

**CITY OF CRAIG
COUNCIL AGENDA
FEBRUARY 18, 2021
COUNCIL CHAMBERS 6:30 PM**

ROLL CALL

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

CONSENT AGENDA

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

- City Council Meeting Minutes of January 21, 2021

HEARING FROM THE PUBLIC

- Open for public comment
- Ordinance No. 732: Change of Council Meeting Times
- Ordinance No. 733: Designating City Council Seats
- Resolution 21-04, Establishing Capital Projects for 2021
- Resolution 21-05, Adopting POWCAC Transportation Priorities for 2021
- Resolution 21-06, Support for Senate Bill 74 in the Alaska State Legislature

REPORTS FROM CITY OFFICIALS

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

READING OF CORRESPONDENCE

- December 2020 Alaska Capital Management Statement
- Alaska Municipal League Cares Act Review through December 2020
- Alaska Municipal League Covid's Impacts to Local Governments
- FY2022 DCCED Population Determination
- First Quarter 2021 Sales Tax

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

- Ordinance No. 732: Change of Council Meeting Times
- Ordinance No. 733: Designating City Council Seats
- Resolution 21-04, Establishing Capital Projects for 2021
- Resolution 21-05, Adopting POWCAC Transportation Priorities for 2021
- Resolution 21-06, Support for Senate Bill 74 in the Alaska State Legislature

UNFINISHED BUSINESS

NEW BUSINESS

- Consider Approval of Bond Counsel Agreement
- Consider Utility Connection at ATS 788

COUNCIL COMMENTS

ADJOURNMENT

Note: City council meetings have limited seating capacity due to COVID-19 protocols. For those wishing to attend the council meeting remotely go to:

<https://zoom.us/j/5281996980?pwd=V1RCbnJVcm85bDIRbURmNTdORjZkdz09> (if you are prompted for a passcode, use code 1111), or watch the meeting at:

<https://www.youtube.com/channel/UCTou8Pn03MIEjLLb9Em0Xrg> . To provide public comment to the council remotely, contact the Craig City Clerk at cityclerk@craigak.com, before 5:00 p.m. the day of the council meeting

CITY OF CRAIG
COUNCIL MEETING
THURSDAY JANUARY 21, 2021

ROLL CALL

Mayor Tim O'Connor called the meeting to order at 6:31 p.m. Present were, Jim See, Julie McDonald, Hannah Bazinet, Michael Kampnich. Chanel McKinley joined in person and Millie Schoonover attended by telephone, and both arrived in the meeting at 6:34 p.m.

Staff present: Jon Bolling, City Administrator; Brian Templin, City Planner; Tracey Jensen, City Clerk; Sheri Purser, Treasurer; Hans Hjort, Harbormaster; Russell Dill, Public Works Director and RJ Ely, Chief of Police were in person. Jessica Holloway, Aquatic Center Manager; Minnie Ellison, EMS/Fire Coordinator; Angela Matthews, Library Director; Doug Ward Parks and Public Facilities Manager, and Victoria Merritt, Recreation Director by telephone.

Audience present: Dr. Tiffany Stephens and Klawock Chief of Police, Terry Stonecipher.

Jon Bolling stated that there was an error on the Agenda. The Resolutions should be under the **Hearing From The Public** heading section, instead of under the **Consent Agenda** heading section.

SEE/MCDONALD

Moved to Adopt changing the Resolutions 21-01, 20-02 and 21-03 from the Consent Agenda to the Hearing from the Public section of the January 21, 2021, Agenda.
MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA

1. City Council Meeting Minutes of December 10, 2020
2. Ordinance No. 732: Change of Council Meeting Times
3. Ordinance No. 733: Designating City Council Seats

SEE/MCDONALD

Moved to accept the Consent Agenda.
MOTION CARRIED UNANIMOUSLY

HEARING FROM THE PUBLIC

The Klawock Chief of Police, Terry Stonecipher presented an award plaque to the Craig Police Chief, RJ Ely, in appreciation of support and assistance to Klawock Police Department. Dr. Tiffany Stephens with Premium Aquatics attended in person to give an update on the three species they are farming of Ribbon, Bull and Sugar Kelp. Dr. Stephens said that the harvesting and sales are doing well and if they are successful this year, there is potential to bring in one to two other farms, and possibly hire more workers.

Jon Bolling said that the Council adopted Resolution 20-20 Declaring February 2nd as Fred Hamilton, Sr. Day, and the staff prepared a ceremonial resolution to commemorate the day. There is a parade scheduled to go by Fred's home on Sunday, January 31, 2021, from 2-3:00 p.m.

Jon spoke with the Hamilton family to schedule the Mayor to present the ceremonial resolution to Fred Hamilton, Sr. during the parade.

REPORTS FROM CITY OFFICIALS

Mayor- Had nothing new to report.

Administrator- Provided a written report. Jon said that the changes at Sealaska Timber Corporation could have financial effects to Craig and POW Island.

Jon and the Council discussed the muddy and uneven trail surfaces at Cemetery Island and East Hamilton Drive. The Parks and Public Facilities Director will be working on resurfacing.

Treasurer- Provided a written report. Sheri said that she submitted the State report letting them know that we have spent all the CARES funding, and that she and Pilar are still working on the audit.

Aquatic Manager- Provided a written report. Jessica said the pool will open on Monday, January 25, 2021. Pool rentals are available.

Clerk- Tracey said that she has been working on and learning RUBA Best Practices, Vehicle for Hires, and Senior Citizen and Disabled Veterans Property Tax Exemptions. Tracey explained that the Office of the State Assessor offers a 45-minute power point presentation on Board of Equalization duties at a set time, and inquired to see who was interested in taking the training prior to the property tax assessment appeal council day set for May 20, 2021.

The Council discussed BOE training. Julie McDonald, Chanel McKinley, Tim O'Connor, Michael Kampnich and Millie Schoonover expressed that they would only be interested in attending the training if it were a virtual training that they could attend when they had time. Staff will pass along their wishes to the State Assessor.

The Council discussed February Council Meeting availability, and no date was set.

Planner- Provided a written report. The current state disaster declaration was set to expire on January 14, 2021, and the Governor did issue another through February 14, 2021.

Fire/EMS Coordinator- Provided a written report. Minnie expressed appreciation for Craig Police Department support.

Tim O'Connor said that Minnie is working on obtaining a quick response fire truck bed that has a pumper from Ketchikan. Tim said that the truck bed would be no cost to the city and that it will be stored in the yard until a truck can be found to put it on.

Harbormaster- Provided a written report. Harbor Department staff plans to pressure wash the boardwalk due to slippery surface.

Library- Provided a written report. Angela said that the Library is back open for appointments with the same schedule as we had in May of 2020. Angela said that the Library is getting between 2-12 people in a day.

Police Chief- Provided a written report. RJ said that the state DMV kiosks for written tests are down until the state repairs the issue. RJ relayed that the jail facilities in Southeast Alaska are over capacity, and the Department of Corrections has asked that facilities hold prisoner transfers. RJ explained that Covid-19 was mostly responsible, and that the Craig Jail is a temporary holding facility.

Public Works- Russell said that Public Works has been working storm to storm since October, removing trees, and putting rock down. Public Works is moving forward on obtaining a soda ash machine and setting up a bypass system to swap out the old unit with hopes to have it in the next several weeks, as there are certain Covid-19 criteria for the helpers assisting with obtaining the new machine. Russell said that they are trying to finish Pit 62 debris clean-up and that they assisted with clean-up of the tree that fell on East Hamilton. Public Works has been grading on Port St. Nicholas Road, along with hauling and stock piling rock. Russell said that they have ice blades and chains on the motor grader as it is supposed to snow this weekend. Russell explained that Public Works has one dump truck down and has ordered special parts to be sent here by Goldstreak by Monday, or Tuesday.

Recreation- Provided a written report. Victoria said that the New Year Clean-up Day with Kathy Peavey went very well, and another Clean-up Day is scheduled for February 6th, 2021. Cathy Bolling is beginning Tabata, and the kids are getting started on the PAWS program.

Chanel McKinley, Julie McDonald and Victoria discussed the gym hours, ballet, karate and after school tutoring. Victoria said there is no interest in the tutoring to date.

Michael Kampnich recognized and appreciated the public clean-up efforts.

Tim O'Connor said that the pool has disinfecting foggers that can be used at the gym.

Parks and Public Facilities- Provided a written report. Doug said that he will assist Tim with tree and debris removal at the ballpark tomorrow morning.

READING OF CORRESPONDENCE

1. November 2020 Statement from Alaska Permanent Capital Management
2. State Disaster Declaration – December 15, 2020
3. Changes to Sealaska Timber Corporation Operations Announcement
4. VOCTEC Update
5. Rainfall Tabulation

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

1. Resolution 21-01: EMS Response Stipends

MCKINLEY/BAZINET

Moved to adopt the Resolution 21-01, Establishing City of Craig EMS Reward Tiers-Attachment A, effective January 1, 2020. MOTION CARRIED UNANIMOUSLY BY ROLL CALL VOTE

2. Resolution 21-02: Shared Fisheries Tax

SEE/KAMPNICH

Moved to adopt the Resolution 21-02, Alternative Allocation Method for the FY20 Shared Fisheries Business Tax Program and Certifying that this Allocation Method Fairly Represents the Distribution of Significant Effects of Fisheries Business Activity in FMA 19: Southern Southeast Area.

3. Resolution 21-03: Supporting the Alaska Association of Harbormasters Grant Funding

MCKINLEY/MCDONALD

Moved to adopt the Resolution 21-03, Supporting Efforts by the Alaska Association of Harbormasters and Port Administrators in Support of Full Funding (\$14,049.988) for the State of Alaska Municipal Harbor Facility Grant Program in the FY 2022 State Capital Budget.

Hans Hjort explained the Resolution Grant Fund Tier 1, and said this could enable the rebuild of the North Cove for half price.

Jim See discussed Fuel taxes.

UNFINISHED BUSINESS

1.: CARES Act Funding Recap

Brian Templin said that Congress extended the usage of the CARES Acts funds until September 30, 2021, but the City of Craig has already expended their allotted funding within the original December 30, 2020, deadline as planned. Brian said that staff are working on the reporting and will update the Council as the totals are finalized.

NEW BUSINESS

1. Aquatic Center Long Term and Promotional Reopening Rates

Jessica Holloway proposed to adjust long term rates and reopening promotional rates as:

Family Swim: Adults \$3.00; Children \$2.00

Reopening Promotions: 10% discount on one, three, six and twelve month passes purchased from the reopening date through February 28, 2021.

Free Saturday during the month of February 2021.

Jessica and the Council discussed possible Aquatic Center rates. The Council took no action and elected to review rates in February 2021.

2. Review COVID-19 City Facility Opening and Closure Guidelines

Jon Bolling said that on January 6, 2021, he issued a City of Craig press release updating the city's facility opening and closure policy, in accordance with the State of Alaska, COVID-19 Alert Level for Southern Southeast Alaska's latest information. Jon explained that Governor Dunleavy's request for safety practices was set to expire on January 5, 2021, and that the city's next council meeting was set for January 21, 2021. Jon said that he submitted a copy of the City of Craig press release No. 038, for council review, revisions, comments, or staff direction by the February council meeting.

The Council took no further action on facility opening and closures at this time.

3. Consider Intervenor Status in Roadless Rule Litigation

Jon Bolling explained that Steve Silver sent a request to participate as an Intervenor in support of the Forest Service's and State's defense of the Alaska Specific Roadless Rule. This federal lawsuit was filed by a group to prevent the exemption Tongass National Forest exemption, and Mr. Silver's correspondence requests that the Craig City Council consider participating and contributing to litigation of the Roadless Rule.

Michael Kampnich said that he is not in favor of supporting Roadless Rule litigation, because of the effects it has on wildlife.

The Council discussed wolves, deer, old-growth, and new-growth forest habitat. The Council directed Staff to obtain more information and maps.

KAMPNICH/MCKINLEY

Move to participate in litigation to support the exemption of the Tongass National Forest from application of the Roadless Rule.

KAMPNICH/MCKINLEY

Moved to amend the motion to direct the staff to prepare maps and informational materials for the council to review at its next meeting.
MOTION CARRIED UNANIMOUSLY.

Mayor O'Connor then called for a vote on the amended motion. MOTION CARRIED UNANIMOUSLY.

COUNCIL COMMENTS

Michael Kampnich said that the totals come out and there were 68 wolves declared by Alaska Fish and Wildlife.

Jon Bolling said that he is working with Russell Dill and Sheri Purser on water rate restructuring.

Michael Kampnich Thanked RJ Ely for attending Mark Habib’s funeral.

Tim O’Connor said that he had received complaints from the residents being billed for Port St. Nicholas Road maintenance.

ADJOURNMENT

SEE/MCKINLEY

Moved to adjourn at 8:31 p.m.
MOTION CARRIED

APPROVED on the _____ day of _____, _____.

MAYOR TIMOTHY O’CONNOR

ATTEST: _____
TRACEY JENSEN, CITY CLERK

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Jon Bolling, City Administrator
Date: February 12, 2021
RE: February Staff Report

1. Downtown Harbor Project

A few days ago, Governor Dunleavy introduced a capital projects bill into the legislature. The bill, SB 74, includes funding for capital projects around the state, including \$8.3 million for the City of Craig's downtown harbor project. The February 18 meeting agenda includes a resolution supporting passage of the bill. Craig City Planner Brian Templin attached a cover memo to the resolution explaining the process that must be completed before SB 74 becomes law. I encourage the council to consider expressing its strong support for the legislation.

2. Port St. Nicholas Road Fee

Payments for the PSN Road fee are trickling in. There are several lots where I am finding some difficulty in tracking down the current owners. Those lots amount to about ten percent of the properties.

3. COVID Protocols for City Facilities

COVID-19 protocols remain in place for city facilities. Most facilities are open to the public, even if in still limited capacity. City Hall, for its part, remains unlocked and open to public access during normal working hours. We do have a notice posted asking the public to wear a mask while in the building. The facility opening/closing policy adopted by the council last month remains in effect. While our area of the state has climbed abruptly from the lowest risk level to the highest risk level recently, that climb is due to a spike of cases in Ketchikan. POW remains essentially a low-risk area, with only two active cases as of February 10.

4. Changes at Sealaska Timber Corporation

A representative from Sealaska Corporation contacted me recently and offered to meet with city representatives in the wake of Sealaska Timber Corporation's sudden ceasing of its logging operations. We have set a Zoom meeting on this topic for Wednesday, February 17.

5. Craig Endowment Fund

The market value of the city's endowment fund recently reached \$15 million.

6. SE Conference Mid-Session Summit

The summit, an annual event usually held in Juneau, is being broadcast online this year. Below is a summary report of the event.

- A. *Population and Economic Update.* Meilani Schijvens of Rain Coast Data summarized the contraction of the economy and population of the region. The contraction is due largely to impacts from COVID-19. Regional population dropped 1%. Southeast Alaska fared worse than most of the state economically, much of the detrimental impact is due to the cancelled cruise ship season in 2020. Interestingly, the only sector of the economy to show an increase in employment was the Mining and Logging sector, nearly all of which is attributable to work at mines in the region.

Meilani's presentation can be found at <https://www.seconference.org/wp-content/uploads/2021/02/Rain-Coast-Data-Mid-Session-Summit-2021.pdf?4db2ab&4db2ab>.

- B. *Alaska Legislative Panels.* Separate panels of State House representatives and members of the Alaska Senate shared their views of what the 2021 legislative session will bring. The elected officials had a variety of viewpoints and priorities, ranging from the perceived challenges in producing a balanced budget, the extent to which the legislature should appropriate dollars from Permanent Fund earnings and other PF-related reserve funds, the amount of a PFD in 2021, management of the AMHS, use of the Power Cost Equalization Fund, the merits of implementing a broad-based tax in Alaska, how to negotiate a summer cruise ship season in light of a recent decision by Canada to disallow cruise ships at both Canadian ports and waters in 2021, and other topics.
- C. *Federal Delegation.*
 - a. Congressman Young addressed the summit and made it a point to encourage the sectors of the region's economy to support each other. He also touched on public lands management, and his ongoing support for Secure Rural Schools funding.
 - b. Senators Murkowski and Sullivan also addressed the group, via prerecorded message. Both addressed mineral security legislation that would include federal provisions as to production of minerals needed for alternative energy and defense systems, including minerals found at Bokan Mountain here on Prince of Wales Island. Both senators also committed to working with the Canadian federal government to modify its ban on cruise ships in Canadian waters in 2021.
- D. *Other Panels.*
 - a. Representatives from several energy organizations, including AP&T presented on the move toward electric vehicles and heat pump systems, and discussed various rebate programs available to home and business owners.
 - b. Markos Scheer of Seagrove Kelp and a few seafood trade groups presented on kelp and shellfish mariculture efforts and marketing, and the prospects for meeting seafood restaurant demand for finfish once the US is past the COVID-19 pandemic. According to the Alaska Seafood Marketing Institute, most of US consumer consumption of seafood occurs in restaurants.
 - c. Comprehensive Economic Development Strategy (CEDS). Ms. Meilani Schijvens led SEC members in an exercise on regional economic planning.

7. Appointments to Committees

There are a number of local organizations to which the city has membership on the governing body, and merit council review. Some of these are listed below.

- a. SEASWA. The city is a member of the Southeast Alaska Solid Waste Authority. SEASWA is a public authority formed per Title 29 of Alaska Statutes. The authority is made up of municipalities with common interests as to the management of municipal solid waste. Other members include Hydaburg, Thorne Bay, Kasaan, Klawock, Coffman Cove, Wrangell, and Petersburg. Each community may appoint one of its residents to the organization's board of directors. Currently I fill that seat; however, the council may appoint another person to the seat at any time.

- b. POW VocTec. The POW Vocational-Technical Center in Klawock is governed by a nonprofit corporation. The City of Craig is entitled to a seat on the corporation's board of directors. That seat is vacant. I do sit on the board, but in a public at large seat.
- c. POWCAC. The City of Craig is a member of the POW Community Advisory Council. This group meets every other month, usually at a different POW community. However, due to COVID-19, the meetings are now held via Zoom. POWCAC is a valuable forum for discussing island-wide issues among members from communities across the island. The city council is empowered to appoint Craig's representative. I am currently Craig's representative, and POWCAC chairman for 2021.

The city council should consider appointing a representative to fill the POW VocTec board seat. The council can appoint one of its own to the seat, a staff member, or it can direct staff to advertise the vacancy to determine if any Craig residents would apply for appointment.

8. Sales Tax Receipts

The Reading of Correspondence portion of the council packet includes a report on sales tax receipts for the most recent quarter. The good news is that the amount of receipts for that quarter is comparable to the same quarter the prior year.

