between the Commission and AML and may appoint necessary staff support. This provision will be revisited within three years of legal formation of the Commission.

- i. The Commission may contract for supplies and professional services, and delegates to AML the same ability on its behalf.
- j. To carry out any purpose or function, the Commission may accept and utilize donations and grants of money, equipment, supplies, materials and services, conditional or otherwise, from any Member or governmental entity.
- k. The Commission may establish one or more offices for the transacting of its business. Upon formation, its registered office and place of business will be the Alaska Municipal League at One Sealaska Plaza, Suite 200, Juneau, AK 99801.
- l. The Members will adopt the initial bylaws of the Commission. The Commission will make its bylaws easily accessible for Members and prospective members. The power to adopt, alter, amend or repeal bylaws is vested in the Board of Directors unless it is reserved to the Members per the bylaws. The bylaws shall contain provisions for the regulation and management of the affairs of the Commission not inconsistent with this Agreement.
- m. The Commission will provide annual reports to its members covering its activities for the preceding fiscal year. The Commission may make additional reports.

## 2. Committees.

- a. In furtherance of its activities, the Commission may establish advisory and technical committees by a majority vote of the membership body. Membership on a technical committee, may include private persons and public officials. Committees may consider any matter of concern to the Commission, including issues of special interest to any member and issues pertaining to collection of sales tax on behalf of members.
- b. The Commission may establish additional committees by a majority vote of the membership or Board of Directors as its bylaws may provide.
- c. Committees may not take any action but may recommend action to the Board of Directors for consideration.

## 3. Powers.

In addition to powers conferred elsewhere in this Agreement and in the bylaws, the Commission may:

- a. Study federal, state and local sales tax systems, and particular types of state and local taxes.

- b. Develop and recommend proposals to promote uniformity and compatibility of local sales tax laws with a view toward encouraging the simplification and improvement of local tax law and administration.
- c. Compile and publish information to support and assist members in implementing the Agreement or assist taxpayers in complying with local government sales tax laws.
- d. Do all things necessary and incidental to the administration of its functions pursuant to this Agreement, including:
  - i. Sue and be sued.
  - ii. Administer provisions of uniform sales tax ordinances pursuant to authority delegated by Members
- f. The Commission may create and adopt policies and procedures for any phase of the administration of sales tax collection and remittance in accordance with this Agreement and the Commission's bylaws, including delegated authority to administer taxation or prescribing uniform tax forms. Prior to the adoption of any policy, the Commission will:
  - 1. As provided in its bylaws, hold at least one meeting after due notice to all affected members and to all taxpayers and other persons who have made timely requests to the Commission for advance notice of its policy-making proceedings.
  - 2. Afford all affected members and interested persons an opportunity to submit relevant written comments, which will be considered fully by the Commission.
- g. The Commission will submit any policy adopted by it to the designated representative of all Members to which they might apply. Each such Member will in turn consider any such policy for adoption in accordance with its own laws and procedures.

#### 4. Finance.

- a. At least 90 days prior to the start of a new fiscal year, the Board of Directors will adopt a budget of its estimated expenditures for the upcoming fiscal year and submit to Members.
- b. The Commission will follow a July 1 to June 30 fiscal year.
- c. The Commission's budgets must contain specific recommendations for service fees built into statewide administration. Service fees will account for direct staff and software costs, and indirect costs, as justifiable to the Board of Directors.

- d. The Commission will not pledge the credit of any member. The Commission may meet any of its obligations in whole or in part with funds available to it, provided that it takes specific action to set aside such funds prior to incurring any obligation to be met in whole or in part in such manner. Except where the Commission makes use of funds available to it, the Commission may not incur any obligation prior to the allocation and commitment of funds adequate to meet the same.
- e. The Commission must keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Commission will be subject to the audit and accounting procedures established under its bylaws. All receipts and disbursements of funds handled by the Commission will be audited annually by a certified public accountant and the report of the audit will be included in and become part of the annual report of the Commission to Members.
- f. The accounts of the Commission will be open at any reasonable time for inspection by duly constituted officers of the Members, the State of Alaska, and by any persons authorized by the Commission.
- g. Nothing contained in this Article may be construed to prevent Commission compliance with laws relating to audit or inspection of accounts by or on behalf of any government contributing to the support of the Commission.

#### **Article V. Membership Requirements; Remote Seller Sales Tax Code.**

1. To obtain and retain full membership, the Local Government must submit either an Ordinance or Resolution authorizing entry into the Agreement, including to:
  - a. Designate the individual at the municipality that may execute initial binding documents on behalf of the municipality and who will be the Member's representative on the Commission.
2. Once the Commission adopts its bylaws and adopts a uniform Remote Sellers Sales Tax Code, members must submit an Ordinance or Resolution that:
  - a. Delegates remote seller sales tax registration, exemption certification, collection, remittance, and audit authority to the Commission.
  - b. Within one hundred twenty (120) days, adopts, by reference or otherwise, the Remote Seller Sales Tax Code in its entirety as it pertains to collection of sales tax from remote sellers and marketplace facilitators. The Remote Seller Sales Tax Code is provided as "Addendum A".
3. To retain full membership status, changes made to the Agreement or Code should be ratified by the Member within one hundred twenty (120) days of the date the Commission adopts the change.