9. PeaceHealth

PeaceHealth, which is a tenant at the City of Craig-owned POW Health Care Center and operates the medical clinic there, is currently negotiating an agreement with the City of Ketchikan to continue its operation of the Ketchikan Medical Center (formerly known as Ketchikan General Hospital). I suspect that a long-term agreement between the City of Ketchikan and PeaceHealth is needed for PeaceHealth to continue its operation at the POW Health Care Center. With that in mind I will continue to monitor progress of the negotiations in Ketchikan.

10. Happy Birthday/Anniversary

The City of Craig was incorporated on March 1, 1922, which means that the city will be 99 years old in a week or so.

On a related note, Victoria Merritt is working with a committee of local residents to prepare events for the city's one hundredth birthday/anniversary on March 1, 2022.

11. Travel Schedule

None scheduled.

CITY OF CRAIG
MEMORANDUM

January 13, 2021
To: City Council
From: Sheri Purser, Treasurer
Re: Monthly Report

The January monthly financial reports are included in this report.

Michelle has returned to work part time. She has delved right in and got to work preparing Utility Bills. We have made accommodations, so she is able to work and not put strain on her shoulder.

We prepared and sent out the PSN Road Maintenance Fee to PSN residence. We have been receiving payments and have had good response to it so far.

We have sent out the W-2's and 1099 to employee's and businesses. Pilar has also done the year end reports that needed to be made to the IRS and PERS.

Kimber sent out the 4th Quarter Sales Tax Reports and have finished up with receiving payments from businesses. The Quarter Sales Tax report has been submitted and in this packet.

I have submitted the FY21 Shared Fisheries Business Tax application. I also working on the FY21 Community Assistance application. It is due in June.

We are still having meetings for the Emergency Operation Incident Management Team. Due to the increase in positive cases on the island, Brian has changed out meeting for next week so we can be able to checking inventories, receiving updates from SEARCH, Peace Health, & Public Health, as well as other entities that are a part of the team.

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

City of Craig
Cash Balances

1/31/2021

General Fund

Deposit Clearing Account	68,604.00
Checking - First Bank	3,379,568.97
Checking - Wells Fargo	14,493.74
Petty Cash	325.00
Petty Cash-Harbors	200.00
Petty Cash- Aquatic Center	250.00
Petty Cash - Police	134.95
Petty Cash- Library	150.00
Special Recreation Savings	1,941.55
Wells Fargo CD Saving Account	<u>510,865.65</u>
Total	<u>3,976,533.86</u>

Restricted Fund

Cash, Police Fund	82,706.90
Cash Evidence, Police	4,413.22
Police Petty Cash	781.17
Cash Equipment Fund	452,693.39
Cash Hatchery Salmon Derby	2,512.22
MM Park Funds	7,702.76
Fish Quota Funds	15,552.70
MM POW Clinic Funds	25,014.04
MM Invest Muni Land	568,283.35
Hatchery Saving Account	55,246.68
Cash MMkt NFR -School FB	61,541.51
Cash Invest School Funds APCM	3,287,931.43
Accrued Interest, School	<u>9,484.00</u>
Total	<u>4,573,863.37</u>

Endowment

Cash Held Endowment	66,321.81
Fixed Inc. Investment Endowment	4,286,110.45
Accr. Int., Endowment	18,558.63
Equity Invest., Endowment	6,472,454.10
Unrealized Gain/Loss Endowment	238,034.64
Unrealized Gain/Loss Equity, Endowment	<u>2,033,440.01</u>
Total	<u>13,114,919.64</u>

Enterprise Fund

Water & Wastewater Cash	4,469.55
DNR Performance CD	<u>8,500.00</u>
Total	<u>12,969.55</u>

City of Craig
Revenue and Expense QTD and YTD
January 31, 2021

	Q-T-D Actual	Y-T-D Actual	Y-T-D Budget	Variance
Administration				
Revenues				
Expenditures				
Total Personnel Expenditures	37,415.68	177,875.98	332,163.61	154,287.63
Total Benefits Expenditures	11,714.26	44,238.05	118,349.61	74,111.56
Total Contract Expenditures	8,762.06	77,066.09	162,200.00	85,133.91
Total Travel & Expenditures	186.13	4,917.13	11,745.00	6,827.87
Total Materials Expenditures	1,207.60	16,670.21	9,500.00	(7,170.21)
Total Utilities Expenditures	868.66	8,731.02	16,850.00	8,118.98
Total Repairs & Maint Expenditures	0.00	1,333.71	3,260.00	1,926.29
Total Other Expenditures	848.46	21,591.46	26,020.00	4,428.54
Total Capital & Debt Expenditures	0.00	4,177.50	8,000.00	3,822.50
Total Expenditures	\$ 61,002.85	\$ 356,601.15	\$ 688,088.22	\$ 331,487.07
Fund Net Change in Assets	\$ (61,002.85)	\$ (356,601.15)	\$ (688,088.22)	\$ (331,487.07)
Council				
Revenues				
Expenditures				
Total Personnel Expenditures	1,955.25	9,319.96	13,520.00	4,200.04
Total Benefits Expenditures	193.64	2,654.92	16,612.30	13,957.38
Total Contract Expenditures	0.00	650.00	950.00	300.00
Total Travel & Expenditures	0.00	0.00	2,050.00	2,050.00
Total Materials Expenditures	0.00	0.00	0.00	0.00
Total Utilities Expenditures	0.00	0.00	0.00	0.00
Total Repairs & Maint Expenditures	0.00	0.00	0.00	0.00
Total Other Expenditures	0.00	7.00	220.00	213.00
Total Capital & Debt Expenditures	0.00	0.00	0.00	0.00
Total Expenditures	\$ 2,148.89	\$ 12,631.88	\$ 33,352.30	\$ 20,720.42
Fund Net Change in Assets	\$ (2,148.89)	\$ (12,631.88)	\$ (33,352.30)	\$ (20,720.42)
Planning				
Revenues				
Total Revenues	10,043.28	117,667.36	0.00	117,667.36
Expenditures				
Total Personnel Expenditures	9,977.34	47,213.52	47,045.55	(167.97)
Total Benefits Expenditures	2,739.30	13,247.09	17,694.98	4,447.89
Total Contract Expenditures	1,354.76	381,400.04	6,500.00	(374,900.04)
Total Travel & Expenditures	0.00	5,055.30	0.00	(5,055.30)
Total Materials Expenditures	0.00	49,276.38	1,000.00	(48,276.38)
Total Utilities Expenditures	0.00	0.00	0.00	0.00
Total Repairs & Maint Expenditures	0.00	0.00	500.00	500.00
Total Other Expenditures	0.00	429,284.23	1,015.00	(428,269.23)
Total Capital & Debt Expenditures	0.00	0.00	0.00	0.00

City of Craig
Revenue and Expense QTD and YTD
January 31, 2021

	Q-T-D Actual	Y-T-D Actual	Y-T-D Budget	Variance
Total Expenditures	\$ 14,071.40	\$ 925,476.56	\$ 73,755.53	\$ (851,721.03)
Fund Net Change in Assets	\$ (4,028.12)	\$ (807,809.20)	\$ (73,755.53)	\$ 969,388.39
Parks & Facilities Revenues				
Expenditures				
Total Personnel Expenditures	14,799.63	80,393.23	137,652.00	57,258.77
Total Benefits Expenditures	6,171.91	29,321.75	67,197.21	37,875.46
Total Contract Expenditures	0.00	22,531.50	5,100.00	(17,431.50)
Total Travel & Expenditures	0.00	0.00	0.00	0.00
Total Materials Expenditures	2,358.22	22,375.98	17,000.00	(5,375.98)
Total Utilities Expenditures	1,911.32	11,095.09	16,000.00	4,904.91
Total Repairs & Maint Expenditures	0.00	2,636.00	15,000.00	12,364.00
Total Other Expenditures	0.00	1,332.00	11,968.00	10,636.00
Total Capital & Debt Expenditures	0.00	2,420.78	26,000.00	23,579.22
Total Expenditures	\$ 25,241.08	\$ 172,106.33	\$ 295,917.21	\$ 123,810.88
Fund Net Change in Assets	\$ (25,241.08)	\$ (172,106.33)	\$ (295,917.21)	\$ (123,810.88)
Public Works Revenues				
Expenditures				
Total Personnel Expenditures	15,799.94	97,828.69	162,043.20	64,214.51
Total Benefits Expenditures	10,225.40	45,431.09	103,569.14	58,138.05
Total Contract Expenditures	0.00	38,074.70	720.00	(37,354.70)
Total Travel & Expenditures	0.00	0.00	0.00	0.00
Total Materials Expenditures	13,581.44	52,776.53	27,350.00	(25,426.53)
Total Utilities Expenditures	1,628.62	11,407.45	14,900.00	3,492.55
Total Repairs & Maint Expenditures	11,638.72	66,735.49	68,200.00	1,464.51
Total Other Expenditures	20.00	1,677.00	7,798.00	6,121.00
Total Capital & Debt Expenditures	1,635.21	1,635.21	58,000.00	56,364.79
Total Expenditures	\$ 54,529.33	\$ 315,566.16	\$ 442,580.34	\$ 127,014.18
Fund Net Change in Assets	\$ (54,529.33)	\$ (315,566.16)	\$ (442,580.34)	\$ (127,014.18)
Police Revenues				
Expenditures				
Total Personnel Expenditures	72,734.66	379,729.78	589,296.43	209,566.65
Total Benefits Expenditures	35,001.23	157,249.38	336,472.78	179,223.40
Total Contract Expenditures	509.05	2,988.99	7,020.00	4,031.01
Total Travel & Expenditures	830.00	2,171.00	3,000.00	829.00
Total Materials Expenditures	8,049.68	30,938.08	47,500.00	16,561.92

City of Craig
Revenue and Expense QTD and YTD
January 31, 2021

	Q-T-D Actual	Y-T-D Actual	Y-T-D Budget	Variance
Total Utilities Expenditures	1,430.11	11,711.97	27,000.00	15,288.03
Total Repairs & Maint Expenditures	0.00	56.89	0.00	(56.89)
Total Other Expenditures	737.30	5,049.27	31,614.00	26,564.73
Total Capital & Debt Expenditures	0.00	0.00	15,000.00	15,000.00
Total Expenditures	\$ 119,292.03	\$ 589,895.36	\$ 1,056,903.21	\$ 467,007.85
Fund Net Change in Assets	<u><u>\$ (119,292.03)</u></u>	<u><u>\$ (589,895.36)</u></u>	<u><u>\$ (1,056,903.21)</u></u>	<u><u>\$ (467,007.85)</u></u>
EMS Revenues				
Total Revenues	0.00	50.00	0.00	50.00
Expenditures				
Total Personnel Expenditures	29,089.51	72,235.03	152,636.67	80,401.64
Total Benefits Expenditures	5,266.67	18,581.36	60,156.98	41,575.62
Total Contract Expenditures	216.05	1,649.50	4,845.00	3,195.50
Total Travel & Expenditures	0.00	1,191.50	7,400.00	6,208.50
Total Materials Expenditures	626.01	4,003.59	18,650.00	14,646.41
Total Utilities Expenditures	612.49	4,293.25	4,900.00	606.75
Total Repairs & Maint Expenditures	0.00	0.00	0.00	0.00
Total Other Expenditures	10.00	619.00	6,351.00	5,732.00
Total Capital & Debt Expenditures	0.00	0.00	2,200.00	2,200.00
Total Expenditures	\$ 35,820.73	\$ 102,573.23	\$ 257,139.65	\$ 154,566.42
Fund Net Change in Assets	<u><u>\$ (35,820.73)</u></u>	<u><u>\$ (102,523.23)</u></u>	<u><u>\$ (257,139.65)</u></u>	<u><u>\$ (154,516.42)</u></u>
Fire Department Revenues				
Expenditures				
Total Personnel Expenditures	0.00	0.00	0.00	0.00
Total Benefits Expenditures	0.00	(400.00)	4,186.00	4,586.00
Total Contract Expenditures	0.00	12,510.00	5,400.00	(7,110.00)
Total Travel & Expenditures	1,030.00	1,871.50	2,700.00	828.50
Total Materials Expenditures	0.00	467.60	2,600.00	2,132.40
Total Utilities Expenditures	858.30	2,021.45	5,900.00	3,878.55
Total Repairs & Maint Expenditures	0.00	366.99	1,000.00	633.01
Total Other Expenditures	10.00	925.00	4,827.00	3,902.00
Total Capital & Debt Expenditures	0.00	0.00	4,000.00	4,000.00
Total Expenditures	\$ 1,898.30	\$ 17,762.54	\$ 30,613.00	\$ 12,850.46
Fund Net Change in Assets	<u><u>\$ (1,898.30)</u></u>	<u><u>\$ (17,762.54)</u></u>	<u><u>\$ (30,613.00)</u></u>	<u><u>\$ (12,850.46)</u></u>
Library Revenues				

City of Craig
Revenue and Expense QTD and YTD
January 31, 2021

	Q-T-D Actual	Y-T-D Actual	Y-T-D Budget	Variance
Total Revenues	0.00	17,000.00	0.00	17,000.00
Expenditures				
Total Personnel Expenditures	7,964.31	38,689.88	64,129.04	25,439.16
Total Benefits Expenditures	3,273.03	17,602.93	35,410.31	17,807.38
Total Contract Expenditures	368.00	2,888.00	2,900.00	12.00
Total Travel & Expenditures	0.00	0.00	0.00	0.00
Total Materials Expenditures	392.11	16,070.43	7,000.00	(9,070.43)
Total Utilities Expenditures	643.35	2,427.08	10,600.00	8,172.92
Total Repairs & Maint Expenditures	0.00	0.00	1,000.00	1,000.00
Total Other Expenditures	0.00	547.79	1,750.00	1,202.21
Total Capital & Debt Expenditures	0.00	1,450.00	1,300.00	(150.00)
Total Expenditures	\$ 12,640.80	\$ 79,676.11	\$ 124,089.35	\$ 44,413.24
Fund Net Change in Assets	\$ (12,640.80)	\$ (62,676.11)	\$ (124,089.35)	\$ (27,413.24)
Recreation Revenues				
Expenditures				
Total Personnel Expenditures	6,184.75	27,769.01	54,962.86	27,193.85
Total Benefits Expenditures	2,537.36	12,101.82	24,744.94	12,643.12
Total Contract Expenditures	0.00	1,090.00	3,600.00	2,510.00
Total Travel & Expenditures	0.00	0.00	0.00	0.00
Total Materials Expenditures	130.94	598.65	1,050.00	451.35
Total Utilities Expenditures	1,583.06	6,810.50	13,000.00	6,189.50
Total Repairs & Maint Expenditures	0.00	0.00	500.00	500.00
Total Other Expenditures	0.00	437.00	5,130.00	4,693.00
Total Capital & Debt Expenditures	0.00	0.00	800.00	800.00
Total Expenditures	\$ 10,436.11	\$ 48,806.98	\$ 103,787.80	\$ 54,980.82
Fund Net Change in Assets	\$ (10,436.11)	\$ (48,806.98)	\$ (103,787.80)	\$ (54,980.82)
Aquatic Center Revenues				
Expenditures				
Total Personnel Expenditures	11,431.44	65,237.91	166,594.26	101,356.35
Total Benefits Expenditures	5,160.34	38,442.80	121,996.83	83,554.03
Total Contract Expenditures	65.00	238,097.14	6,400.00	(231,697.14)
Total Travel & Expenditures	80.00	156.00	10,780.00	10,624.00
Total Materials Expenditures	526.54	22,653.77	23,800.00	1,146.23
Total Utilities Expenditures	3,030.96	49,369.36	126,000.00	76,630.64
Total Repairs & Maint Expenditures	0.00	2,330.18	7,097.00	4,766.82
Total Other Expenditures	0.00	1,169.00	11,800.00	10,631.00
Total Capital & Debt Expenditures	0.00	107,050.07	144,820.00	37,769.93

City of Craig
Revenue and Expense QTD and YTD
January 31, 2021

	Q-T-D Actual	Y-T-D Actual	Y-T-D Budget	Variance
Total Expenditures	\$ 20,294.28	\$ 524,506.23	\$ 619,288.09	\$ 94,781.86
Fund Net Change in Assets	\$ (20,294.28)	\$ (524,506.23)	\$ (619,288.09)	\$ (94,781.86)
Sewer Revenues				
Total Revenues	23,735.27	170,790.87	296,341.00	(125,550.13)
Expenditures				
Total Personnel Expenditures	10,621.08	51,783.73	80,998.82	29,215.09
Total Benefits Expenditures	5,552.92	23,871.17	46,940.00	23,068.83
Total Contract Expenditures	195.00	3,340.28	7,800.00	4,459.72
Total Travel & Expenditures	1,280.00	1,280.00	1,280.00	0.00
Total Materials Expenditures	(7,672.57)	2,588.73	8,200.00	5,611.27
Total Utilities Expenditures	6,059.05	30,884.26	49,400.00	18,515.74
Total Repairs & Maint Expenditures	0.00	557.50	4,000.00	3,442.50
Total Other Expenditures	0.00	1,388.00	5,450.00	4,062.00
Total Capital & Debt Expenditures	7,679.15	7,679.15	34,000.00	26,320.85
Total Expenditures	\$ 23,714.63	\$ 123,372.82	\$ 238,068.82	\$ 114,696.00
Fund Net Change in Assets	\$ 20.64	\$ 47,418.05	\$ 58,272.18	\$ (240,246.13)
Water Revenues				
Total Revenues	23,576.22	179,063.50	333,162.00	(154,098.50)
Expenditures				
Total Personnel Expenditures	19,919.17	92,352.86	137,560.26	45,207.40
Total Benefits Expenditures	8,431.01	35,023.75	78,941.00	43,917.25
Total Contract Expenditures	0.00	3,933.50	10,000.00	6,066.50
Total Travel & Expenditures	0.00	434.00	3,935.00	3,501.00
Total Materials Expenditures	8,517.31	49,451.55	62,400.00	12,948.45
Total Utilities Expenditures	4,352.95	30,901.13	57,400.00	26,498.87
Total Repairs & Maint Expenditures	0.00	0.00	10,000.00	10,000.00
Total Other Expenditures	0.00	1,009.00	12,850.00	11,841.00
Total Capital & Debt Expenditures	0.00	121,412.17	108,390.00	(13,022.17)
Total Expenditures	\$ 41,220.44	\$ 334,517.96	\$ 481,476.26	\$ 146,958.30
Fund Net Change in Assets	\$ (17,644.22)	\$ (155,454.46)	\$ (148,314.26)	\$ (301,056.80)
Garbage Revenues				
Total Revenues	23,306.50	176,107.00	316,787.00	(140,680.00)