4. The Member must provide notice of tax or boundary changes to the Commission and must assure the Commission of the accuracy of rates and exemptions. Rate and exemption changes will take effect within thirty (30) days of the date the Commission receives notice of the tax or boundary change.

## **Article VI. Sales Tax Collection and Administration.**

### **1. Collection; Registration; Remittance.**

- a. Every remote seller and marketplace facilitator meeting the Threshold Criteria of one hundred thousand (\$100,000) in annual sales or 100 annual transactions occurring in Alaska during the current or previous calendar year, shall collect sales taxes from the buyer at the time of sale or service and shall transmit the sales taxes collected to the Commission on a monthly or quarterly basis.
- b. The Commission will remit and report to Members by the last business day of the month.
- c. A remote seller or marketplace facilitator meeting the Threshold Criteria shall apply for a certificate of sales tax registration within thirty (30) calendar days of the adoption of this Remote Seller Sales Tax Code and/or within thirty (30) calendar days of meeting the threshold, whichever occurs later. Registration shall be to the Commission on forms prescribed by the Commission as set out in the remote seller sales tax code.
- d. Upon receipt of a properly executed application, the Commission shall issue the applicant a certificate of registration, stating the legal name of the seller, the primary address, and the primary sales tax contact name and corresponding title. A list of registered sellers in good standing shall be distributed to Members, made public and available on the Commission's webpage.

### **2. Returns; Confidentiality.**

- a. The Commission will provide all sales tax return information to the taxing jurisdiction, consistent with local tax codes.
- b. All returns, reports and information required to be filed with the Commission under this Code, and all information contained therein, shall be kept confidential and shall be subject to inspection only by:
  - i. Employees and agents of the Commission and taxing jurisdiction whose job responsibilities are directly related to such returns, reports and information;
  - ii. The person supplying such returns, reports and information; or

- iii. Persons authorized in writing by the person supplying such returns, reports and information.

**3. Title; Penalty and Interest; Overpayment.**

- a. Upon collection by the seller, title to the sales tax vests in the Commission and the member on whose behalf the original tax arose. The Commission shall act as a third-party trustee and remit taxes collected on behalf of the member no later than thirty (30) days after each filing deadline.
- b. The Remote Sellers Sales Tax Code shall establish the per annum interest rate and any applicable penalties for late or non-compliant remote sellers.
- c. Upon request from a buyer or remote seller the Commission shall provide a determination of correct tax rate and amount applicable to the transaction. In the case of an overpayment of taxes, the remote seller shall process the refund and amend any returns accordingly.

**4. Audit; Compliance and Enforcement.**

- a. The Commission shall have sole audit authority and will make final determinations regarding: (1) whether a remote seller or marketplace facilitator meets Threshold criteria; (2) the accuracy of returns filed by a remote seller or marketplace facilitator with the Commission; and (3) whether a remote seller or marketplace facilitator filing returns with the Commission is in compliance with collection and remittance obligations.
- b. The Commission shall have authority to enforce issues relating to the Remote Sellers Sales Tax Code including, but not limited to, the collection of late fees and penalties, and filing of civil suits and injunctions.

**Article VII. Entry into Force and Withdrawal.**

- 1. This Agreement will be in force and effective when formally approved by any seven signatories and will terminate if membership falls below seven.
- 2. Any Member may withdraw from this Agreement through ordinance or resolution rescinding signatory action and giving notice to the Commission of the effective date of the ordinance, with a minimum of 30 days' notice. Withdrawal will not affect any liability already incurred by or chargeable to a Member prior to the effective date of such withdrawal. The obligations of the Commission to remit and report remain until no longer necessary.

**Article VIII. Effect on Other Laws and Jurisdiction.**

Nothing in this Agreement may be construed to:

1. Affect the power of any local government to fix rates or tax exemptions, except that all members must adopt and implement the Commission's common definitions and tax code changes or demonstrate parity or non-applicability.
2. Withdraw or limit the authority of local government with respect to any person, corporation, or other entity or subject matter, except to the extent that such authority is expressly conferred by or pursuant to this Agreement upon another agency or body.
3. Supersede or limit the jurisdiction of any court of the State of Alaska.

**Article IX. Construction and Severability.**

This Agreement shall be liberally construed so as to effectuate its purposes. The provisions of this Agreement shall be severable and if any phrase, clause, sentence, or provision is declared or held invalid by a court of competent jurisdiction, the validity of the remainder of this Agreement and its applicability to any government, agency, person or circumstance will not be affected. If any provision of this Agreement is held contrary to the charter of any member, the Agreement will remain in full force and effect as to the remaining members and in full force and effect as to the Member affected in all other provisions not contrary to charter.

Presented by:  
Introduced:  
Drafted by:

## MODEL RESOLUTION

Serial No. XXXX

### **A Resolution Authorizing the [Taxing Jurisdiction] to Join the Alaska Remote Seller Sales Tax Commission for the Purpose of Developing, Implementing, and Enforcing a Remote Sellers Sale Tax Code**

WHEREAS, the inability to effectively collect sales tax on sales of property, products or services transferred or delivered into Alaska in response to orders placed electronically by consumers with remote sellers, is seriously eroding the sales tax base of communities, causing revenue losses and imminent harm to residents through the loss of critical funding for local public services and infrastructure; and

WHEREAS, the harm from the loss of revenue is especially serious in Alaska because the state has no broad-based tax, and sales tax revenues are essential in funding the provision of services by local governments; and

WHEREAS, the failure to collect tax on remote sales creates market distortions by creating tax shelters for businesses that limit their physical presence in the state or cities and boroughs but still sell their goods and services to their consumers, something that becomes easier and more prevalent as technology continues to advance; and

WHEREAS, the structural advantages for remote sellers, including the absence of point-of-sale tax collection, along with the general growth of online retail, make clear that erosion of the sales tax base is and has been occurring and is a growing problem that is likely to only worsen in the near future; and

WHEREAS, remote sellers who make a substantial number of deliveries into or have large gross revenues from Alaska benefit extensively from the Alaska market, affecting the economy generally, as well as local infrastructure; and

WHEREAS, given modern computing and software options, it is neither unusually difficult nor burdensome for remote sellers to collect and remit sales taxes associated with sales into Alaska taxing jurisdictions; and

WHEREAS, the recent decision by the United States Supreme Court in *South Dakota v. Wayfair* allows for the amendment of the sales tax code to account for remote sellers who do not

have a physical presence in either the state of Alaska or within the [taxing jurisdiction], but do have a taxable connection with the state of Alaska and [the taxing jurisdiction]; and

WHEREAS, the decision in *South Dakota v. Wayfair* provided guidance that included the defensibility of a single-level statewide administration of remote sales tax collection and remittance; and

WHEREAS, in order to implement a single-level statewide sales tax administration, it is the intent of local taxing jurisdictions within Alaska to establish an intergovernmental entity known as the Alaska Remote Seller Sales Tax Commission (the “Commission”); and

WHEREAS, the function and powers of the Commission will be set forth under the Alaska Intergovernmental Remote Seller Sales Tax Agreement (the “Agreement”), a cooperative agreement between Commission members; and

WHEREAS, under the terms of the Agreement, in order to maintain membership in the Commission, the [taxing jurisdiction] will be required to adopt certain uniform code provisions for the collection and remittance of municipal sales tax applicable to sales made by remote seller; and

WHEREAS, the uniform remote sales tax code will be presented to the [taxing jurisdiction’s governing body] for consideration once adopted by the Commission; and

WHEREAS, once adopted, the administration of remote sales tax collection and remittance will be delegated to the Commission; and

WHEREAS, the intent of the Agreement is to enable Alaska’s taxing jurisdictions to levy their municipal sales tax to the maximum limit of federal and state constitutional doctrines; and

WHEREAS, [authority of taxing jurisdiction to enter into intergovernmental agreements. Many local governments in Alaska have charter provisions that read something like “(charter section) provides that the municipality may exercise any of its powers or perform any of its functions any may participate in the financing thereof, jointly or in cooperation, by agreement with any one or more local governments, the State, or the United States, or any agency or instrumentality of these governments.”]

NOW, THEREFORE, BE IT RESOLVED BY THE [GOVERNING BODY]:

**Section 1. Authorization.** The [Governing Body] authorizes the Manager/Mayor to negotiate, execute, and submit all necessary documents to obtain and maintain membership in the Alaska Remote Seller Sales Tax Commission.

**Section 2. Representation.** The [Governing Body] designates the Manager/Mayor/Finance Director/STO as the [Taxing Jurisdiction’s] representative on the Commission.



**Section 3. Scope of Agreement.** The Alaska Intergovernmental Remote Seller Sales Tax Agreement is included as Attachment A.

**Section 4. Effective Date.** This resolution shall be effective immediately after its adoption.

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

\_\_\_\_\_  
Authorized signatory

Attest:

\_\_\_\_\_  
Municipal Clerk

## **CITY OF CRAIG MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: March 13, 2020  
RE: COVID-19 Virus Update

---

As the council is no doubt well aware, public agencies around the world are taking steps to reduce the transmission of the COVID-19 virus, and the State of Alaska is putting forth no little effort to do the same. This memo summarizes City of Craig actions to date.

The Craig Public Health Nurse office distributed public updates both this week and last week, an effort in which the City of Craig assisted. The state has dedicated a portion of its website to information about the virus (<http://dhss.alaska.gov/dph/Epi/id/Pages/COVID-19/general.aspx>).