City of Craig
Revenue and Expense QTD and YTD
January 31, 2021

	Q-T-D Actual	Y-T-D Actual	Y-T-D Budget	Variance
Expenditures				
Total Personnel Expenditures	5,564.00	30,607.78	39,149.79	8,542.01
Total Benefits Expenditures	3,392.36	17,099.04	35,657.00	18,557.96
Total Contract Expenditures	29,000.03	100,986.22	211,500.00	110,513.78
Total Travel & Expenditures	0.00	0.00	0.00	0.00
Total Materials Expenditures	(1,943.47)	6,951.38	9,300.00	2,348.62
Total Utilities Expenditures	29.82	214.19	500.00	285.81
Total Repairs & Maint Expenditures	2,674.52	2,674.52	7,500.00	4,825.48
Total Other Expenditures	20.00	288.00	3,500.00	3,212.00
Total Capital & Debt Expenditures	0.00	0.00	4,000.00	4,000.00
Total Expenditures	\$ 38,737.26	\$ 158,821.13	\$ 311,106.79	\$ 152,285.66
Fund Net Change in Assets	\$ (15,430.76)	\$ 17,285.87	\$ 5,680.21	\$ (292,965.66)
Harbor Revenues				
Total Revenues	9,986.93	226,112.41	270,500.00	(44,387.59)
Expenditures				
Total Personnel Expenditures	15,061.19	79,560.42	149,800.80	70,240.38
Total Benefits Expenditures	6,563.81	30,671.75	74,001.00	43,329.25
Total Contract Expenditures	65.00	65.00	900.00	835.00
Total Travel & Expenditures	0.00	185.00	2,100.00	1,915.00
Total Materials Expenditures	107.30	7,127.16	10,400.00	3,272.84
Total Utilities Expenditures	3,292.23	20,878.75	44,592.00	23,713.25
Total Repairs & Maint Expenditures	220.37	5,028.99	17,000.00	11,971.01
Total Other Expenditures	69.37	13,123.43	35,000.00	21,876.57
Total Capital & Debt Expenditures	0.00	1,398.10	1,500.00	101.90
Total Expenditures	\$ 25,379.27	\$ 158,038.60	\$ 335,293.80	\$ 177,255.20
Fund Net Change in Assets	\$ (15,392.34)	\$ 68,073.81	\$ (64,793.80)	\$ (221,642.79)
JTB Industrail Park Revenues				
Total Revenues	7,157.01	505,486.56	417,589.00	87,897.56
Expenditures				
Total Personnel Expenditures	9,583.99	69,353.06	93,961.12	24,608.06
Total Benefits Expenditures	3,658.78	16,329.06	37,595.00	21,265.94
Total Contract Expenditures	0.00	0.00	1,900.00	1,900.00
Total Travel & Expenditures	325.00	325.00	0.00	(325.00)
Total Materials Expenditures	273.71	1,868.47	6,500.00	4,631.53
Total Utilities Expenditures	2,193.46	32,924.15	53,336.00	20,411.85
Total Repairs & Maint Expenditures	115.08	2,083.23	3,300.00	1,216.77
Total Other Expenditures	0.00	1,428.31	12,300.00	10,871.69
Total Capital & Debt Expenditures	0.00	595.00	0.00	(595.00)

City of Craig
Revenue and Expense QTD and YTD
January 31, 2021

	Q-T-D Actual	Y-T-D Actual	Y-T-D Budget	Variance
Total Expenditures	\$ 16,150.02	\$ 124,906.28	\$ 208,892.12	\$ 83,985.84
Fund Net Change in Assets	\$ (8,993.01)	\$ 380,580.28	\$ 208,696.88	\$ 3,911.72
Ward Cove Cannery Revenues				
Total Revenues	301.00	3,478.45	7,000.00	(3,521.55)
Expenditures				
Total Personnel Expenditures	0.00	0.00	0.00	0.00
Total Benefits Expenditures	0.00	0.00	0.00	0.00
Total Contract Expenditures	0.00	0.00	0.00	0.00
Total Travel & Expenditures	0.00	0.00	0.00	0.00
Total Materials Expenditures	0.00	54.51	200.00	145.49
Total Utilities Expenditures	136.59	1,628.07	1,600.00	(28.07)
Total Repairs & Maint Expenditures	0.00	808.77	1,000.00	191.23
Total Other Expenditures	0.00	221.00	1,020.00	799.00
Total Capital & Debt Expenditures	0.00	0.00	1,000.00	1,000.00
Total Expenditures	\$ 136.59	\$ 2,712.35	\$ 4,820.00	\$ 2,107.65
Fund Net Change in Assets	\$ 164.41	\$ 766.10	\$ 2,180.00	\$ (5,629.20)
PSN Hatchery Revenues				
Expenditures				
Total Personnel Expenditures	0.00	0.00	0.00	0.00
Total Benefits Expenditures	0.00	0.00	0.00	0.00
Total Contract Expenditures	0.00	6,906.90	0.00	(6,906.90)
Total Travel & Expenditures	0.00	0.00	0.00	0.00
Total Materials Expenditures	0.00	0.00	0.00	0.00
Total Utilities Expenditures	138.26	276.92	0.00	(276.92)
Total Repairs & Maint Expenditures	0.00	0.00	0.00	0.00
Total Other Expenditures	0.00	11.00	0.00	(11.00)
Total Capital & Debt Expenditures	0.00	0.00	0.00	0.00
Total Expenditures	\$ 138.26	\$ 7,194.82	\$ 0.00	\$ (7,194.82)
Fund Net Change in Assets	\$ (138.26)	\$ (7,194.82)	\$ 0.00	\$ 7,194.82
Special Revenue Revenues				
Expenditures				
Total Personnel Expenditures	0.00	0.00	0.00	0.00
Total Benefits Expenditures	0.00	0.00	0.00	0.00
Total Contract Expenditures	0.00	70,698.47	0.00	(70,698.47)

City of Craig
Revenue and Expense QTD and YTD
January 31, 2021

	Q-T-D Actual	Y-T-D Actual	Y-T-D Budget	Variance
Total Travel & Expenditures	0.00	0.00	0.00	0.00
Total Materials Expenditures	0.00	0.00	0.00	0.00
Total Utilities Expenditures	0.00	0.00	0.00	0.00
Total Repairs & Maint Expenditures	0.00	0.00	0.00	0.00
Total Other Expenditures	0.00	0.00	0.00	0.00
Total Capital & Debt Expenditures	0.00	0.00	0.00	0.00
Total Expenditures	\$ 0.00	\$ 70,698.47	\$ 0.00	\$ (70,698.47)
Fund Net Change in Assets	\$ 0.00	\$ (70,698.47)	\$ 0.00	\$ 70,698.47
GF Revenue Revenues				
Total Revenues	488,853.96	2,929,865.61	3,262,812.00	(332,946.39)
Expenditures				
Total Personnel Expenditures	0.00	0.00	0.00	0.00
Total Benefits Expenditures	0.00	0.00	0.00	0.00
Total Contract Expenditures	0.00	0.00	0.00	0.00
Total Travel & Expenditures	0.00	0.00	0.00	0.00
Total Materials Expenditures	0.00	0.00	0.00	0.00
Total Utilities Expenditures	0.00	0.00	0.00	0.00
Total Repairs & Maint Expenditures	0.00	0.00	0.00	0.00
Total Other Expenditures	0.00	0.00	0.00	0.00
Total Capital & Debt Expenditures	0.00	0.00	0.00	0.00
Total Expenditures	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Fund Net Change in Assets	\$ 488,853.96	\$ 2,929,865.61	\$ 3,262,812.00	\$ (332,946.39)
Inter Governmental Transfers Revenues				
Expenditures				
Total Personnel Expenditures	0.00	0.00	0.00	0.00
Total Benefits Expenditures	0.00	0.00	0.00	0.00
Total Contract Expenditures	0.00	0.00	0.00	0.00
Total Travel & Expenditures	0.00	0.00	0.00	0.00
Total Materials Expenditures	0.00	0.00	0.00	0.00
Total Utilities Expenditures	0.00	0.00	0.00	0.00
Total Repairs & Maint Expenditures	0.00	0.00	0.00	0.00
Total Other Expenditures	0.00	0.00	0.00	0.00
Total Capital & Debt Expenditures	147.28	1,040.00	0.00	(1,040.00)
Total Expenditures	\$ 147.28	\$ 1,040.00	\$ 0.00	\$ (1,040.00)
Fund Net Change in Assets	\$ (147.28)	\$ (1,040.00)	\$ 0.00	\$ 1,040.00
PSN Road Maintenance Fee				

City of Craig
Revenue and Expense QTD and YTD
January 31, 2021

	Q-T-D Actual	Y-T-D Actual	Y-T-D Budget	Variance
Revenues				
Expenditures				
Total Personnel Expenditures	0.00	0.00	0.00	0.00
Total Benefits Expenditures	0.00	0.00	0.00	0.00
Total Contract Expenditures	(17,289.12)	(17,202.24)	0.00	17,202.24
Total Travel & Expenditures	0.00	0.00	0.00	0.00
Total Materials Expenditures	0.00	0.00	0.00	0.00
Total Utilities Expenditures	0.00	0.00	0.00	0.00
Total Repairs & Maint Expenditures	0.00	0.00	0.00	0.00
Total Other Expenditures	0.00	0.00	0.00	0.00
Total Capital & Debt Expenditures	0.00	0.00	0.00	0.00
Total Expenditures	\$ (17,289.12)	\$ (17,202.24)	\$ 0.00	\$ 17,202.24
Fund Net Change in Assets	\$ 17,289.12	\$ 17,202.24	\$ 0.00	\$ (17,202.24)

City Of Craig

Memorandum

To: Mayor Tim O'Connor and Craig City Council
From: Jessica Holloway, Aquatic Manager
Re: Feb Report
Date: February 10, 2021

The Aquatic Center reopened on 25 January. With as much as people inquired about the pool reopening we started very tame. We have started to pick up some but not at all like, I expected.

The promotional items that we are doing for February have so far been going very well. We have sold A LOT of passes and our first Saturday Fee Free swim brought in close to 80 patrons. We will continue these through the rest of the month.

The pool will start doing swim lessons at the begging of March. I have had a few inquiries about them but not a whole lot. When lessons start, we will only be doing them in groups of 5 for safety reasons. I plan to teach each guard on staff to teach as well and in time, we will be able to add more to a group or have two groups going at the same time. Kassan School will be doing lessons with us on Thursdays through out March.

The Aquatic Center is still recruiting for the Swim Coach positions, a full and a part time Lifeguard. We have had a few applications for the coach position but so far, the team and I have not found the right fit. I hope that that will come soon.

I am currently working on our budget and getting more programs going at the pool. With Covid "lifting", there has been more and more request For Lifeguarding and instructor courses. I am working with other pools to help make courses available so we can get more Alaska pools up and running with proper certifications.

Please feel free to reach out with questions or comments. pool@craigak.com

CITY OF CRAIG MEMORANDUM

To: Mayor O'Connor and the Craig City Council
From: Tracey Jensen, City Clerk
Date: February 11, 2021
RE: January 2020 Staff Report

Closure

City Hall will be closed for President's Day on Monday, February 15, 2021. Monday's Trash will be picked up on Tuesday, February 16, 2021.

Best Practices Documentation

We have compiled and submitted the current year's Best Practices documentation that will allow for our new scores in January 2021.

Training

We are currently training with Brian Templin and Henry at Horan & Company on the Mars system, to prepare for 2021 property appraisals and tax assessments.

2021 Senior Citizen and Disabled Veteran Property Tax Exemptions

We have updated, sent out and received the 2021 applications, and requirements for residents that qualify for the tax exemptions. All applications and documentation were due by January 15, 2021.

City Council Meetings:

As always, the majority of my duties consist of compiling information for the council; setting up council meetings; preparing council packets; staff reports; and creating council meeting minutes.

Next Craig City Council Meeting

The first Thursday of the Month will be March 4, 2021.

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Brian Templin, City Planner
Date: February 9, 2021
RE: Planner Staff Report

Craig Harbor Project

The USACE is continuing to work on the breakwater and harbor basin design. Design work has been slower than anticipated but the USACE expects to be finished late this year and ready for construction in 2022. The USACE has received the last \$200,000 that it needs for the design process. The city will have to match that with approximately \$20,000. We have already submitted some in-kind documentation and will work on additional in-kind documents to reduce the cash match for the remainder of the design project. I will likely be coming back to the council in the next month or so for approval of the remainder of the cash match in order to complete design.

The Governor included the Craig Harbor in Senate Bill 74, a bill to put an infrastructure bond on the ballot later this year. If SB74 is passed as is, and the public approves the bond, the city is slated to receive \$8.3 million toward the harbor project. This is short of the total that we are looking for, but would be a huge step toward completion. We are sending a letter of support for SB74 and will follow up with a resolution of support from the council.

The USACE is working to have construction funding for the breakwater in place and start construction in 2022. USACE staff asked that we help push the Washington DC office (primarily through our congressional delegation) to ensure that the project is included in the next fiscal year's budget.

Area COVID-19 Cases and Information

As of February 9, 2021, there have been a cumulative total of 42 positive cases on Prince of Wales:

- Resident Cases: 37
- Non-Resident Cases: 5
- Currently Active Cases: 2
- Recovered Cases: 40
- Cases in the Past 14 Days: 2
- Cases in the Past 10 Days: 2

Craig had a positive case reported on February 5, 2021 that was active as of February 9th. Cases on POW have been low, but we are seeing an increase in cases in Ketchikan in the past couple of weeks that may lead to additional cases on POW. Our local Public Health Nurses have done a great job providing current information on POW cases on the 1-888-894-1321 hotline. Public Health and the POW Health Network have been publishing data at least weekly on Facebook regarding current case numbers. A copy of the February 5th data sheet is attached.

SEARHC continues to distribute both Pfizer and Moderna vaccines. Another large batch of vaccine is expected and people are encouraged to sign up at www.covid19.search.org. Due to the number of doses available, and the number of people who have signed up online so far, SEARHC has been distributing vaccine through most of the eligible age groups and is encouraging everyone to sign up.

We have continued to monitor the alert level, number, and type of cases and will continue to have city facilities generally open to the public unless the situation changes based on the policy presented to the council in January.

State Health Orders and Craig City Actions

The current state disaster declaration expires on February 14th. A bill has been introduced in the legislature to extend the declaration until September 30th but the bill has faced some resistance in the senate and the house has still not organized and appointed committee members to hear any bills. It is likely that the current declaration will expire without legislative action. The Governor has not indicated if he will issue a new declaration if the legislature doesn't act. DHSS reports that, absent a disaster declaration, emergency measures to provide treatment, telehealth, extension of credentials, and distribution of the COVID-19 vaccine may be severely impacted.

Several health orders are still currently in effect. If there is no disaster declaration after February 14th, most of these will likely expire at the same time. The current health orders can be found at www.covid19.alaska.gov. Staff will continue to keep track of the state disaster declaration process and associated Health Orders and Mandates.

The city gym and recreation center has opened to additional functions and will continue to be open as long as local COVID-19 case conditions are deemed to be low risk. We are considering holding a Spring Bazaar in March as a replacement for the November/December 2020 bazaars that were canceled due to high local case counts.

Incident Management Team Current Priorities and Actions

- Working with the State and Federal Highways on a disaster declaration and disaster funding for the October 25 – November 2 slides.
- Continuing to work with Public Health to provide daily (Monday – Friday) updates to the POW Hotline regarding case counts and information. The hotline can be called at 1-888-894-1321.
- We will continue to work with SEARHC and Public Health on promoting vaccine distribution where we can assist them. There are a few things to keep in mind regarding current vaccinations:
 - Supplies are limited, but steady.
 - People are being asked to sign up online for vaccinations.
 - Limited distribution (front line workers, essential services, high risk by age or comorbidity, etc.) are currently receiving vaccine.
 - General distribution of vaccine (persons 16 – 50 years of age will likely occur in the first half of 2021.
 - Both of the vaccines being distributed require two doses in order to be effective.

- There is not enough information yet to determine the length of immunity from COVID-19 for people who have already been infected, or for people who receive vaccines. There are some studies suggesting that vaccinated persons may still be asymptomatic carriers of COVID-19. Currently the state is not changing travel or other policies for vaccinated persons. CDC is continuing to recommend face coverings, social distancing, and other mitigation measures even for people who have received the vaccine.
- Currently SEARHC is the only agency on POW providing vaccines. Public Health, PeaceHealth, and the pharmacy may provide vaccines in later phases/tiers.

Agency Coordination Meetings

Staff continues to meet regularly with other agencies and working groups. Regular meetings include:

- Craig EOC Incident Management Team meetings every two weeks
- Prince of Wales Medical Stakeholder meetings every two weeks
- Weekly meetings between Alaska DHSS and DHS&EM staff and community emergency managers
- Regular check-in meetings with Public Health and individual incident management team members as needed.
- Monthly meeting with POWCAC

CARES Act Funding

We are continuing to watch legislation at the federal level related to additional COVID19 relief funding. The current landscape of the legislation is rapidly changing as the political discussions go on. It is hoped that there will be some sort of revenue replacement for municipalities included in the final legislation.

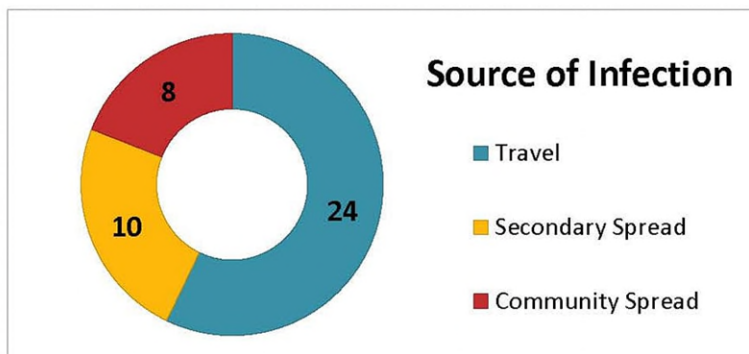
The Alaska Housing Finance Corporation (AHFC) is opening applications on February 16th for additional rent and utility relief using funds approved by congress in December. We are not part of this process, but have been advertising availability through our social media.

The US Small Business Administration (SBA) is currently accepting application (until March 31st or until the funds are used up) to help small businesses through additional Paycheck Protection Program (PPP) funds. This distribution is similar to the PPP loan/loan forgiveness program that was available last year. Small businesses who received funds last year may be eligible for additional funds under the current program. Like the AHFC program, the city is not involved in administering the program, but has been advertising its availability.

Prince of Wales Island COVID-19 Data

Updated 02/05/2021

Total Cases	Residents	Non-residents	Current Active Cases	Recovered	Deaths	Active cases in past 10 days (KCSD)	Active cases in past 14 days (CCSD, HCSD, SISD)
42	37	5	2	40	0	2	2



For daily updates, call the POW COVID-19 Hotline at 1-888-894-1321

Information provided by
 Craig Public Health
 State of Alaska, DHSS
 907-826-3433



Craig Emergency Services Monthly report, February 2021

Submitted by Minnie Ellison, EMT (II)

Craig EMS Coordinator II

For the month of January, we had 22 calls with 74 EMT/ETT responses.