The attached COVID information publication, dated March 12, 2020 spells out recommendations from the state regarding the virus.

City Planner Brian Templin has scheduled a meeting for Tuesday, March 17 to include Craig PD, Craig EMS, Alaska Public Health Nurse staff, and the Craig City School District to review current State of Alaska and Center for Disease Control recommendations, and discuss needed local response efforts. The city has also posted COVID-19 virus information at its web site.

If the council has specific actions it would like to staff to implement, it may articulate those at its March 19 meeting.



THE STATE  
*of* ALASKA  
GOVERNOR MIKE DUNLEAVY

## **\*\*COVID-19 HEALTH ALERT\*\***

Issued March 12, 2020

By: Dr. Anne Zink, Chief Medical Officer, State of Alaska

In order to prevent or slow the spread of Coronavirus Disease 2019 (COVID-19), the State of Alaska is recommending all Alaskans become familiar with the Centers for Disease Control and Prevention's (CDC) [guidance on community mitigation](#). We are advising Alaskans to implement protective measures outlined in the "preparedness phase" and to strongly consider implementing the "minimal to moderate" activities (see page 3). Examples of social distancing strategies that should be followed now include:

### **For the General Public**

- Stay home if you are sick with a respiratory illness. If you develop a fever, stay home for at least 24 hours after the fever subsides.
- Stay at least 6 feet away from anyone who is coughing, sneezing, or feeling feverish.
- Avoid large gatherings and crowded places as much as possible.
- Avoid shaking hands and hugging as much as possible.
- If you live in a rural area, consider limiting non-essential travel to protect your community.

### **For High-Risk Groups**

- This group includes persons aged 60 years and over, and persons with underlying medical conditions such as heart disease, lung disease, diabetes, or other immune compromising illnesses.
- When you go out in public, try to maintain at least 6 feet distance from people – especially from people who are sick.
- Avoid crowds as much as possible, especially large gatherings.
- Avoid cruise travel and non-essential air travel.

### **For Businesses and Employers**

- Use videoconferencing for meetings when possible.
- When not possible, hold meetings in open, well-ventilated spaces.
- Consider adjusting or postponing large meetings or gatherings
- Assess the risks of business travel.
- Encourage liberal leave policies and teleworking options for staff.

**For Schools**

- Consider adjusting or postponing gatherings that mix between classes, grades, and other schools.
- Adjust after-school arrangements to avoid mixing between classes, grades, and other schools.

**Considerations for Event Planners**

- Please read CDC's guidance for event planners: [cdc.gov/coronavirus/2019-ncov/community/large-events/mass-gatherings-ready-for-covid-19.html](https://www.cdc.gov/coronavirus/2019-ncov/community/large-events/mass-gatherings-ready-for-covid-19.html)
- Consider cancelling, postponing, or adjusting large in-person events.
- Explore offering video/audio/electronic alternatives.

**For Religions and Faith-based Organizations**

- Please read [CDC's guidance for religious and faith-based organizations](#).

Guidance on community mitigation: [www.cdc.gov/coronavirus/2019-ncov/downloads/community-mitigation-strategy.pdf](https://www.cdc.gov/coronavirus/2019-ncov/downloads/community-mitigation-strategy.pdf)

###

# COVID-19 Considerations for **Local** Government

Released 3/13/20

Below is an overview of considerations and priority activities the **League** recommends for local governments in the immediate term. This situation is evolving and priorities will almost certainly change in the coming days and weeks. The **League** is extremely grateful to those in the Emergency Management community whose expertise and experience formed the core of this report.

First, it is recommended that **members** focus on the following five priorities. Each of the recommended areas will require a tailored response from each city and borough. The information below is not intended to be an exhaustive list but rather an overview of considerations to assist **managers** and **mayors** in focusing their efforts within the next few days.

## Priorities:

1. Coordination of policy-making and community impact considerations
2. Continuity of Government (COG)
3. Continuity of Operations Planning (COOP)
4. Support for public health emergency measures
5. Messaging to the community

## 1: Coordination of policy-making and community impact considerations

At this point, the impacts of the COVID-19 pandemic are changing on almost an hourly basis. It is clear that the virus will have considerable impacts on the daily lives of **Alaskans** for months. It is unknown when the number of people experiencing symptoms of the disease will peak or how long the healthcare system will be dealing with patients who require definitive medical care. Recommendations for social distancing, hygiene and enhanced awareness of your possible exposure to the virus are intended to help reduce the number of patients requiring care at any given time in order to take stress off the limited resources of your community medical infrastructure.

**Cities and boroughs** should, first and foremost, maintain open and regular communication with their EM directors and other chief staff members. It is imperative for local elected and appointed officials to proactively engage with public health and emergency management authorities, as well as healthcare stakeholders, in their communities. County leaders should work with their EMA directors to ensure they receive the latest information from the **Alaska Department of Health and Social Services (DHSS)** - [www.coronavirus.alaska.gov](http://www.coronavirus.alaska.gov).

Each **city and borough** is different. The economic and social impacts of the COVID-19 outbreak will affect **Alaska's** communities in different ways. The reaction should be evaluated in the context of your local community.

Factors influencing the extent of the impacts include employee absenteeism in workplaces, how the pandemic will impact especially vulnerable populations, and potential interruptions of business demand and/or supply chains in your particular county. Likewise, within the **local government**, important policy questions to be addressed include

possible travel restrictions, future cancellation of official functions and activities, increased attention to staffing, review of human resource procedures and policies, legal concerns, and support of the community as it deals with the impact of the pandemic in general.

The key to successfully addressing the public policy implications of this pandemic is regular, robust and candid communication with key community partners. Municipal leaders should ensure they maintain an open dialogue at **a strategic level** with the local healthcare sector (hospitals, EMS, long-term care facilities, etc.), public safety (fire and law enforcement), judicial officials, education leaders from K-12 and higher education, the EMA office or EOC, and DHSS and/or local health department officials.

Likewise, close coordination with local business leaders—especially in those industries likely to be particularly affected by the impacts of the pandemic—is also important to ensure that community protection measures and messaging are consistently shared through multiple avenues. It may also be helpful to engage proactively with the state legislators by inviting them to observe and participate in these conversations. Open communication will help overcome much of the community unrest that we all hope to avoid.

Some of you have already established special coordination committees, work groups and task forces to facilitate these conversations or may have active committees that can be repurposed to address the issues outlined above. Regardless of what form these committees take, elected and appointed local leadership should be prominently figured in these discussions. Proactive engagement and management of this event will ensure that the right messages get to the right people. Discussions about important considerations related to social distancing measures (such as possible school closures, business closures, event cancellations and the like) can be improved when local elected officials are engaged with each other to provide their perspectives and policy expectations to those who will be formulating decision recommendations for later action.

Local leaders should immediately consult with their **emergency management** directors to learn more about their role in the COVID-19 response. In some cases, many of the key players in the community's response to the pandemic may already be assembled and meeting in another forum that local leaders can "plug into." In other cases, creating a new, focused conversation may be the best course of action. Whatever the proper approach in your city or borough, it is important that an organized and regular communication system be initiated today.

Recommended parties to include in a formal policy coordination group:

- Mayor or council/assembly chair
- Local law enforcement leaders
- Manager or Administrator
- Superintendent(s) of education and higher education leadership
- Local healthcare leaders (hospital and nursing home management)
- Emergency management Director
- DHSS and/or local health department\*

- Local business leaders from major industries
- Chamber of Commerce
- Human resources manager
- Legal counsel
- Public information officer

## 2. Continuity of Government (COG)

It is vitally important that local government focus its attention immediately on the issues of continuing local services in the face of possible growth of COVID-19. An essential part of success in this arena is to establish responsibility inside the organization. Cities and boroughs should proactively request those employees who have traveled outside the United States within the past month, who have experienced a fever or a persistent cough or trouble breathing, to identify themselves. Likewise, employees should be encouraged to provide immediate information to their supervisors should anyone in their immediate family develop these symptoms or be diagnosed with COVID-19.

The League is working on a “Q&A” on human resource questions that may arise as part of this outbreak and will provide that document as soon as we can. Managers and administrators are encouraged to review their current personnel policies to ensure they are familiar with leave policies and other issues that may arise.

Members should immediately evaluate their processes to ensure the continuity of government (COG) in the event one or more elected or appointed leaders are unavailable to perform his/her/their duties due to isolation or sickness.

Factors to consider:

- Are any local elected and appointed leaders particularly likely to suffer severe effects of the virus? In general, COVID-19 hits hardest those who are older and who have pre-existing health conditions—such as hypertension, diabetes, cardiovascular disease and respiratory impairment.
- How will the local government continue to operate and conduct official business if the assembly or council is unable to maintain a quorum? Consider procedures in place to cancel public meetings if necessary, as well as procedures to defer official action on non-essential matters.
- Look at the agenda for the next council or assembly meeting and add important items that are necessary to ensure the continued operation of government. What items should be added to the agenda in case a future meeting must be cancelled? Also, consider the frequency, time, location and attendance of public meetings.
- Can your meetings be streamed or shown on Facebook or another medium to reduce the gathering and interaction of the public as much as possible?
- What legal authorities exist to provide for delegation of authority to alternate individuals in the event responsible persons are unavailable to perform their duties? Evaluate your current delegation of authority for things like signature authority, and the like, as well as ensuring that those commissioners with “vice” or other supporting roles are ready to assume a primary role if it becomes necessary. Ensure that meeting procedures are up-to-date, and spend time talking with officials about how the governing body would operate, as a practical matter, if one or more members were unavailable to participate in deliberations.