Billing:

All calls are in the system and billed.

Training:

We have subscribed to Target Solutions, which allows our squad to get and stay current in their required CMEs. All members of EMS and Fire will be trained if they want to be.

We have had hands on training as often as we can, with our members. All around COVID.

Scheduling:

All members except Beccy are scheduled and responding.

Schedule changes happen as needed.

ALS Status:

Dr. Koehler has reassured me that she is still working on Protocols for ALS services for Craig. Until she makes it to Craig, and presents/ teaches expectations, we will continue to operate as a BLS service.

Dr. Koehler is planning on coming to Craig, she has not given us a date of travel.

Please let me know if there is any other information you would like to know about. Thank you for your support.

12/30/2020-1/31/2021

Patron Visits: 174
Circulation: 789
Computer Usage: 49
WiFi Usage: 79 unique visitors, 269 total visits
Tests Proctored: 0
Meetings: 0
Story Times: 5 (Facebook) Attendance: N/A
Inter-Library Loans: 41

Our Winter Reading Program ended on January 2nd with a total of 62 participants and 600 hours read! Our top reader hit 100 hours on her own! It was tricky to host this program without being able to allow patrons in the building at all, but I feel it was pretty successful with all things considered. I am hoping to be able to host in-person programs by June when the Summer Reading Program rolls around, but we'll work with whatever the COVID circumstances are at that time.

As we approach the start of Fiscal Year 2022, I am preparing to submit a budget to the city as well as applications for the Alaska State Public Library Assistance Grant and a grant from the Institute of Museum and Library Services. My goals for next year include upgrading the office computer and updating our children's non-fiction section.

Victoria has asked me to join the committee for Craig's Centennial Celebration in 2022. I will be assisting with finding and compiling some of the city's history, but my main focus will be getting the youth involved. I am already planning an art/essay contest that I am very excited about!

Klawock Head Start has invited me to do weekly Zoom story times with their class, which started this last Tuesday (Feb. 9th). It was very fun and I look forward to meeting with them every week! I've missed having a live audience; the kiddos are so fun.

Submitted by Angela Matthews, Library Director

Public works Report

Streets and Alleys:

- a. Snow removal and sanding as required
- b. Pot hole repairs
- c. Phase 1.2 sidewalk project started by CTA.

Sewer:

- a. Daily and Monthly General maintenance and sampling at the wastewater treatment plant as required.
- b. Responded to power outages as required.
- c. Monthly Sludge removal as required.

Water:

- a. Daily and Monthly General maintenance and sampling at the water treatment plant and distribution system as required.
- b. Water meter repair and/or replace as required.
- c. Monthly Bacti samples collected as required.
- d. Continuous work with radio read meter system. Additional radios have been ordered.
- e. Soda Ash machine has been received and staff is working with vendors to schedule on-site start sometime in March 2021
- f. TTHM&HAA5 samples within MCL; no violation to report.
- g. Sanitary survey completed as required by ADEC.

Equipment:

Solid Waste:

- a. Weekly pick-up process performed as require.
- b. 25 wind rings ordered. Delivery expected sometime in March 2021
- c. Household Hazardous Waste event; ongoing coordination with vender for May 2021

Requests:

Projects:

- a. Safety Program review (work in progress)
- b. New soda ash machine installed at water treatment plant(work in progress)
- c. North & South Cove Harbors back-flow preventer installation project bid(work in progress)

City of Craig, Recreation Report to the City Council, February, 2021



Submitted by Victoria Merritt

The City of Craig is opening up slowly with Covid19 cases slowing down and vaccinations available. Recreation has had a few activities open, after school and magic but we have just started a few more. Having Samantha Wilson as a helper has been wonderful.

TABATA Aerobics is back in the Gym Monday, Wednesday and Friday at 5:30AM. Saturday Skating and blading will be held from 4pm to 6pm as it is a more family friendly time. We started on February 13. Volleyball 4 on 4 open gym is back Tuesday and Thursdays at 7pm. Karate has a full compliment of youth and adult participants.

We had a 2 day 2 hour per day rental to the Hydaburg school. Half the kids went to the pool and the other half came to the gym to Skate and blade. Close to 40 kids plus adults each day.

We set the skates out on the bleachers to make it less congested and easier. The were helpful and cleaned up nicely.

Julie McDonald is looking at having a ballet class sometime in March. Maybe in the afternoon on Tuesday or Thursday. I am switching the after school skating to Monday and Wednesday.

Moving the Ping Pong table to the gym from the Rec center to offer another safe activity. Want to set up some badminton nets to compliment and maybe pickle-ball.

Had the first meeting of the Craig Centennial Committee on Tuesday, February 9 at the Youth and Recreation Center. Karen Head, Kathy and Katrina Peavey, Samantha Wilson and myself. We have lots of great ideas. A parade, a boat parade, a costume contest, a video, art installations, art exhibits, history talks, maybe even a dance. It is a very functional group. Ralph Mackie is a consultant. March 1, 2021 is the big day. We may start activities the previous weekend. I will keep you all posted. Suggestions welcome.

It is getting time to start planting the plants for the City Baskets.

I would like to thank Katrina Peavey for all of her work on the Clean ups we have held! This was her idea and it spread across the island. Thorne Bay, Klawock and Hollis participated. Tongass Electric donated \$200 for participation prizes and Kathy Peavey donated beautiful glass art. We had over 20 participants on February 6 here in Craig. Thanks to the harbor Department for letting us stage there and use of the dumpsters and to Public works for dumping them. We hope to continue the program, next we will help with Earth Day.





Parks & Public Facilities

2/12/2021

Staff Report – February 2021

To: Craig Mayor and City Council

From: Douglas Ward

Current Projects Underway:

1. Trail repairs, and re-graveling.
2. Installation of touchless fixtures in city buildings.
3. Oil soaked sawdust bagging.
4. Install new door on Police Department building.
5. Road upgrade on entrance to Ralph James Picnic Shelter.
6. Door openers at fire hall.
7. Ventilation for new mechanical room at Pool.

Completed Items:

1. Motor replacement AHU-1 fan at Aquatic Center.
2. Cemetery trail entrance through cemetery rebuild, widen, and gravel
3. Toilet repairs @ city hall.
4. Tree cutting and removal on city trails.
5. Day to day service calls

As always, don't hesitate to call or contact me anytime for questions or concerns. (907)401-1038

CITY OF CRAIG-Public/Government

Account Statement - Period Ending 12/31/2020



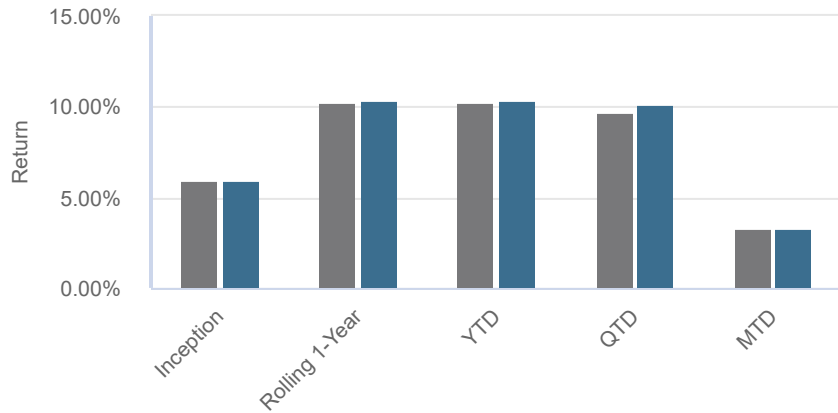
Account Activity

Portfolio Value on 12/1/2020	\$14,091,864.66
Contributions	\$0.00
Withdrawals	\$0.00
Change in Market Value	\$380,792.68
Dividends and Interest	\$45,902.89
Portfolio Value on 12/31/2020	\$14,521,218.91

Management Team

Client Relationship Manager:	Allison Capps
	Allison@apcm.net
Portfolio Manager	Bill Lierman, CFA®
	Bill@apcm.net
Contact Phone Number:	(907) 272-7575

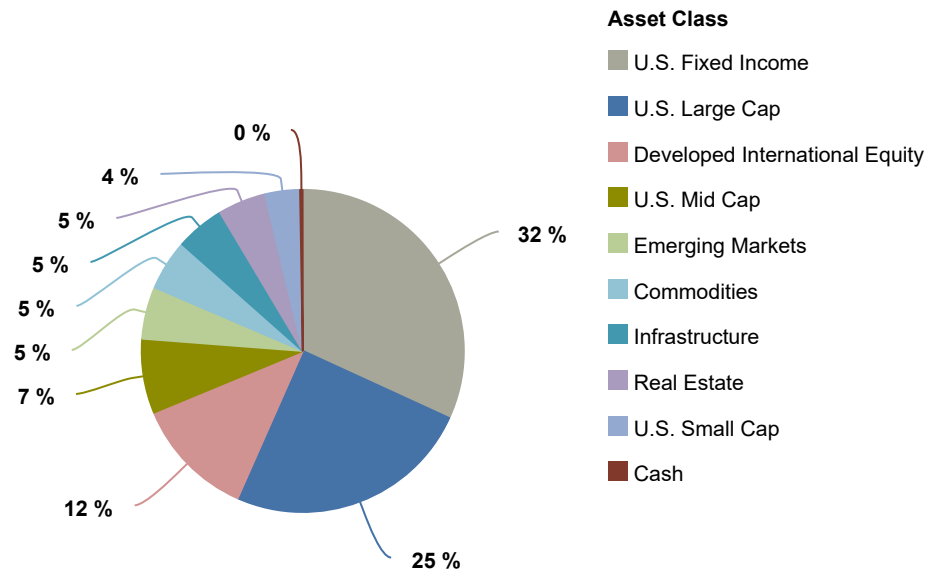
Investment Performance



	Inception	Rolling 1 Year	Year to Date	Quarter to Date	Month to Date
Portfolio	6.11 %	10.48 %	10.48 %	9.66 %	3.18 %
Strategic Benchmark	5.83 %	10.20 %	10.20 %	10.07 %	3.15 %

Performance Is Annualized for Periods Greater than One Year

Portfolio Composition



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

Portfolio Summary and Targets

Allocation Range

Asset Class and Target	Market Value	Percent of Assets	Range:
Fixed Income (34.00 %)			
Fixed Income (34.00 %)			
U.S. Fixed Income (34.00 %)	\$4,623,300.24	31.84 %	20% to 45%
Cash (0.00 %)	\$38,509.85	0.27 %	na
Subtotal	\$4,661,810.09	32.10 %	
Equity (51.00 %)			
Equity (51.00 %)			
U.S. Large Cap (24.00 %)	\$3,598,595.00	24.78 %	15% to 35%
U.S. Mid Cap (7.00 %)	\$1,084,108.11	7.47 %	2% to 12%
U.S. Small Cap (3.00 %)	\$508,574.60	3.50 %	0% to 6%
Developed International Equity (12.00 %)	\$1,762,471.47	12.14 %	7% to 17%
Emerging Markets (5.00 %)	\$759,741.84	5.23 %	0% to 10%
Subtotal	\$7,713,491.02	53.12 %	
Alternatives (15.00 %)			
Alternatives (15.00 %)			
Real Estate (5.00 %)	\$696,501.10	4.80 %	0% to 10%
Commodities (5.00 %)	\$735,860.22	5.07 %	0% to 10%
Infrastructure (5.00 %)	\$713,556.48	4.91 %	0% to 10%
Subtotal	\$2,145,917.80	14.78 %	
Total Portfolio	\$14,521,218.91	100.00 %	

Portfolio Appraisal

Quantity	Security	Security Symbol	Total Cost	Price	Market Value	Percent of Assets
U.S. Large Cap						
Core Domestic Large Cap Equity						
9,625.00	SPDR S&P 500 Trust	SPY	\$1,629,785.31	\$373.88	\$3,598,595.00	
			\$1,629,785.31		\$3,598,595.00	24.78 %
U.S. Mid Cap						
Core Domestic Mid Cap Equity						
4,717.00	iShares Core S&P Mid-Cap ETF	IJH	\$630,480.16	\$229.83	\$1,084,108.11	
			\$630,480.16		\$1,084,108.11	7.47 %
U.S. Small Cap						
Core Domestic Small Cap Equity						
5,534.00	iShares Core S&P Small-Cap	IJR	\$371,799.43	\$91.90	\$508,574.60	
			\$371,799.43		\$508,574.60	3.50 %
Developed International Equity						
Core International Equity						
12,029.00	iShares MSCI EAFE	EFA	\$739,342.35	\$72.96	\$877,635.84	
12,807.00	iShares Core MSCI EAFE	IEFA	\$759,452.91	\$69.09	\$884,835.63	
			\$1,498,795.26		\$1,762,471.47	12.14 %
Emerging Markets						
Core Emerging Market Equity						
12,246.00	iShares Core MSCI Emerging Markets	IEMG	\$569,775.27	\$62.04	\$759,741.84	
			\$569,775.27		\$759,741.84	5.23 %
Real Estate						
Core Real Estate Equity						
3,729.00	Pacer Benchmark Industrial Real Estate Sector ETF	INDS	\$130,962.48	\$36.80	\$137,227.20	
7,066.00	JP Morgan Beta Builders MSCI US REIT ETF	BBRE	\$542,193.42	\$79.15	\$559,273.90	
			\$673,155.90		\$696,501.10	4.80 %

Quantity	Security	Security Symbol	Total Cost	Price	Market Value	Percent of Assets
Commodities						
Core Commodities						
16,150.00	iShares US Bloomberg Roll	CMDY	\$621,274.30	\$45.56	\$735,860.22	
			\$621,274.30		\$735,860.22	5.07 %
Infrastructure						
Core Infrastructure Equity						
13,273.00	FlexShares STOXX Global Broad Infrastructure	NFRA	\$646,676.29	\$53.76	\$713,556.48	
			\$646,676.29		\$713,556.48	4.91 %
U.S. Fixed Income						
Agencies						
50,000.00	Freddie Mac 0.45% 12/24/2024	3134GWQ82	\$50,014.04	\$1.00	\$50,071.12	
50,000.00	FHLB Ser 5146 0.50% 4/14/2025	3130AJHU6	\$50,172.78	\$1.01	\$50,380.47	
40,000.00	Fhfb 0.60% 08/27/25	3130AJZ36	\$39,975.00	\$1.00	\$39,945.47	
40,000.00	FHLB Bond 1.63% 3/12/2027	3130AJ4B2	\$41,550.18	\$1.07	\$42,733.76	
Corporate Bonds						
50,000.00	American Express Credit Note 2.25% 5/5/2021	0258M0EB1	\$49,962.50	\$1.01	\$50,430.00	
50,000.00	Gilead Sciences Inc Note Call Make Whole 1.95% 3/1/2022	375558BH5	\$49,553.50	\$1.02	\$51,267.50	
50,000.00	Unitedhealth Group Inc 2.875% 3/15/2022	91324PBV3	\$50,343.27	\$1.02	\$51,643.76	
50,000.00	Aflac Inc Sr Unsecured M-W Cal Lable 3.625% 6/15/2023	001055AL6	\$51,283.08	\$1.08	\$53,990.55	
50,000.00	Bank New York Mellon Corp 2.20% 8/16/2023	06406FAD5	\$49,511.53	\$1.05	\$52,789.50	
50,000.00	Jpmorgan Chase & Co Fr 3.875% 2/1/2024	46625HJT8	\$50,982.81	\$1.10	\$55,829.29	
50,000.00	Metlife Inc 3.60% 4/10/2024	59156RBH0	\$51,406.63	\$1.10	\$55,359.00	
50,000.00	Wells Fargo & Company Mtn 3.30% 9/9/2024	94974BGA2	\$49,941.00	\$1.10	\$55,273.83	
50,000.00	Applied Matls Inc Note Call Make Whole 3.90% 10/1/2025	038222AJ4	\$52,413.61	\$1.14	\$57,620.00	
50,000.00	Target Corp Note Call Make Whole 2.50% 4/15/2026	87612EBE5	\$48,885.65	\$1.11	\$55,522.39	
25,000.00	Intel Corp 2.45% 11/15/2029	458140BH2	\$26,309.34	\$1.08	\$27,197.26	
FNMA & FHMLC Mortgage Pools						
2,265.88	FHLMC PC Gold Comb 4.00% 4/1/2026	3128MC3L7	\$2,999.88	\$1.06	\$2,410.52	
US Treasury Notes						
75,000.00	US Treasury Note 2.00% 10/31/2021	912828F96	\$75,001.55	\$1.02	\$76,420.16	

Quantity	Security	Security Symbol	Total Cost	Price	Market Value	Percent of Assets
U.S. Fixed Income						
US Treasury Notes						
100,000.00	US Treasury Note 1.875% 1/31/2022	912828V72	\$100,044.01	\$1.02	\$102,675.65	
350,000.00	US Treasury Note 0.375% 3/31/2022	912828ZG8	\$350,687.24	\$1.00	\$351,444.59	
200,000.00	US Treasury Note 2.125% 6/30/2022	912828XG0	\$198,320.41	\$1.03	\$205,995.74	
150,000.00	US Treasury Note 1.625% 11/15/2022	912828TY6	\$148,949.42	\$1.03	\$154,493.97	
80,000.00	US Treasury Note 2.625% 2/28/2023	9128284A5	\$79,782.96	\$1.05	\$85,003.94	
165,000.00	US Treasury Note 0.25% 4/15/2023	912828ZH6	\$164,941.45	\$1.00	\$165,494.46	
125,000.00	US Treasury Note 2.50% 8/15/2023	912828VS6	\$124,611.33	\$1.06	\$133,865.37	
130,000.00	US Treasury Note 1.375% 8/31/2023	9128282D1	\$129,898.44	\$1.03	\$134,832.35	
115,000.00	US Treasury Note 2.125% 3/31/2024	912828W71	\$113,988.22	\$1.06	\$122,815.31	
100,000.00	US Treasury Note 2.375% 8/15/2024	912828D56	\$100,090.87	\$1.08	\$108,674.08	
75,000.00	US Treasury Note 1.50% 9/30/2024	912828YH7	\$78,436.32	\$1.05	\$78,825.27	
130,000.00	US Treasury Note 2.125% 11/30/2024	9128283J7	\$132,055.64	\$1.07	\$139,751.10	
75,000.00	US Treasury Note 2.00% 2/15/2025	912828J27	\$75,352.91	\$1.07	\$80,866.08	
360,000.00	US Treasury Note 0.50% 3/31/2025	912828ZF0	\$362,070.39	\$1.01	\$363,724.93	
80,000.00	US Treasury Note Ser Y-2025 0.38% 4/30/2025	912828ZL7	\$80,223.17	\$1.00	\$80,341.78	
50,000.00	US Treasury Note 0.375% 11/30/2025	91282CAZ4	\$50,040.14	\$1.00	\$50,087.07	
100,000.00	US Treasury Note 2.50% 2/28/2026	9128286F2	\$100,282.03	\$1.11	\$111,708.45	
60,000.00	US Treasury Note 1.625% 5/15/2026	912828R36	\$60,359.75	\$1.06	\$64,012.79	
200,000.00	US Treasury Note 2.00% 11/15/2026	912828U24	\$197,725.49	\$1.09	\$218,199.34	
145,000.00	US Treasury Note 0.625% 3/31/2027	912828ZE3	\$146,095.54	\$1.01	\$146,048.45	
50,000.00	US Treasury Note 0.50% 4/30/2027	912828ZN3	\$50,024.32	\$1.00	\$49,917.82	
125,000.00	US Treasury Note 2.25% 11/15/2027	9128283F5	\$120,499.73	\$1.11	\$139,163.91	
100,000.00	US Treasury Note 0.625% 11/30/2027	91282CAY7	\$99,928.99	\$1.00	\$100,039.25	
80,000.00	US Treasury Note 3.125% 11/15/2028	9128285M8	\$81,324.23	\$1.18	\$95,042.99	
125,000.00	US Treasury Note 2.625% 2/15/2029	9128286B1	\$124,770.78	\$1.15	\$144,735.63	
50,000.00	US Treasury Note 1.625% 8/15/2029	912828YB0	\$49,673.20	\$1.07	\$53,795.40	
70,000.00	US Treasury Note 1.75% 11/15/2029	912828YS3	\$69,769.64	\$1.08	\$75,810.85	
130,000.00	US Treasury Note 1.50% 2/15/2030	912828Z94	\$140,250.20	\$1.06	\$138,288.25	
50,000.00	United States Treas Ser E-2030 0.63% 8/15/2030	91282CAE1	\$49,475.90	\$0.98	\$48,868.04	

Quantity	Security	Security Symbol	Total Cost	Price	Market Value	Percent of Assets
U.S. Fixed Income						
US Treasury Notes						
50,000.00	US Treassury Note 0.88% 11/15/2030	91282CAV3	\$49,807.95	\$1.00	\$49,892.80	
			\$4,419,787.02		\$4,623,300.24	31.84 %
Cash						
Cash Sweep						
38,509.85	Schwab Bank Sweep	SchwabCash	\$38,509.85	\$1.00	\$38,509.85	
			\$38,509.85		\$38,509.85	0.27 %
Total Portfolio			\$11,100,038.79		\$14,521,218.91	100.00 %

Transaction Summary From 12/1/2020 - 12/31/2020

Trade Date	Settle Date	Security	Quantity	Trade Amount
Buy Exchange				
12/22/2020	12/23/2020	US Treasury Note 0.375% 11/30/2025	50,014.99	\$50,040.34
12/22/2020	12/23/2020	US Treassury Note 0.88% 11/15/2030	50,015.06	\$49,807.95
12/22/2020	12/23/2020	US Treasury Note 0.625% 11/30/2027	100,015.01	\$99,928.99
Buy Exchange Total:				\$199,777.28
Sell Exchange				
12/22/2020	12/23/2020	Schwab Bank Sweep	-50,040.34	-\$50,040.34
12/22/2020	12/23/2020	Schwab Bank Sweep	-49,807.95	-\$49,807.95
12/22/2020	12/23/2020	Schwab Bank Sweep	-99,928.99	-\$99,928.99
Sell Exchange Total:				-\$199,777.28
Dividends and Interest				
12/15/2020	12/15/2020	FHLMC PC Gold Comb 4.00% 4/1/2026	0.00	\$7.87
12/15/2020	12/15/2020	Aflac Inc Sr Unsecured M-W Cal Lable 3.625% 6/15/2023	0.00	\$906.25
12/15/2020	12/15/2020	FHLMC PC Gold Comb 4.00% 4/1/2026	0.00	\$95.22
12/18/2020	12/18/2020	iShares MSCI EAFE	0.00	\$8,354.08
12/18/2020	12/18/2020	iShares Core S&P Mid-Cap ETF	0.00	\$3,111.47
12/18/2020	12/18/2020	iShares Core S&P Small-Cap	0.00	\$1,370.79
12/18/2020	12/18/2020	iShares US Bloomberg Roll	0.00	\$1,068.69
12/18/2020	12/18/2020	iShares Core MSCI EAFE	0.00	\$7,841.27
12/18/2020	12/18/2020	iShares Core MSCI Emerging Markets	0.00	\$8,859.97
12/22/2020	12/23/2020	US Treasury Note 0.375% 11/30/2025	0.00	-\$11.85
12/22/2020	12/23/2020	US Treassury Note 0.88% 11/15/2030	0.00	-\$45.93
12/22/2020	12/23/2020	US Treasury Note 0.625% 11/30/2027	0.00	-\$39.49
12/24/2020	12/24/2020	FlexShares STOXX Global Broad Infrastructure	0.00	\$4,443.99
12/28/2020	12/28/2020	JP Morgan Beta Builders MSCI US REIT ETF	0.00	\$6,864.41
12/28/2020	12/28/2020	Pacer Benchmark Industrial Real Estate Sector ETF	0.00	\$949.74
12/31/2020	12/31/2020	US Treasury Note 2.125% 6/30/2022	0.00	\$2,125.00
Dividends and Interest Total:				\$45,901.48

Trade Date	Settle Date	Security	Quantity	Trade Amount
Dividend Interest Reinvested				
12/15/2020	12/15/2020	Schwab Bank Sweep	1.41	\$1.41
Dividend Interest Reinvested Total:				\$1.41
Exchange and Other Trade Fees				
12/22/2020	12/23/2020	US Treasury Note 0.375% 11/30/2025	-14.99	-\$15.00
12/22/2020	12/23/2020	US Treassury Note 0.88% 11/15/2030	-15.06	-\$15.00
12/22/2020	12/23/2020	US Treasury Note 0.625% 11/30/2027	-15.01	-\$15.00
Exchange and Other Trade Fees Total:				-\$45.00
Advisory Fees Paid				
12/14/2020	12/14/2020	Schwab Bank Sweep	-3,522.99	-\$3,522.99
Advisory Fees Paid Total:				-\$3,522.99

Realized Gain/Loss

CITY OF CRAIG - SCHOOL FUNDS-Public/Government

Account Statement - Period Ending 12/31/2020



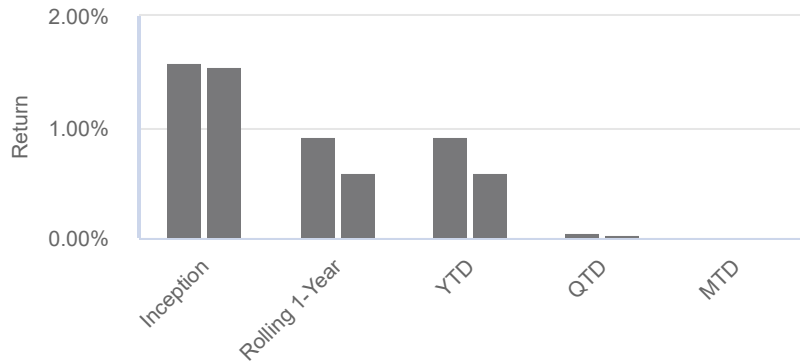
Account Activity

Portfolio Value on 12/1/2020	\$3,104,315.52
Beginning Bond Accrual	\$4,627.03
Contributions	\$0.00
Withdrawals	\$0.00
Change in Market Value	-\$813.85
Dividends and Interest	\$0.19
Portfolio Value on 12/31/2020	\$3,103,501.86
Ending Bond Accrual	\$5,658.97

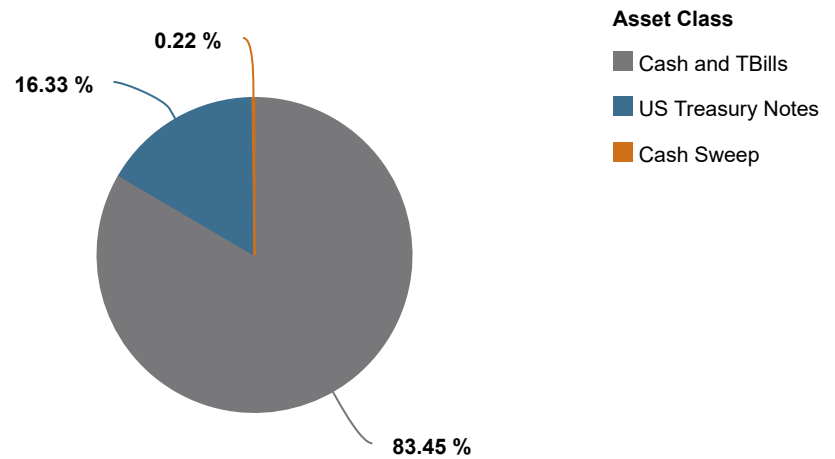
Management Team

Client Relationship Manager:	Allison Capps
	Allison@apcm.net
Portfolio Manager	Bill Llerman, CFA®
	Bill@apcm.net
Contact Phone Number:	(907) 272-7575

Investment Performance



Portfolio Composition



	Inception	Rolling 1 Year	Year to Date	Quarter to Date	Month to Date
Portfolio	1.56 %	0.91 %	0.91 %	0.03 %	0.01 %
Strategic Benchmark	1.54 %	0.58 %	0.58 %	0.02 %	0.01 %

Performance is Annualized for Periods Greater than One Year.

Fixed Income Statistics
 Average Quality: AAA Yield to Maturity: 0.06% Average Maturity: 0.29 Yrs

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

Portfolio Appraisal

Quantity	Security	Security Symbol	Total Cost	Price	Market Value	Accrued Interest	Percent of Assets
U.S. Fixed Income							
US Treasury Notes							
490,000.00	US Treasury Note 2.50% 1/15/2022	9128285V8	\$501,994.67	\$1.02	\$502,054.00	\$5,658.97	
			\$501,994.67		\$502,054.00	\$5,658.97	16.33 %
Cash							
Cash and TBills							
570,000.00	US Treasury Bill 0.00% 1/5/2021	912796A58	\$569,982.90	\$1.00	\$570,000.00	\$0.00	
200,000.00	US Treasury Bill 0.00% 1/14/2021	9127963U1	\$199,877.32	\$1.00	\$199,998.00	\$0.00	
340,000.00	US Treasury Bill 0.00% 1/19/2021	912796A74	\$339,851.46	\$1.00	\$339,993.20	\$0.00	
560,000.00	US Treasury Bill 0.00% 2/25/2021	912796XE4	\$559,689.89	\$1.00	\$559,944.00	\$0.00	
435,000.00	US Treasury Bill 0.00% 3/25/2021	9127962F5	\$434,785.32	\$1.00	\$434,927.36	\$0.00	
490,000.00	US Treasury Bill 0.00% 4/22/2021	9127962Q1	\$489,729.82	\$1.00	\$489,882.40	\$0.00	
Cash Sweep							
6,702.90	Schwab Bank Sweep	SchwabCash	\$6,702.90	\$1.00	\$6,702.90	\$0.00	
			\$2,600,619.61		\$2,601,447.86	\$0.00	83.67 %
Total Portfolio			\$3,102,614.28		\$3,103,501.86	\$5,658.97	100.00 %

Transaction Summary From 12/1/2020 - 12/31/2020

Trade Date	Settle Date	Security	Quantity	Trade Amount
Buy Exchange				
12/17/2020	12/17/2020	Schwab Bank Sweep	570,000.00	\$ 570,000.00
12/17/2020	12/18/2020	US Treasury Bill 0.00% 1/5/2021	570,000.00	\$ 569,982.90
			Buy Exchange Total:	\$ 1,139,982.90
Sell Exchange				
12/17/2020	12/17/2020	US Treasury Bill 0.00% 12/17/2020	-570,000.00	-\$ 570,000.00
12/17/2020	12/18/2020	Schwab Bank Sweep	-569,982.90	-\$ 569,982.90
			Sell Exchange Total:	-\$ 1,139,982.90
Dividend Interest Reinvested				
12/15/2020	12/15/2020	Schwab Bank Sweep	0.19	\$ 0.19
			Dividend Interest Reinvested Total:	\$ 0.19

Realized Gain/Loss

Acquired Date	Units	Security	Cost Basis	Proceeds	Total Gain/Loss
CITY OF CRAIG - SCHOOL FUNDS-Public/Government					
6/24/2020	570,000.00	US Treasury Bill 0.00% 12/17/2020	\$569,571.53	\$570,000.00	\$428.47
CITY OF CRAIG - SCHOOL FUNDS-Public/Government Total:			\$1,139,554.43	\$1,139,982.90	\$428.47



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MEMO: CARES Act Review through December 2020

There has been intense interest in how local governments have utilized their portion of the State's Coronavirus Relief Funds (CRF), a subset of Congressional support through the CARES Act. It is important to know the difference, because through the CARES Act approximately \$6 billion flowed into Alaska. The CRF funds are specifically those that were for state and local relief, which came directly to the State with the recommended distribution of 45% to local governments. The Governor proposed and the Legislature approved RPLs that were consistent with this federal guidance.

The State designed a formula for apportioning the CRF funds between communities and was entirely responsible for the levels of funding that each community received. A standard grant agreement was entered into between the community and DCRA, and it is important to note that the federal law allows no additional conditions on those funds beyond that established in the CARES Act.

The State is the "prime recipient" and local governments subrecipients of this federal financial assistance. Subrecipients follow the same Treasury guidance as the State, with the basic criteria that expenditures must 1) be deemed necessary by the recipient (necessary isn't determined by the State or even Treasury), 2) have occurred within the covered period, from March through the end of December 30, 2020, and 3) consistent with the six areas of allowability as outlined by the U.S. Treasury.

A week prior to the deadline, Congress passed the Consolidated Appropriation Act of 2020, which provided no additional relief but extended the CRF deadline to the following year. Just to be clear, one week before 200+ Alaska communities were required to have fully spent these funds, Congress pushed the deadline out for a longer period than the actual initial grant period. While this resulted in some relief, it is really too little, too late. Congress created an arbitrary deadline initially that resulted in a level of urgency that required local governments to develop and implement processes that corresponded to a slew of restrictions on expenditures. It was challenging, complicated, and unnecessary. Alaska's cities and boroughs should be commended for the extent they were able to navigate through this process in a timely and meaningful way, which resulted in strong support for Alaska's residents and businesses.

The State requires local governments to submit monthly reporting by the end of the following month, so reporting is always a month behind and takes time to process. The State won't be able to assess the efficacy of expenditures until at least mid-February. With the extension by Congress, there is less pressure to finalize the process, but there's a lot that right now we can understand about the distribution and spending.

On distribution:

- A total of \$568,572,885.98 was made eligible to 228 communities, through the RPL process
- All but \$2,628,964.71 remains for 28 communities to enter into agreement for
- The majority (18) of these remaining communities are unincorporated



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- The reasons most often expressed for not accepting funds are 1) tribal governments received their own direct distribution from Treasury, 2) concern about risk or liability of accepting funds, and 3) potentially little impact from pandemic
- By the original reporting deadline, nearly \$35 million was left to be distributed by the State
 - Even under that deadline, it was possible for the State to distribute those funds
 - It just means that reporting hadn't caught up with the distribution request, which had to demonstrate 80% of spending of the previous amount received
- Through November, \$408 million had been reported spent – 72% of CRF had been spent a month prior to the original deadline
- It is important to know that 50 local governments will be required to complete federal single audits, many for the first time – that requirement will provide an effective review of spending

Local governments are required to categorize their expenditures by type, according to Treasury's OIG, which were developed months after reporting began. This meant that OMB's original six categories expanded into 14 mid-way through, and local governments had to go back through and recategorize their earlier reporting. But we do have good visibility now on where funds went.

1. Administrative - \$5.9 million
2. Payroll (other) - \$9.9 million
3. Payroll (public health and safety) - \$139 million
4. Testing and Tracing - \$661,000
5. Medical - \$12.7 million
6. Telework - \$2.7 million
7. Distance Learning – \$5.4 million
8. Public Health - \$23.5 million
9. Nursing Home Assistance - \$70,000
10. Food Programs - \$1.7 million
11. Housing Support - \$34 million
12. Small Business Assistance - \$96 million
13. Other Economic - \$70.4 million
14. Other - \$5.2 million

It is worth noting that OMB required reporting on all expenditures over \$25,000, and we can see that the bulk of these are on grants of assistance to businesses and other community organization, as well as infrastructure or supplies in response to public health needs.

It is straightforward to compartmentalize spending into a few buckets:

- Community and Economic Support - \$202 million
- Public health - \$40 million
- Emergency Operations/Public Safety - \$155 million



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On public health, it is worth noting that most local governments don't have public health powers nor the capacity to implement them. That's different than counties elsewhere. Cities and boroughs strengths really rested on 1) the responsibility given them by the Governor to implement emergency response and mitigation measures in place of the State, and 2) the critical need to keep communities whole by providing economic assistance to individuals and businesses.

Local governments have been responsible for and effective at protecting Alaska's healthcare capacity by flattening the curve when it needed it; maintained critical infrastructure, essential services, and public safety and first responders; and implemented unprecedented economic and community assistance programs that have provided a lifeline to Alaskans and Alaska businesses.



MEMO: COVID's Impacts to Local Governments

The Alaska Municipal League (AML) has been trying to assess the budgetary impact of the pandemic throughout its course, with frequent polling of members to better understand the challenges they were facing. Our most recent survey paints a dim picture for the financial health of Alaska's local governments. The following is a snapshot of lost revenues.

Municipality	Sales Tax	Bed/Rental Car Tax	Fees/Receipts
Adak	\$40,000	\$15,000	\$500,000
Anchorage		\$21,000,000	\$2,000,000
Denali Borough		\$4,000,000	\$250,000
Emmonak	\$60,000		\$410,000
Fairbanks		\$1,900,000	
Juneau	\$16,700,000	\$1,120,000	\$17,000,000
Kenai Peninsula Borough	\$4,500,000		
Ketchikan Gateway Borough	\$2,750,000	\$75,000	\$2,000,000
Lake and Peninsula Borough	\$180,000	\$160,000	\$38,000
Marshall	\$2000		
Matanuska Susitna Borough	\$600,000	\$700,000	
Metlakatla			\$1,150,000
Petersburg Borough	\$250,000	\$20,000	\$150,000
Sand Point	\$250,000		\$185,000
Seward	\$2,000,000	\$500,000	
Skagway	\$8,000,000	\$120,000	\$700,000
St. Michael	\$2,800	\$61,500	\$66,118
Unalakleet		\$5,000	

These 18 respondents to our fiscal impact survey reviewed revenue for FY20 Q4 and FY21 Q1 with prior year data and found negative impacts totaling nearly \$90 million. For reference, that is 18 of 165 local governments captured in this survey, for a six-month period out of a 10-month crisis. This provides an incomplete picture of the impact that the pandemic has wrought. It also leaves out the roughly \$115 million impact of the Governor's vetoes to the FY21 budget. In response to a separate survey, 35 municipalities reported significant lost revenue.