- This discussion should expand to your other elected officials—has the chief of police established a process to hand off duties should he or she be infected?
- Likewise, the manager or administrator should provide leadership to ensure department heads have designated alternates who are cross-trained and empowered with authorities to perform essential duties. Establish clear guidance on when and how alternates will be expected to assume direct responsibility for their areas of responsibility and clearly spell out expectations with regard to communicating with department heads and other managerial staff who may be working remotely or isolated at home.
- Review policies, procedures and legal authorities for those instances when closing government offices may be necessary or for other situations arising that interfere with the public's ability to conduct official business with the city or borough.
- Educate elected and appointed leadership on social distancing measures—such as reducing interpersonal contact, avoiding travel, avoiding public gatherings and observing standard hygienic precautions. This is especially important for local elected officials who are accustomed to spending much of their time interacting with constituents in a variety of public settings. Encourage these officials to leverage social media as an alternative to in-person engagement whenever possible.

### 3. Continuity of Operations Planning (COOP)

From a day-to-day administrative standpoint, a primary focus area for administrators should be on continuity of operations planning (COOP) within local government. Regardless of the impact of the pandemic, the city or borough must exert its best efforts to continue comprehensive local government services to the community.

Some counties have pre-existing COOP plans that outline a wide variety of essential functions, vital records, IT backup and disaster recovery procedures. If you have such a plan, it should be reviewed and put into action. If you do not have a COOP plan, it is not necessary to develop a comprehensive plan in a short timeframe in order to bolster the government's ability to successfully maintain operations during the COVID-19 pandemic.

In the absence of a plan, the primary factors to consider for continuity of operations include:

- How will day-to-day business processes be impacted in the event of reduced staffing levels?
- Are systems accessible remotely, and are personnel properly equipped (phones, computers, internet access, etc.) to work from home if necessary?
- Do personnel policies allow tele-working, and have employees been trained on procedures to utilize in case they must work from an alternate site?
- If so, what are the cyber security considerations that should be evaluated and addressed before placing an emphasis on remote work?
- Are backup systems in place to ensure critical business tasks continue to be performed in the event key staff are unavailable to perform their duties? Special things to consider here include signature and approval authorities, cross-training of specialized personnel, and designation of backup personnel for "single resource" individuals who have no backup already within the organization. As just one example, is there someone who can serve as the alternate to perform the duties of the municipal attorney in the event he or she is incapacitated?



- Has the **city or borough** established a list of those functions that are essential to public safety and government business that must continue to be performed in all cases? If not, this list should be developed immediately, and plans should be developed for the continuation of these services.
- Has the **city or borough** identified backups for specialized vendors in order to limit disruption in the event a particular vendor is unable to deliver goods or services?
- Does the **city or borough** have “devolution” procedures in place to limit, pause or discontinue performance of functions that are not essential or that may be performed at a reduced level? Has the **administrator or manager** identified these services?
- Are systems in place to allow **city or borough** personnel to coordinate remotely, such as through the use of teleconference systems and virtual meeting applications?
- Is clear guidance available to **city and borough** employees on when they should not report to work (if ill or possibly ill) and notifications to supervisors regarding health status; expectations with regard to the time, attendance, and leave policies; and understanding of how roles and responsibilities of individual personnel might shift as the **government** deals with the pandemic and works to maintain essential functions?
- Does the **city or borough** have a consolidated document that outlines COOP policies and procedures, and has it been communicated to county personnel?

**Local governments** are likely to be asked about the closing of the **public facilities**. This is an issue that should be considered when specific exposure circumstances warrant, and any such decision can only be made effectively—should the circumstances arise—if the COOP details are in place and can operate effectively.

#### 4. Support for public health emergency measures

The **city or borough** should proactively follow developments about COVID-19 “good practices” from the DHSS, the local EMA/EOC and national authorities (e.g., CDC). It is important that **government** set a positive example for the community by following guidance and demonstrating the efficacy of recommended public safety measures.

It is possible that the **government** may be called on to make decisions in support of public health efforts, provide resources to support healthcare and public safety authorities, and fill gaps in essential community services otherwise degraded by the impacts of the pandemic.

In general, **local officials** should embrace a “whole of government” response to the pandemic and work to remember that no single agency, organization, or level of government can, on its own, handle all the requirements brought about by the pandemic. Cooperation and mutual support are essential.

At a minimum, **cities and boroughs** should continue efforts to post signage encouraging people to wash their hands, provide scaled-up sanitation efforts within county facilities, and closely monitor and enforce recommended protocols with regard to ill or potentially ill personnel not being in the workplace.

The **assembly or council** may need to consider signage at the entrance to public buildings that encourage those with high risk factors—fever, cough or difficulty breathing—to consider doing business remotely, by mail or by having a friend or family member outside their home handle their “business” inside the facility.

## 5. Messaging to the community

Local officials are important, trusted authorities within their communities and will be asked for both official and conversational responses to this outbreak. Their comments and concerns will be immediately spread through a variety of mediums (including social media). It is vitally important that the information provided be consistent, accurate and proactive.