It is hard to understand what these numbers mean without looking more in detail at their overall budget, but they represent for some as much as 90% of their total revenue and for others as little as between 1 and 5%. There is no uniformity to how local governments experienced these impacts. What we can say is that the majority of Alaska's local governments experienced lost revenue during this period. CARES Act funds were leveraged effectively to fill gaps where it was allowable, as it was intended, but the bulk of CARES Act funds were distributed as financial support to businesses and individuals, as was necessary.

In response to the pandemic and their own resident fiscal conditions:

- Eight implemented furloughs or reduced staff hours
- Nine eliminated or reduced programs or services
- Only two increased or added new taxes
- Eleven waived fees or other normal charges
- Ten accessed grant programs or took out loans
- Twelve reduced capital budget

Additional actions reported included spending down of emergency reserves, eliminated travel and training, and adjusted prior year appropriations. Again, we can say that the majority of local governments implemented some combination of cost-saving measures to address their revenue shortfall; while not reflected fully here we know that the reality is that local governments drew down emergency reserves to avoid direct impacts to the community and reduced their infrastructure spending.

Beyond those listed above, it is worth noting the responses others have provided as to the impact they have experienced:

- Anderson – 60% decline due to lost tourism
- Aniak – did not bill city customers for three months
- Brevig Mission – closed bingo and pull tabs resulting in major loss to city and lost staff
- Chevak – closed bingo and pull tabs resulting in staff reductions
- Coffman Cove – reduced moorage fees
- Cordova – revenues declined by \$500,000
- Craig – sales tax down 20%, bed tax down more than half; employee furloughs
- Dillingham – forgiving interest and penalties on sales and property tax, utility fees
- Fort Yukon – lost about \$300,000 due to gaming, liquor store closures; staff reductions
- Grayling – 30% reduction in revenue
- Holy Cross – bingo and pull tab closures resulted in employee layoffs
- Hughes - \$23,000 reduction resulted in staff and hour reductions
- Huslia – down 8% leading to reduction to public services
- Kake – losses of 35-45%; staff reductions
- Marshall – furloughs and reduced hours
- Platinum - \$35,00 decrease
- Saxman – reducing staff
- Shaktoolik – 2-5% drop in sales tax
- Soldotna – stayed the same
- Whittier – loss of \$2 million

During this same period, local governments were at the heart of the State's public health response. In many ways, they were the State's public health response. The DHSS team did a remarkable job communicating data, trends, concerns, and appropriate mitigation strategies. But for fully six months or

more of this pandemic it has only been at the local level that mitigation measures have been taken. At least 61 local governments have had in place emergency declarations that included mitigation measures that at least affect all public infrastructure and many of which extended into travel or quarantine action. 61 cities and boroughs have had mask mandates in place, at least in their facilities but again many that extended to the entire community. 31 have had travel restrictions in place or hunker down orders. Note that nearly 50 communities weren't reached as part of this survey.

All of these numbers are likely much higher.

As we enter the FY22 budget cycle, it will be imperative 1) to ensure that the State budget inflicts no further harm, and 2) that Congress authorize an additional round of local government relief to assist especially with lost revenue replacement.

The State's budget reduction measures have mainly focused on cost-shifting to local governments, and/or eliminating programs that directly impact communities. Reductions or vetoes to school bond debt reimbursement and municipal port and harbor debt reimbursement have to be made up somehow, and will most likely, at this point, be through tax increases. Reductions to Community Assistance over the years, including by 30% this last year, have meant less available to maintain basic administration. The State has not kept up with fully funding community and regional jails, the Alaska Marine Highway System, and local emergency response planning. It is wholly inadequate in funding school construction and major maintenance. The Legislature will need to address its revenue shortfall through a broad-based tax, and not by shifting costs to the next level of government or by further diminishing the PFD. The latter two options are more likely to result in greater negative impacts to the majority of Alaskans.

Federal assistance will be necessary to maintain continuity of emergency operations not just in relation to COVID mitigation and response but to sustain efficient vaccine distribution. There will remain a public health emergency as long as there is the threat of overwhelmed medical facilities and staff, not just within Alaska but across the US and globally. At the same time, it will be critical to restore budgets to pre-pandemic levels so that services are not further reduced or risk elimination, and to moderate any potential tax increases. Residents have also relied on municipal rent/mortgage, food, childcare, and individual assistance, just as businesses have been supported through local government grants. The loss of these programs, absent federal support, will be felt keenly; additional federal aid can be tailored to local solutions when implemented by local governments.

In March of 2020 AML estimated that the costs of the pandemic to local governments – over the course of two fiscal years – would land around a billion dollars. That's been borne out, generally. While the CARES Act helped, local governments weren't made whole. In fact, the obligations that local governments took on via the CARES Act, including all of the economic assistance that was provided, add to that costs of the pandemic. This coming fiscal year - if State and federal actions aren't forthcoming - will leave local governments considering additional budget reductions, tax increases, reduced services, and less ability to step in when the State doesn't.



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community, and Economic Development

DIVISION OF COMMUNITY AND REGIONAL AFFAIRS
Anchorage Office

550 West Seventh Avenue, Suite 1640
Anchorage, Alaska 99501
Main: 907.269.4581
Fax: 907.269.4539

January 15, 2021

Mr. John Bolling, City Administrator
City of Craig
P.O. Box 725
Craig, AK 99921

SUBJECT: Population Determination for FY2022 DCCED Financial Assistance Programs

Dear Mr. Bolling:

Pursuant to 3 AAC 180.050(d), the Commissioner of the Department of Commerce, Community, and Economic Development annually certifies the population of each municipality, community, and reserve in the State of Alaska for use in various financial assistance programs based upon population determinations made pursuant to 3 AAC 180.030. For the [COMM] the following population will be used for all FY22 programs the department administers.

The population of Craig has been determined to be 1065

If you do not agree with the population determination, you may request a population adjustment by submitting a written request and substantiate the request by completing either of the two approved methods: Head Count Census Method or Housing Unit Method. The request must include a resolution from the governing body proposing a corrected population total.

If you choose to request a population adjustment, please review the Head Count Census and Housing Unit Method manuals the department has published to assist you with this process. These manuals are available at <http://commerce.alaska.gov/web/dcra/> or you may also contact the department for a copy of the manuals.

The request for adjustment and completed census documentation must be postmarked no later than April 1, 2021, and submitted to:

Department of Commerce, Community, and Economic Development
Division of Community and Regional Affairs
Attn: Grace Beaujean
550 West 7th Avenue, Suite 1640
Anchorage, AK 99501

Please refer to 3 AAC 180.040 for requirements governing requests for adjustments to population determinations.

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FY2022 DCCED Population Estimates

January 15, 2021

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For additional information, please contact Grace Beaujean, Research Analyst III, at 907.269.4521 or DCRARResearchAndAnalysis@alaska.gov.

Sincerely,

/s/

Sandra Moller

Director

Cc: Division of Community and Regional Affairs, Research and Analysis Section
Division of Community and Regional Affairs, Community Aid and Accountability Section

CITY OF CRAIG, ALASKA

SALES TAX HISTORY

DATE COLLECTED THROUGH	<u>09-30</u>	<u>12-31</u>	<u>03-31</u>	<u>06-30</u>	<u>TAX COLLECTED</u>
FY 2021					
SALES TAX	\$ 489,982.60	\$ 321,026.52			\$ 811,009.12
DELINQUENT SALES TAX					\$ -
TRANSIENT ROOM Tax	\$ 6,232.28	\$ 1,460.00			\$ 7,692.28
LIQUOR SALES TAX	\$ 39,224.35	\$ 29,424.85			\$ 68,649.20
	\$ 535,439.23	\$ 351,911.37	\$ -	\$ -	\$ 887,350.60
FY 2020					
SALES TAX	\$ 662,466.11	\$ 319,885.97	\$ 272,765.07	\$ 401,909.80	\$ 1,657,026.95
DELINQUENT SALES TAX					\$ -
TRANSIENT ROOM Tax	\$ 14,630.00	\$ 4,880.00	\$ 1,165.00	\$ 770.00	\$ 21,445.00
LIQUOR SALES TAX	\$ 40,861.31	\$ 26,130.85	\$ 22,300.45	\$ -	\$ 89,292.61
	\$ 717,957.42	\$ 350,896.82	\$ 296,230.52	\$ 402,679.80	\$ 1,767,764.56
FY 2019					
SALES TAX	\$ 569,503.75	\$ 316,481.96	\$ 296,677.31	\$ 402,803.62	\$ 1,585,466.64
DELINQUENT SALES TAX					\$ -
TRANSIENT ROOM Tax	\$ 16,465.77	\$ 3,380.00	\$ 2,565.00	\$ 7,818.37	\$ 30,229.14
LIQUOR SALES TAX	\$ 36,790.92	\$ 27,312.98	\$ 21,469.67	\$ 30,542.75	\$ 116,116.32
	\$ 622,760.44	\$ 347,174.94	\$ 320,711.98	\$ 441,164.74	\$ 1,731,812.10
FY 2018					
SALES TAX	\$ 537,976.31	\$ 291,663.32	\$ 262,758.36	\$ 385,995.94	\$ 1,478,393.93
DELINQUENT SALES TAX	\$ 51.42	\$ -		\$ 726.91	\$ 778.33
TRANSIENT ROOM Tax				\$ 6,505.00	\$ 6,505.00
LIQUOR SALES TAX	\$ 37,606.25	\$ 23,672.80	\$ 19,427.58	\$ 27,260.38	\$ 107,967.01
	\$ 575,633.98	\$ 315,336.12	\$ 282,185.94	\$ 420,488.23	\$ 1,593,644.27
FY 2017					
SALES TAX	\$ 502,621.02	\$ 292,983.36	\$ 259,780.99	\$ 401,574.00	\$ 1,456,959.37
DELINQUENT SALES TAX	\$ 89.20	\$ -	\$ 940.00	\$ 242.60	\$ 1,271.80
LIQUOR SALES TAX	\$ 35,622.70	\$ 25,403.06	\$ 21,737.00	\$ 29,522.24	\$ 112,285.00
	\$ 538,332.92	\$ 318,386.42	\$ 282,457.99	\$ 431,338.84	\$ 1,570,516.17
FY 2016					
SALES TAX	\$ 556,020.59	\$ 278,838.00	\$ 233,466.00	\$ 353,579.75	\$ 1,421,904.34
DELINQUENT SALES TAX	\$ 339.63		\$ 1,219.98	\$ 4,210.50	\$ 5,770.11
LIQUOR SALES TAX	\$ 41,116.78	\$ 23,435.00	\$ 20,511.02	\$ 28,575.92	\$ 113,638.72
	\$ 597,477.00	\$ 302,273.00	\$ 255,197.00	\$ 386,366.17	\$ 1,541,313.17
FY 2015					
SALES TAX	\$ 610,769.01	\$ 300,932.58	\$ 240,859.79	\$ 366,645.09	\$ 1,519,206.47
DELINQUENT SALES TAX	\$ 1,677.58	\$ 5,208.38	\$ 2,029.85	\$ 1,780.58	\$ 10,696.39

**CITY OF CRAIG
ORDINANCE No. 732**

MODIFYING SECTION 2.04.150 OF THE CRAIG MUNICIPAL CODE REGARDING CITY COUNCIL MEETING TIME AND DATE

Section 1. Classification. This ordinance is of a general and permanent nature and the code sections adopted hereby shall become a part of the code of the City of Craig, Alaska.

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

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

Section 4. Action. This ordinance modifies Section 2.04.150 of the Craig Municipal Code by adding the underlined text, and deleting the struck through text shown in quotes below. All other text in Section 2.04.150 remains unchanged by this ordinance.

“2.04.150 Council meeting ~~time and date~~.

A. Regular meetings of the council shall be held on the first and third Thursdays of every month ~~at 7:00 p.m.~~ in the council chambers unless public notice is given for a period of at least 24 hours to the effect that the meeting will be held on ~~at~~ a different ~~hour~~, day and/or in a different place.”

Passed and approved this ___ day of _____, 2021.

Mayor Timothy O'Connor

Attest _____
Tracey Jensen, City Clerk

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: February 10, 2021
RE: Ordinance No. 732

Attached you will find Ordinance No. 732. The ordinance modifies section 2.04.150 of the Craig Municipal Code by deleting a fixed starting time for regularly scheduled council meetings. The ordinance is presented here for second reading.

At a number of recent meetings, the city council has expressed an interest in starting its regularly scheduled meetings earlier in the evening. The city's municipal code calls for regular council meetings to begin at 7:00 p.m. unless notice is posted in advance of a different starting time. Ordinance 732 deletes any reference to a required meeting start time from the municipal code. This change allows the council to set its meeting times by consensus. The consensus at this point is to begin council meeting at 6:30 p.m.

Recommendation

Adopt Ordinance No. 732 at second reading.

**CITY OF CRAIG
ORDINANCE No. 733**

**MODIFYING SECTION 2.08.030 OF THE CRAIG MUNICIPAL CODE BY DESIGNATING
CRAIG CITY COUNCIL SEATS**

Section 1. Classification. This ordinance is of a general and permanent nature and the code sections adopted hereby shall become a part of the code of the City of Craig, Alaska.

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

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

Section 4. Action. This ordinance modifies Section 2.08.030 of the Craig Municipal Code by adding the underlined text as shown below.

2.08.030 Number of members of council and school board.

A. The council shall consist of six members. The mayor is not a member of the council. The city school board shall consist of five members. [Ord.111 § 3, 1973.]

B. The council shall be elected by the voters for designated seats on an at large basis.

C. City council seats shall be designated as council seats A, B, C, D, E, and F. The seats shall be staggered for three-year terms. Council members shall be elected according to the seat designation and corresponding expiration of terms of office.

Passed and approved this ___ day of _____, 2021.

Mayor Timothy O'Connor

Attest _____
Tracey Jensen, City Clerk

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: February 10, 2021
RE: Ordinance No. 733

Attached you will find Ordinance No. 733. The ordinance modifies section 2.08.030 of the Craig Municipal Code by designating council seats by letter.

If adopted, the ordinance will require any person running for city council to choose the specific seat for which the candidate wishes to compete. Seats would be designated A-F.

Currently, candidates file for election to the city council, and the candidates receiving the most votes are elected to fill the number of council seats on the ballot (usually two). If Ordinance No. 732 is adopted, a candidate would have to receive the most votes for the specific seat for which the candidate filed. All seats are elected at-large. The designated seats would not represent specific areas of Craig.

Recommendation

Adopt Ordinance No. 733 at second reading.

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Brian Templin, Craig City Planner
Date: January 25, 2021
RE: Capital Improvement Projects - Resolution 21-04

Attached you will find Resolution 21-04. The resolution identifies the city's capital project priorities for 2021.

The council annually adopts a capital projects resolution to guide staff in prioritizing projects and capital funding requests. Listing out city priorities is useful in identifying what projects are important to Craig. This resolution provides guidance from the council to staff on what projects to commit time and resources to. It also allows legislators to match local priorities with existing or proposed funding programs.

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

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

Projects:

1. Development of Cannery Property & Craig Harbor - \$12,300,000. This project includes the non-federal share for construction of the new harbor breakwaters, harbor float system, utility upgrades related to the harbor construction, and some of the upland improvements. The city has likely secured all of the design funding for the breakwater and design is underway. The USACE will provide approximately \$20 million in funding for breakwater construction. The city will need to be prepared to make a minimum of \$2 million available for breakwater construction at the time that the construction contract is let out. Staff and the council are currently looking at funding mechanisms (bond, loan, city funds, legislative grant funds, etc.) to meet this requirement. The bulk of the \$12.3 million funding item includes the harbor improvements, utilities, upland improvements, roads/access, etc. The city should consider appropriation of funds for the purpose of harbor design in order to bring the project to a "shovel ready" status in light of potential state and federal infrastructure funding.
2. Public Safety Building Siting and Design - \$100,000. There has been some discussion of a multi-agency public safety building located in Craig to provide space for Craig PD,

Alaska State Troopers, the Craig Jail, the court, and/or other public safety agencies. This project would provide for initial concept design work, scoping and siting.

3. Firehall/EMS Building Construction - \$5,000,000. In 2015 the city completed design for a new firehall/EMS building to replace the existing firehall and EMS office. The new building would contain office space, five vehicle bays, backup power, a training room, equipment storage, and sufficient parking. The new building will be located behind Thompson House along Cold Storage Road. This project includes construction of the new building.
4. Public Works Heavy Equipment Purchase (Second Garbage Truck) - \$360,000. This project includes the purchase of a new garbage truck. This project will allow the city to phase the existing truck into backup status.
5. Public Works Tract P Development - \$400,000. This project includes the design and construction of additional vehicle bays in the Public Works Yard as well as sitework and further development of the Tract P property.
6. Library Expansion Scoping - \$50,000. This project includes completing the process to determine if renovation of the existing facility is feasible or if a new library facility is needed and to determine the location and property required for a renovated/new facility. This project also includes completion of a preliminary concept design for the renovated/new library facility.
7. POWER Building Renovation/Construction - \$50,000. This project includes a number of upgrades/renovations to the building that POWER currently occupies. POWER is currently working with the Rasmuson Foundation to determine eligibility for grant funding. Upgrade/renovation projects include stairways, etc. POWER has recently entered into a construction agreement and is purchasing materials to replace the existing roof.
8. Water System Upgrades - \$2,500,000. The city has a number of projects related to upgrading the city's water treatment and distribution system. These projects include:
 - Increasing chlorine contact efficiency by baffling the current contact chamber, realigning the input of alum into the treated water, and making other changes to the water treatment system in order to generally increase the treated water production capacity at the treatment plan.
 - Demolition of the Spruce Street water tank to remove this unused tank from the system completely.
 - Design/engineering/construction of a new raw water transmission line (from North Fork Lake to the treatment plan) and treated water transmission line (from the water treatment plan to the steel storage tank) line upgrades and replacement.
9. Wastewater Treatment Plant Upgrades - \$50,000. This project includes the purchase and installation of a backup power generator for the Wastewater Treatment Plant.
10. Aquatic Center Repairs, Upgrade, and Expansion - \$500,000. In July 2014 Jensen, Yorba, Lott completed a condition assessment of the pool. This condition assessment identified several million dollars worth of upgrade and renovation projects. The most critical projects included the roof and mechanical systems. In 2016 the city completed about \$2 million worth of work that included a new roof and replacement of most of the mechanical (heating) system. The city has continued to make additional improvements as time and finances have allowed. Recently the city completed refinishing the lap pool and kiddie pool basins and replacing the propane boilers. The funding identified by this

project will be used to upgrade/expand the facility's fitness area. This program is popular with the public but is undersized for the variety of demands.