Administrators must work to ensure **elected officials** and other **municipal employees** are routinely provided with updated talking points on the community's posture with regard to the pandemic and its impacts, information about best practices for pandemic interventions (such as, at this time, social distancing and basic hygienic precautions), and clear guidance on how to amplify—not discredit—the messaging from state and national public health authorities.

Without accurate and timely information, the elected officials can unintentionally contribute to more community confusion and unrest. Please ensure that all elected officials have the same information and that all elected officials are encouraged to respond with the same information. To the extent possible, each city and borough government needs to speak with ONE Voice for the duration of this event.

### **Resources**

Alaska Department of Public Health (ADPH) COVID-19 page  
<http://dhss.alaska.gov/dph/Epi/id/Pages/COVID-19/default.aspx>

National Association of Counties (NACo) COVID-19 page <https://www.naco.org/resources/coronavirus>

International City-County Management Association (ICMA) COVID-19 page <https://icma.org/coronavirus-resources-plan-and-prepare-now-it-hits-your-community>

National Association of Regional Councils (NARC) COVID-19 page <http://narc.org/coronavirus-2019/>

HHS/Centers for Disease Control (CDC) Community Mitigation Strategies Guide (10 pages)  
<https://www.cdc.gov/coronavirus/2019-ncov/downloads/community-mitigation-strategy.pdf>

**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: March 12, 2020  
RE: Consider Approval, Cooperative Planning Project Agreement

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Attached is a proposed Cooperative Planning Project Agreement between the City of Craig and the Alaska Native Tribal Health Consortium (ANTHC).

The agreement would provide for ANTHC assistance with the city's water treatment plant process review project, included in the current fiscal year's budget.

The purpose of the project is to determine if there are short term, relatively low cost steps that city staff can take to increase production from the city's water treatment plant. ANTHC has access to term engineering contractors from which the city can select to conduct the review. ANTHC will provide some engineering support at no cost to the city.

Craig public works director Russell Dill will oversee the contract work.

**Recommendation**

Approve the proposed Cooperative Planning Project Agreement.



Division of Environmental Health and Engineering

# Cooperative Planning Project Agreement

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A Sanitation Facilities Improvement Project Between  
The Alaska Native Tribal Health Consortium and  
City of Craig, Alaska  
Project No. AN 20-JG4  
February 2020

**COOPERATIVE PLANNING PROJECT AGREEMENT  
SANITATION FACILITIES IMPROVEMENTS  
CITY OF CRAIG, ALASKA**

**PROJECT NO. AN 20-JG4**

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To complete this project, ANTHC and the City mutually agree to the terms and conditions contained in this Agreement. For purposes of negotiating and finalizing this Agreement, if this document or any document executed in connection with it is transmitted by facsimile machine or electronic document, it shall be treated for all purposes as an original document. Additionally, the signature of any party on this document transmitted by way of a facsimile machine or electronic document shall be considered for all purposes as an original signature. Any such faxed or electronic document shall be considered to have the same binding legal effect as an original document. At the request of any party, any faxed document shall be re-executed by each signatory party in an original form.

PREPARED BY: 2/27/20 Kevin Ulrich  
Date Kevin Ulrich, E.I.T.  
Engineering Project Manager  
DEHE, ANTHC

RECOMMENDED BY: 3/2/2020 Charissa Williar  
Date Charissa Williar, P.E., M.P.H.  
Sanitation Facilities Program Manager  
DEHE, ANTHC

APPROVED BY: 3/5/20 Andy Teuber  
Date Andy Teuber  
Chairman and President  
ANTHC

APPROVED BY \_\_\_\_\_  
CITY OF CRAIG: Date Mayor, City of Craig, Alaska

**COOPERATIVE PLANNING PROJECT AGREEMENT  
SANITATION FACILITIES IMPROVEMENTS  
CITY OF CRAIG, ALASKA**

**PROJECT NO. AN 20-JG4**

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**COOPERATIVE PLANNING PROJECT AGREEMENT  
SANITATION FACILITIES IMPROVEMENTS  
CITY OF CRAIG, ALASKA**

**PROJECT NO. AN 20-JG4**

DATE OF AGREEMENT:  
FEBRUARY 2020

**A. INTRODUCTION**

Throughout this Cooperative Planning Project Agreement (CPPA) these entities are referred to as follows:

City of Craig	=	City
Alaska Native Tribal Health Consortium	=	ANTHC
Division of Environmental Health and Engineering	=	DEHE
Indian Health Service	=	IHS

ANTHC DEHE has as its mission to create safe and healthy communities. Through Public Laws 86-121, 93-638, and 105-83, ANTHC has assumed management of the sanitation facilities construction program.

This CPPA contains information about the project scope of work, project funding, project costs, and project administration.

**B. SCOPE OF PROJECT**

The scope of this project will be the completion of preliminary engineering report that examines alternatives for upgrading Craig's water treatment plant. The goal of the upgrades is to increase treated water production. No construction work will be performed under this project.