11. Micro Hydro Generator at Water Treatment Plant - \$285,000. This project includes the design and installation of a micro hydro generator inline with the raw water line near the city's water treatment plant. This generator would provide most of the power needed by the water treatment facility and by the SSRAA hatchery facility co-located with it.
12. Skateboard Park - \$400,000. This project includes the design and construction of a new park facility with an emphasis on usability by skateboards. The park design would include hard basins and other features common to skateboard parks. The council set aside a portion of Tract D near Crab Bay for the project. A group of skatepark users are currently working on concept designs and will work with the planning commission when they are ready to begin early designs for the project.
13. Bridge Structures Inspection and Upgrade - \$150,000. The city currently owns/maintains three bridges: False Island, Dog Salmon Creek (on PSN Road) and a bridge on the road leading to the city dam at North Fork Lake. The Dog Salmon Creek bridge is fairly new and the False Island Bridge is in good shape. The log stringer bridge on the road to the dam was inspected within the past several years and is in usable shape. Both the False Island Bridge and the bridge leading to the dam should be inspected and any required maintenance/upgrades performed.
14. Wastewater Collection System (Lift Station Replacement) - \$900,000. The city maintains a number of lift stations throughout Craig. These stations are collectors at low points of the wastewater collection system. The lift stations collect wastewater and pump (force) the wastewater to the treatment plant. Several of the stations that the city maintains are aging (some past their expected lifespan). There are no major issues with existing stations but a regular scheduled maintenance and replacement plan is important. Currently the city has identified three stations that should be replaced.
15. Asphalt Surfacing - \$400,000. The city has spent several years putting asphalt on nearly all city streets and the pool parking lot. There are at least two additional parking lots (city hall and float plane facility) that are identified for asphalt surfacing. There are also a number of repairs and short sections of street that were not paved. This project includes asphalt surfacing for a number of parking lots and street segments as well as repairs to a number of sections of existing asphalt in Craig.
16. Complete Phase II Improvements in Klawock Airport Master Plan - \$25,000,000. In 2006 the State of Alaska completed the Klawock Airport Master Plan. This plan lays out projected improvements for 20 – 25 years. The state has been steadily making improvements to navigation and facilities at the airport which have helped facilitate additional air carriers and routes and facilities at the airport. This project really encourages the state to continue to seek funding specifically for upgrading the Klawock Airport.
17. Craig-Klawock Separated Bike Path - \$4,100,000. This project includes the design and construction of a separated bike/pedestrian path from the Craig High School to Klawock. This would essentially be an extension of the existing separated bike path in Craig. This project has been on the Craig Tribe's work plan on and off over the past 20 years and the city has provided support and assistance with the project.

18. Connect Craig Tribal Hall to Wood Boiler – \$500,000. This project includes design and construction to connect the existing wood fired boiler to the Craig Tribal building to supplement/replace use of fuel oil for heating.
19. Community Quota Entity Quota Share Purchase - \$150,000. The City of Craig completed their application to be a Community Quota Entity in 2004. This allows the city to purchase and lease Halibut and Sablefish IFQ and lease it to local fishermen. The program did not contain any financing for quota shares, just the opportunity for the community to retain some quota in the community. Staff prepared a business plan for the council after the CQE was formed. The business plan shows that significant cash input would be required to allow purchase (even if a portion was financed). This project would provide funds that could be leveraged to purchase quota share to be held by the CQE and leased to local fishermen.
20. Upgrade and Expand Boat Launch Area at Industrial Park - \$200,000. This project includes the design and construction of a second (parallel) or expanded launch ramp at False Island. This would expand the capacity for launching small craft and would enhance the ability of the city owned boat haulout trailer to launch and recover vessels using the ramp.
21. Float Plane Terminal Access and Parking - \$500,000. This project would include the land acquisition, design, and construction of new access to the float plane terminal from Water Street that would avoid the multiple 90 degree turns to reach the terminal. There are a number of access points from Water Street that would be logical to use as starting points. The project also includes potential purchase of additional land and development of expanded parking at the terminal.
22. Child Development/Daycare Center - \$100,000. The council requested that an item regarding daycare/child development be added to the CIP list for 2020. This project would include investigation, initial concept design, and siting discussions for a facility to potentially house the Craig Childcare Center, Head Start, and/or other daycare/child development activities.

Recommendation

The council should discuss the priority of items shown on the attached resolution. The council may also add, delete, or modify items as it wishes. After council discussion the council should move to adopt Resolution 21-04.

CITY OF CRAIG
RESOLUTION 21-04
Establishing Capital Projects for 2021

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

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

WHEREAS, the Craig City Council has identified certain capital improvement project priorities for the City of Craig for calendar year 2021.

NOW, THEREFORE, BE IT RESOLVED that the following projects, set forth in order of priority, are established as the City of Craig's top priorities for capital improvement projects for calendar year 2021:

1. Development of Cannery property & Craig Harbor	\$12,300,000
2. Public Safety Building Siting and Design	\$ 100,000
3. Firehall/EMS Building Construction	\$ 5,000,000
4. Public Works Heavy Equipment Purchase (Second Garbage Truck)	\$ 360,000
5. Public Works Tract P Development	\$ 400,000
6. Library Expansion Scoping	\$ 50,000
7. POWER Building Renovation/Construction	\$ 50,000
8. Water System Upgrades	\$ 2,500,000
9. Wastewater Treatment Plant Upgrades	\$ 50,000
10. Aquatic Center Repairs, Upgrade and Expansion	\$ 500,000
11. Micro Hydro Generator at Water Treatment Plant	\$ 285,000
12. Skateboard Park	\$ 400,000
13. Bridge Structures Inspection and Upgrade	\$ 150,000
14. Wastewater Collection System (Lift Station Replacement)	\$ 900,000
15. Asphalt Surfacing	\$ 400,000
16. Complete Phase II Improvements in Klawock Airport Master Plan	\$25,000,000
17. Craig-Klawock Separated Bike Path	\$ 4,100,000
18. Connect Craig Tribal Hall to Wood Boiler	\$ 500,000
19. Community Quota Entity Quota Share Purchase	\$ 150,000
20. Upgrade and Expand Boat Launch Area at Industrial Park	\$ 200,000
21. Float Plane Terminal Access and Parking	\$ 500,000
22. Child Development/Daycare Center	\$ 100,000

APPROVED: February 18, 2021.

Tim O'Connor, Mayor

ATTEST _____
Tracey Jensen, City Clerk

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Jon Bolling, City Administrator
Date: February 10, 2021
RE: Consider Approval of POWCAC Transportation Priorities

Attached you will find City of Craig Resolution 21-05. The resolution adopts Prince of Wales Community Advisory Council Resolution 21-01, which the POWCAC membership approved on January 26.

Each year, POWCAC prioritizes island transportation projects and sets the priorities out in a resolution. The resolution, once approved, is sent to Alaska DOT/PF and other agencies, where they ostensibly use the resolution to earmark funding for island projects.

Most of the projects are from the prior year's resolution. Funding is in place to complete some of the projects identified in the resolution; the membership, as it has in the past, chose to keep funded projects on the list even if they are already funded or under construction, to ensure that other agencies know that those projects remain a priority for the island's communities until project completion.

As the council will recall, POWCAC resolutions become effective only after they are approved by a majority of governing bodies of the participating communities, of which Craig is one.

Recommendation

Approve City of Craig Resolution 21-05.

**CITY OF CRAIG
RESOLUTION 21-05**

ADOPTING PRINCE OF WALES COMMUNITY ADVISORY COUNCIL
RESOLUTION 21-01 PRIORITIZING DOT/PF ROAD PRIORITIES FOR PRINCE OF
WALES ISLAND

WHEREAS, the Prince of Wales Community Advisory Council is made up of
representatives from each community and Federally-recognized Tribe on Prince of Wales
Island; and,

WHEREAS, the Prince of Wales Community Advisory Council acts on behalf of
Prince of Wales communities on issues that include transportation; and,

WHEREAS, the Prince of Wales Community Advisory Council adopted its
Resolution 21-01 on January 26, 2021; and,

WHEREAS, said resolution prioritizes road projects on Prince of Wales Island for
2021; and,

WHEREAS, POWCAC resolutions must be adopted by the governing bodies of a
majority of its members.

NOW, THEREFORE, BE IT RESOLVED that the City of Craig hereby adopts
POWCAC Resolution 21-01, a copy of which is attached.

Adopted this 18th day of February 2021.

Mayor Tim O'Connor

ATTEST _____
Tracey Jensen, City Clerk

PRINCE OF WALES COMMUNITY ADVISORY COUNCIL RESOLUTION No. 21-01

A JOINT RESOLUTION BY AND BETWEEN THE COMMUNITIES OF THE PRINCE OF WALES COMMUNITY ADVISORY COUNCIL (POWCAC) SETTING TRANSPORTATION PRIORITIES FOR PRINCE OF WALES ISLAND FOR 2021

WHEREAS, the Prince of Wales Community Advisory Council acts in an advisory capacity for participating communities on Prince of Wales Island; and,

WHEREAS, the representatives from the Alaska Department of Transportation and Public Facilities have discussed proposed road projects for Prince of Wales Island and have suggested that communities on the island develop a consensus of road projects priorities for inclusion in the State of Alaska's STIP, Public Forest Service Roads Program, and the Bureau of Indian Affairs Roads Program; and,

WHEREAS, the Prince of Wales Community Advisory Council has discussed road needs on Prince of Wales Island and recommends that the following projects and priorities be adopted by the Island communities and submitted to the Alaska Department of Transportation and Public Facilities for inclusion in the State's planning and prioritization process; and,

NOW, THEREFORE, BE IT RESOLVED that the communities of the Prince of Wales Community Advisory Council hereby adopt the following regional transportation projects and priorities for roads on Prince of Wales Island:

FOREMOST TRANSPORTATION PRIORITY

<u>Priority</u>	<u>Project Name</u>	<u>Project Description</u>
1.	Operational Support to IFA	Continue annual appropriation through the following means: 1) in the State of Alaska General Fund operating budget, and 2) inclusion of IFA support in the State Transportation Improvement Plan

SURFACE TRANSPORTATION PRIORITIES

<u>Priority</u>	<u>Project Name</u>	<u>Project Description</u>
1.	Kasaan Road	Phase I-Goose Creek to Tolstoi Bay; Phase II-Tolstoi Bay to Kasaan: Upgrade to a two-lane road at 35 mph design speed. Surface with D1 and asphalt. The road is critical to Kasaan and carries school bus traffic, daily commuting from S. Thorne Bay to the balance of Prince of Wales Island, and industrial truck traffic, making upgrade of the right of way priority.
2.	Resurfacing Hydaburg Road	Redesign, straighten, and resurface the Hydaburg road to provide safe driving conditions.
3.	Whale Pass Road	Upgrade and pave the Neck Lake road from the existing pavement into Whale Pass to the harbor.

- | | | |
|----|----------------------------|--|
| 4. | Twin Island Road | Upgrade and pave the Twin Island road to create a suitable road base for El Capitan cave and north island traffic. |
| 5. | Port Saint Nicholas Road | Upgrade and improve the remainder of the Port Saint Nicholas Road system located outside of Craig. |
| 6. | Sandy Beach Road | Upgrade and reconstruct between Thorne Bay and Coffman Cove. Evaluate merits of construction of the low elevation Eagle Creek road segment.. |
| 7. | Ratz Harbor-Eagle Creek Rd | Construct a low elevation road between Ratz Harbor and Eagle Creek |

AIR TRANSPORTATION PRIORITIES

- | <u>Priority</u> | <u>Project Name</u> | <u>Project Description</u> |
|-----------------|---|--|
| 1. | Frank Peratrovich Airport | Construct/install taxiway and lease lot improvements detailed in the airport master plan. |
| 2. | Frank Peratrovich Airport
Winter Maintenance | Attain designation change from being listed as an unattended to attended airport facility. |
| 3. | Public Parking | Provide public parking at Peratrovich Airport. |

ROADS TO RESOURCES

- | <u>Priority</u> | <u>Project Name</u> | <u>Project Description</u> |
|-----------------|-------------------------------------|---|
| 1. | POW Minerals and Hydropower
Road | Construct road access to POW mine and hydro-electric project sites, including Reynolds Creek, Niblack Mine, and Bokan Mountain sites. |

ALTERNATIVE TRANSPORTATION PRIORITIES

- | <u>Priority</u> | <u>Project Name</u> | <u>Project Description</u> |
|-----------------|--|--|
| 1. | Community Transit System | Establish an Island-wide bus system to connect communities and transportation hubs. |
| 2. | Roads and Trails vegetation control | Mechanical not chemical means for controlling noxious and/or invasive plants. |
| 3. | Prince of Wales North End
Ferry Service | General support of future efforts to establish a ferry from the North End to neighboring island communities. |

NON-MOTORIZED FACILITY PRIORITIES

1. Craig-Klawock Path Construct a multi-use path for 4.7 miles along the highway between Craig and Klawock. Consider joint venture on project with State of Alaska as electrical transmission line owner, Alaska Power and Telephone, and communities.
2. Multiple Use Paths Construct multi-use paths along the mainline road system Prince of Wales Island.
3. POW Discovery/Visitor Center Planning, design, and construction of a POW Discovery/visitor's center.

BE IT FURTHER RESOLVED that a copy of this resolution be forwarded to the Bureau of Indian Affairs, US Forest Service and FHWA Western Federal Lands Division in Vancouver, Washington, Alaska Department of Transportation and Public Facilities, Governor Mike Dunleavy, Senator Bert Stedman, Rep. Dan Ortiz, Rep. Jonathan Kreiss-Tomkins, and other members of the Alaska Legislature that represent Southeast Alaska communities.

PASSED AND APPROVED this ____ day of _____, 2021 by the Prince of Wales Community Advisory Council.

POWCAC Chair

Member Approvals:

CITY OF CRAIG MEMORANDUM

To: Craig Mayor and City Council
From: Brian Templin, City Planner
Date: February 9, 2021
RE: Resolution 21-06, Support for Senate Bill 74

The Governor recently introduced Senate Bill 74. The bill has been introduced in the senate and referred to the Senate Transportation and Finance Committees. The bill will follow a similar process when the house organizes leadership and establishes committees.

Senate Bill 74 (SB74) allows approval a general obligation bond to be placed on the ballot. The \$356.4 million bond is intended to pay for a number of infrastructure construction projects around the state. The Craig Harbor project is included in the bill as it has been introduced for \$8.3 million. This will likely not be enough to pay all of our match for the USACE construction and to pay for the harbor facilities, it is a significant portion of the overall cost. The bill must go through several steps before any funds are available:

1. The bill will be reviewed by the Senate Transportation and Finance Committees. The bill may be amended by either committee.
2. Once the house forms a majority and establishes committees, the bill likely be referred to the House Transportation and Finance Committees as well. These committees may also amend the bill.
3. If the committees move the bill forward, the full senate and house will vote on their respective bills.
4. If both the house and senate pass the bills, the two bills will have to be reconciled to work out any differences between the house and senate versions.
5. If the reconciled bill is passed then the bond issue will go to a statewide vote later this year.
6. If the voters approve the bond then the state will work to issue bonds and make funds available.

We have been looking for between \$10 million and \$12 million for the project in order to finance our match to the USACE (\$2 - \$4 million), upland development (+/- \$2 million), and design/construction of the harbor (\$+/- \$6.3 million). The \$8.3 million in SB74 is a significant amount of funding for the project. The attached resolution shows the council's support of the project in general and this funding in particular.

Recommendation: Move to approve Resolution 21-06 supporting Senate Bill 74 in the Alaska State Legislature.

**CITY OF CRAIG
RESOLUTION 21-06
Supporting Senate Bill 74 in the Alaska State Legislature**

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

WHEREAS, the construction of a new harbor in the City of Craig has been a part of economic development planning in Craig since 2001 and has been the top capital improvement priority since 2017; and,

WHEREAS, the city has been working the Alaska District of the US Army Corps of Engineers (USACE) to complete the feasibility study and design, and will continue to work with the USACE through construction of the breakwaters and harbor basin; and,

WHEREAS, the USACE has invested over \$600,000 in the feasibility study phase (50/50 funding split); over \$1,000,000 in the Preconstruction Engineering and Design (PED) Phase; and will fund 80% of the cost of breakwater and harbor basin construction (estimated at \$18 million); and,

WHEREAS, the City of Craig has invested over \$600,000 in cash and in-kind match to complete the Integrated Economic and Environmental Feasibility Study; over \$100,000 in cash and in-kind match in the Preconstruction Engineering and Design Phase; and, invested \$1.75 million in purchasing upland and tideland property needed for the project.

WHEREAS, this construction project is essential to ensure economical operations of harbors in Craig; will allow for significant growth in local maritime industries, including fishing and mariculture, which will have lasting impacts on the regional and statewide economy; and, will provide significant short term construction jobs; and,

WHEREAS, the City of Craig is currently included in Senate Bill 74 for \$8.3 million for the Craig Harbor.

NOW, THEREFORE, BE IT RESOLVED that the City of Craig fully supports the passage of Senate Bill 74 by the Alaska State Legislature with the inclusion of the Craig Harbor project.

APPROVED: February 18, 2021.

Tim O'Connor, Mayor

ATTEST _____
Tracey Jensen, City Clerk

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Jon Bolling, City Administrator
Date: February 11, 2021
RE: Consider Approval of Bond Counsel Engagement Letter

Attached is a draft engagement letter with the law firm K&L Gates. Among the firm's areas of practice is representing municipal clients as bond counsel preparing to issue bonds for public works projects. Bond counsels are needed to ensure a community's bond issuance is compliant with the various state and federal laws and regulations governing issuance of public debt.

The relationship between the community and the bond counsel is typically governed by the terms of an engagement letter, like the one attached. Among the terms of the engagement letter is compensation to the firm, which is estimated at \$18,000 (see the "Our Charges" paragraph on page 3). Compensation to the firm is due upon issuance of the bonds. No fees are due to the firm if the bond package sought by the city does not come to fruition. On a related note, it is common to finance the bond counsel costs through the receipts from the bond issue, although the city can choose to finance the bond counsel fee from other sources.

The \$18,000 fee estimate, while a substantial amount of money, seems to be within the range of bond counsel fees applied to other issues the size anticipated by the city, although I can find no hard-and-fast rule for determining bond counsel fees. One table issued by the State of California in 2015 reported a typical cost for bond counsel at \$6.53 per thousand dollars of bond amount for issuances less than \$10 million. Another source reports that small issuances should expect a counsel fee of at least \$15,000. I checked with a staff member at the Alaska Municipal Bond Bank on the proposed fee and was told that the firm's estimate is typical.