**C. PROJECT COST ESTIMATE**

Job Type	Scope of Work	Qty	Units	Unit Cost	Extended Cost	Funding Source
						City
M-DS	PER	1	LS	\$75,000.00	\$75,000.00	\$75,000.00
<b>Total</b>					<b>\$75,000.00</b>	<b>\$75,000.00</b>

The total funding shown in the Cost Estimate Table is the not-to-exceed estimated budget amount to provide the scope of work identified in this agreement. Project activities will not proceed before the full execution of this CPA.

D. PROJECT FUNDING

Contributor	Fiscal Year	Description	Amount
<u>City</u>	<u>N/A</u>	<u>N/A</u>	<u>\$75,000.00</u>
TOTAL PROJECT FUNDING			<u>\$75,000.00</u>

Funding for this project will be contributed toward the cost of the sanitation facilities planning as described in this Agreement. Project activities will not proceed before execution of this agreement and before the transfer of contributions from the City has occurred or a payment schedule between the City and ANTHC has been developed.

The community and ANTHC acknowledge that, once the project scope of work is completed, any remaining funding will be returned to the City.

E. PROJECT ADMINISTRATION

Project planning will be completed by ANTHC

Planning activities are anticipated to begin by April, 2020 and will be completed by March, 2021.

F. PROVISIONS FOR PROJECT COMPLETION

The ANTHC, DEHE General Provisions Manual defines the operating parameters for planning, design, and construction projects performed under this project. General Provisions dated January 2020 applicable to this agreement are found in Attachment 1, which is hereby incorporated by reference.



## **APPENDIX**

Project Data Systems Sheet

Environmental and Cultural Resources Review

General Provisions



**ENVIRONMENTAL INFORMATION AND DOCUMENTATION**

Tribe/Organization: Craig Tribal Association	Project Name and Number: Water Treatment Plant Upgrades PER, AN 20-JG4
Project Description: The scope of this project will be the completion of preliminary engineering report that examines alternatives for upgrading Craig's water treatment plant. The goal of the upgrades is to increase treated water production. No construction work will be performed under this project.	

This environmental review is for completing a Preliminary Engineering Report (PER) for sanitation infrastructure upgrades with no geotechnical testing, construction or other ground disturbing activities. Based on the available record, the Indian Health Service (IHS) has made the following determination on the proposed activity/action/undertaking.

No negative impacts were identified that may occur as a result of the project. As a result of the findings related to this environmental review, an Environmental Review Checklist is not needed for the proposed action. The Categorical Exclusion<sup>1</sup> applicable to this activity/action/undertaking is marked below.


NHPA Compliance Requirements: A review of the effects of the project on historic properties has been conducted in order to meet compliance requirements for the use of public funding under 54 USC 306108. NHPA evaluations may result in restrictions or conditions for compliance that must be met prior to initiating project construction activities that may be in addition to NEPA requirements.


NHPA Determination: Planning projects with no potential to affect cultural resources are exempt from NHPA evaluation under 36 CFR 800.3(a)(1). NHPA Conditions: None.


	Categorical Exclusion (E), Technical Assistance (Environmental Improvement and Sanitation Facility Operation and Maintenance)
	Categorical Exclusion (F), Management and Administrative Support
X	Categorical Exclusion (G), Training, Education and Manpower Development (Sanitation Facility Operation and Maintenance)
	Categorical Exclusion (H), Statistics, Data Processing, and Information Gathering (Engineering Studies and Investigations)
	Categorical Exclusion (I), IHS Owned or Leased Facilities (Actions funded by IHS at Tribally-owned, leased or managed facilities)

<sup>1</sup> Federal Register, Vol. 58, No. 3, January 6, 1993, pp. 569-572

I certify that to the best of my knowledge and ability the information presented above is true and correct.

  
 ANTHC Environmental Reviewer  
 Date: 2/28/2020

  
 ANTHC Cultural Resources Manager  
 Date: 2/27/20

  
 ANTHC Project Manager  
 ANTHC Environmental Certification Officer  
 Date: 3-5-2020

**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: March 16, 2020  
RE: Consider Waiving Credit Card Transaction Fee

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The credit card processing company CardX assesses a fee to city customers who use a credit card to pay city-generated billings. With the rise of COVID-19 transmission in the U.S., the elimination of the credit card transaction fee imposed on city customers may reduce the amount of cash handling required during the typical work week, also reducing the virus transmission risk to city employees handling cash from payments made on city accounts. The fee waiver could run 60 days or so, and reconsidered after a review the risk of virus spread two months from now.

As of today's date, city staff has not contacted CardX to determine the process needed for the city to assume each credit card transaction fee, and to return the fee back to the customer a few months from now. I hope to know more by the council's March 19 meeting about the logistics of changing how the transaction fee is charged. Until then, please give this option some thought in preparation for Thursday's meeting.