Ms. Cynthia Weed of K&L Gates has extensive experience working with Alaska communities and the Alaska Municipal Bond Bank preparing for bond issuances. The terms of the engagement letter are reasonable in my view, in particular the assurance that the city can end the relationship at any time, and the provision that there is no out of pocket cost to the city if the bonds are not eventually issued.

Recommendation

Approve, by motion the attached engagement letter between the City of Craig and K&L Gates LLP.

February 2, 2021

Cynthia Weed
Cynthia.Weed@klgates.com

T 206 370 7801

Mr. Ron Bolling
City Administrator
City of Craig
P.O. Box 725
Craig, Alaska 99921
administrator@craigak.com

**Re: Confirmation of Engagement, City of Craig, Alaska General Obligation Bonds,
2021 - \$4,100,000 Interest-Free Bonds**

Dear Mr. Bolling:

Thank you for asking K&L Gates LLP (the "Firm" or "K&L Gates") to represent the City of Craig (the "City"). We welcome this opportunity and look forward to working with you on this engagement.

I enclose our Terms of Engagement for Legal Services (the "Terms") which supplement this letter and include additional information regarding our legal services, our relations with our clients, our billing and payment arrangements, potential conflicts, and other matters. These Terms will apply to all matters on which we may represent you, except as you and we may otherwise expressly agree.

Please review this letter and the Terms carefully. If they are not consistent with your understanding of our engagement in any respect or if you have any questions concerning the nature and terms of our engagement, please contact me as soon as possible so that we can promptly address your concerns.

The Scope of Our Engagement

The Firm is being engaged to act as counsel solely for the City and not for any affiliated entity (including parents and subsidiaries), shareholder, partner, member, manager, director, officer or employee not specifically identified herein.

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We understand that we are to:

1. We will work with the City in the preparation of a Bond election ordinance and advise the City regarding the state law requirements for the issuance of general obligation bonds.
2. Upon a successful election, we will work with the City in the process of issuing the Bonds.
3. We will advise the City concerning the legal requirements applicable to the structure, issuance and sale of the Bonds. We will be working with the City's Municipal Advisor, if any, (MA). If there is an MA, the MA will advise the City regarding the structure of a bond issue and the method of sale. The City may decide to participate in an Alaska Municipal Bond Bank Authority offering (AMBBA Offering). As you know, in an AMBBA offering, the City issues its Bond(s) to AMBBA and AMBBA in turn sells its bonds in a public offering. In order to market, the AMBBA bonds in a public offering, the City may be required to provide its financial information to AMBBA for potential inclusion in public offering documents. In the alternative, the City may elect to issue the Bond(s) in a private placement with a bank (Private Placement). If there is an MA, we will work with the MA is soliciting proposals for the Bond purchase.
4. As the City's bond counsel, we would work with the City's MA to coordinate and complete the bond financing documents, including the bond ordinance and notices of special meeting (if applicable). We will also work with the MA to evaluate proposals from banks in a Private Placement.
5. In an AMBBA Offering, we coordinate the proceedings and documentation with AMBBA's bond registrar and trustee. In a Private Placement, we coordinate the Bond registration process. Most often, the Bank receives payments of debt service directly, and the proceeds of the Bonds may be delivered to the City in whole at the closing, or the Bonds may be structured to permit drawings on the Bank as funds are needed.
6. If the Bonds are sold in an AMBBA Offering, we also advise the City regarding ongoing disclosure requirements (commitments by the City to supply the municipal market with future data regarding City financial information) and draft the ongoing compliance policies to be adopted by the City in order to comply with securities laws (as well as federal tax laws). We also provide training sessions, pre and post-issuance regarding compliance with ongoing disclosure requirements. If the Bonds are sold in a Private Placement, there would be no required filings with the US Securities and Exchange Commission.
7. We attend meetings held by the City when requested by the City. I can arrange to be available by telephone (or electronic meeting) when it would be impractical (or limited by COVID-19) to attend in person.
8. As bond counsel, we prepare the closing documents and the Bonds for execution by the City and subsequent delivery to AMBBA or the bank, as the case may be

9. Deliver the final approving opinion of bond counsel to the City and the Underwriter regarding validity of the Bonds and tax-exempt status of the interest.

10. Bond counsel also will assemble, prepare and provide to the City, the MA and AMBBA or the purchasing bank of all proceedings and documentation in either bound paper form or in USB (thumb drive) (or both, if the City so chooses).

L Gates will only provide legal services. We have not been retained, and expressly disclaim any obligation, to provide business or investment advice.

Our Charges

Our fee as bond counsel for the Bonds is an estimate at this time, because the manner of sale is not yet known but an estimate is \$18,000. Fees are all-inclusive. Fees are payable only upon the issuance of the Bonds, and there are no additional charges for expenses or follow-up inquiries during the life of the Bonds.

Our Billing and Payment Arrangements

We will render our statement for professional services and related charges only upon completion and delivery of the Bonds and expect payment to be made within 30 days of your receipt of our statement. In the event our statements are not timely paid, we reserve the right to suspend our services until satisfactory payment arrangements are made or to terminate our services if such arrangements are not made and if such termination is otherwise appropriate. You may, of course, terminate our services at any time.

Our Staffing of Your Engagement and Communications with You

I will be your principal contact with respect to the Firm's representation of City of Craig. You should contact me with any questions you may have about our work or any other aspect of our representation of you. You can reach me at the office (206-370-7801) (as soon as we are permitted to return to office, post pandemic) or at all times on my mobile telephone (206-618-6050) at your convenience.

Conflicts of Interest

We have searched the Firm's conflicts database and have disclosed to you any ethical conflicts of interest, as defined by the applicable rules of professional conduct, that existed at the time. Such conflicts, if any, have been resolved to your and to our satisfaction. With respect to conflicts of interest that may arise in the future during our engagement by you, the Terms includes a Conflict of Interest section in which you agree to a limited, prospective waiver. This means that, if all the conditions set forth therein are met, and provided that the matter is not substantially

related to the matters we handled or are handling for you, the Firm 1) may represent another client in a matter in which its interests are adverse to your interests, and 2) may represent as a client any individual or entity that is or has been adverse to you. Please review this section, as well as all other sections of the Terms, in detail.

Our Agreement

In providing legal services to you, absent timely advice from you to the contrary, we will act in reliance upon the understanding that this letter and the enclosed Terms constitute our mutual understanding with respect to the terms of our retention. If you proceed with the use of our services, please sign and return to me the enclosed copy of this letter in order that we each have a fully-executed copy for our files.

On behalf of L Gates, I thank you for the opportunity to represent City of Craig. We look forward to serving you.

Very truly yours,



Cynthia Weed

Enclosure: Terms of Engagement for Legal Services

I confirm our engagement of L Gates LLP as set forth herein and in the enclosed Terms of Engagement.
City of Craig

on Bolling
City Administrator

Date: _____

□□L GATES LLP

TERMS OF ENGAGEMENT FOR LEGAL SERVICES

Thank you for selecting □□L Gates LLP (□□L Gates) to represent you and to provide legal services as described in our engagement letter. These Terms of Engagement for Legal Services (the "Terms"), together with our engagement letter, set forth the basis upon which □□L Gates will provide legal services to you. Absent a contrary agreement between us, we will understand that our engagement letter and these Terms supersede any prior oral understandings between us and together form the contract ("Engagement Contract") for our initial engagement and any subsequent assignments upon which you and we may mutually agree.

We believe it is important to establish clearly the basic terms of our engagement at the outset. Accordingly, if you have any questions concerning these Terms, please contact the lawyer responsible for your engagement so that your questions or concerns may be addressed and resolved promptly.

INTRODUCTION

□□L Gates comprises multiple affiliated entities: a limited liability partnership named □□L Gates LLP organized under the laws of Delaware (□□L Gates-US, the "Firm," or "we" or "us" as the context requires) and maintaining offices in certain states throughout the United States and in a number of international multiple affiliated entities.¹

OTHER □□L GATES ENTITIES

You agree that, as your agent, we may engage other □□L Gates entities to assist us in carrying out our engagement, where appropriate and with notice to you.

Numerous countries in which our offices are located have enacted Anti-Money Laundering ("AML") laws. If □□L Gates lawyers in any of these offices are engaged to assist you in matters within the scope of our engagement, it will be necessary to comply with the applicable AML laws. In connection therewith, we or lawyers from the appropriate office may be required to obtain additional, specific evidence of client identity

from you and/or to report certain transactions to the authorities. If these AML requirements are applicable, you will be informed of the details needed for compliance.

OUR LAWYER-CLIENT RELATIONSHIP

The Firm has been engaged to represent only the client(s) named in our engagement letter ("you" or the "Client"), even if someone other than you, including an insurer, is responsible for paying, or has agreed to pay, our statements. Accordingly, absent a specific, separate engagement to represent such other persons or entities, (1) if our Client is an individual, the Firm has not agreed to represent, and is not representing, any other person or any affiliated entity (2) if our Client is a corporation, partnership, joint venture or other entity, the Firm has not agreed to represent, and is not representing, any of your constituents, including directors, officers, employees, managing agents, partners, members, shareholders, affiliates (including parents and subsidiaries) or other persons associated with you and, (3) if our Client is a trade association or other member organization, the Firm has not agreed to represent, and is not representing, any director, officer, member of or other entity represented by you or any of your other constituents.

In addition, the Firm's engagement to represent you is limited to the matter(s) described in our engagement letter and to any additional matters for which the Firm expressly agrees to provide legal representation.

You acknowledge that the Firm has not provided you with legal advice concerning the terms and conditions of our Engagement Contract.

OUR CHARGES FOR LEGAL SERVICES

A. Legal Fees

Our fee will be a fixed fee, and as described in the attached letter, is estimated to be \$18,000.

¹ □□L Gates comprises multiple affiliated entities: a limited liability partnership named □□L Gates LLP organized under the laws of Delaware (□□L Gates-US, the "Firm," or "we" or "us" as the context requires) and maintaining offices in certain states throughout the United States and in Beijing (□□L Gates LLP Beijing Representative Office), Berlin, Doha, Dubai, Frankfurt, Munich, Seoul (□□L Gates LLP Seoul Foreign Legal Consultant Office), and Shanghai (□□L Gates LLP Shanghai Representative Office) an Australian multi-disciplinary partnership maintaining offices in Brisbane, Melbourne, Perth and Sydney (□□L Gates-AUS) a limited liability partnership (also named □□L Gates LLP) incorporated in England and Wales and maintaining offices in London and Paris (□□L Gates-U) a Delaware

general partnership (□□L Gates Belgium) maintaining an office in Brussels a Hong Kong general partnership (□□L Gates, Solicitors) maintaining an office in Hong Kong a professional association established and organized under the laws of Italy named Studio Legale Associato with an office in Milan a general partnership organized under the laws of Brazil named □□L Gates LLP e Consultores em Direito Estrangeiro/Direito Norte-Americano, with an office in São Paulo a Taiwan general partnership (□□L Gates) maintaining an office in Taipei a joint enterprise formed in accordance with Japanese regulations (□□L Gates Gaikokuho Joint Enterprise) maintaining an office in Tokyo and a limited liability company organized under the laws of Singapore (□□L Gates Straits Law LLC).

OUR BILLING AND PAYMENT ARRANGEMENTS

A. Billing

Our invoice for this issue will be delivered upon the completion of our work.

B. Payment

We will expect payment to be made within thirty days after your receipt of our statement, without regard to the consummation of any proposed transaction or the outcome of any matter. Payment should be made by you in the full amount of our statement and you will be responsible also for any withholding tax or other deduction that may be chargeable to you by the relevant taxing authorities or by a governmental entity. In the event our statements are not paid in a timely manner, we reserve the right to defer further work on your account and, where such arrearage is not resolved after notice of delinquency is given to you, to terminate our representation of you. Under such circumstances, you agree to consent to, and not oppose, such termination and to sign a substitution of counsel and/or such other document as may be reasonably necessary to effect the Firm's termination of our lawyer-client relationship, including the Firm's withdrawal of its prior appearance in any court or other litigated proceeding. The termination of our lawyer-client relationship shall not affect your ongoing responsibility for any fees or other charges incurred as of the date of our notice of termination.

C. Liens

You hereby grant L Gates a lien, to the extent permissible under applicable law, on any and all claims that are the subject of our representation under the Engagement Letter and Terms of Engagement. L Gates's lien will be for any sums owing to the Firm for any unpaid costs, or attorney's fees and expenses, at the conclusion of our services. The lien will attach to any recovery you may obtain, whether by arbitration award, judgment, settlement or otherwise. An effect of such a lien is that L Gates may be able to compel payment of fees and costs from any such funds recovered on your behalf even if our representation of you has terminated before the end of the matter. Because a lien may affect your property rights, you may seek the advice of an independent lawyer of your own choosing before agreeing to such a lien. By accepting and agreeing to be bound by the Engagement Letter and Terms of Engagement, you represent and agree that you have had a reasonable opportunity to consult such an independent lawyer and whether or not you have chosen to consult such an independent lawyer you agree that L Gates will have a lien as specified above.

D. Third Party Payment Responsibility

If a third party (including an insurer) undertakes to pay any portion of the Firm's bills, 1) you will remain responsible for payment of any amounts billed by the Firm and not paid by that third party, 2) you hereby consent to the application of those funds to the outstanding balance of your account with the Firm and waive any right you might otherwise have to direct us to pay or apply those funds in any other fashion, and 3) to the extent any such third party makes payment to us on your behalf accompanied by directions as to what portion of outstanding fees and expenses are to be covered by such payment, you hereby consent to us adhering to those directions and waive any right you might otherwise have to direct us to pay or apply those funds in any other fashion. If you are awarded legal fees or costs by a court or other party, you will remain responsible for payment of the Firm's billed fees and other charges, even if the award to you is less than the amounts we have billed you. Where we have agreed to represent multiple clients in a matter, each client will be jointly and severally responsible for payment of the Firm's statements.

E. Questions

If you have any questions about any statement that we submit to you, you should contact the lawyer responsible for your engagement as soon as you receive it so that we may understand and address your concerns promptly.

TERMINATION

A. Your Right to Terminate

You may terminate our engagement on any or all matters at any time, with or without cause. Your termination of our services will not affect your responsibility to pay for billed and unbilled legal services rendered or other charges incurred as of the date of termination and, where appropriate, for such expenses as we may incur in effecting an orderly transition to successor lawyers of your choice.

B. Our Right to Terminate

Subject to any applicable ethical rule or legal requirement, the Firm reserves the right to terminate its representation of you, subject to such permission from any court or tribunal as may be required under the circumstances. In such event, we will provide you with reasonable notice of our decision to terminate and afford you a reasonable opportunity to arrange for successor lawyers, and we will assist you and your successor lawyers in effecting a transition of the engagement. Reasons for the Firm's termination may include your breach of our Engagement Contract including, without limitation, failure to pay outstanding statements in a timely manner as set forth above, the

risk that continued representation may result in our violation of applicable rules of professional conduct or legal standards or of our obligations to any tribunal or third parties, your failure to give us clear or proper direction as to how we are to proceed or to cooperate in our representation of your interests, or other good cause.

C. Termination Upon Conclusion

Unless it is previously terminated, our representation of you, and our lawyer-client relationship with you, will be deemed to have been terminated upon the conclusion of our services and our delivery of our final statement for the services described in our engagement letter and any additional matters for which the Firm has expressly agreed to provide representation.

D. Post-Engagement Matters

After the conclusion or termination of our representation of you as described in our engagement letter and these Terms, changes in relevant laws, regulations or decisional authorities may affect your rights and obligations. Unless you engage the Firm to provide future services and to advise you with respect to any issues that may arise in the future as a result of such changes, we will have no continuing obligation to advise you with respect to future legal developments.

OUR COMMUNICATIONS WITH CLIENTS

The Firm's lawyers strive to keep our clients reasonably informed about the status of our engagements and promptly to comply with reasonable requests for information. To enable us to provide effective representation, you agree to be truthful and to cooperate with us in the course of the engagement and to keep us reasonably informed of material developments.

If there are particular limitations on how you would like us to communicate with you, please advise us in advance about your preferences. Unless you advise us to the contrary, however, we will assume that communication by e-mail and fax is acceptable to you. Absent special arrangements, we do not employ encryption technologies in our electronic communications.

CONFIDENTIALITY

A. Confidentiality and Disclosure

We owe a duty of confidentiality to all our clients. Accordingly, you acknowledge that we will not be required to disclose to you, or use on your behalf, any documents or information in our possession with respect to which we owe a duty of confidentiality to another client or former client.

B. Disclosure to Certain Third Parties

You agree that we may, when required by our insurers, auditors or other advisers, provide details to them of any matter or matters on which we have represented you.

C. Disclosure to Other L Gates Entities

You agree that we may disclose confidential information relating to you, or any matters on which we are representing you, to other L Gates entities.

D. Disclosure of Representation

You agree that, in Firm brochures, attorney biographies, and other materials or information about our practice, we may indicate the general nature of our representation of you, your identity as a Firm client, and examples of engagements handled on your behalf. Consistent with our ethical obligations, we will not disclose any confidential information. If you do not wish to have your name mentioned in our materials, please so inform us in writing.

E. Data Protection

Any information, including personal data, that L Gates collects in our global legal practice may be controlled, stored and processed in, and transferred among, any of our offices and with such contractors as we engage to assist us in our practice, and may be transferred to and through any country, including countries that may not have privacy (data protection) legislation and regulations comparable, for example, to countries in the European Economic area. The location of our offices and of such contractors may change from time to time, and we may acquire offices and engage contractors in other countries at any time. We understand that, in engaging the Firm, you expressly consent to all such control, storage, processing and transfers.

CONFLICTS OF INTEREST

The Firm's lawyers, acting in a variety of practice areas and in multiple jurisdictions, provide and will provide legal services to thousands of current clients and future clients. Those clients may be competitors, customers, suppliers or have other business dealings and relationships inter se. As a result, those clients may have matters in which their interests are actually or potentially adverse to one another.

In these circumstances, the Firm's ability 1) to represent you in any matter involving, directly or indirectly, another client, and 2) to represent as a client any individual or entity that is or has been adverse to you will be governed exclusively by applicable rules of professional conduct, unless otherwise agreed to by you and the Firm and, as appropriate, any other Firm

client. To allow the Firm to represent both you and other current and future clients in pending or future matters to the fullest extent consistent with applicable ethical restrictions, we request our clients to agree to a limited waiver of certain actual or potential conflicts of interest.

Specifically, by this engagement, (1) you agree that the Firm can represent other clients whose interests are actually or potentially adverse to you and can represent as a client any individual or entity that is or has been adverse to you, provided that: (a) the matter is not substantially related to any current or concluded matter in which the Firm has represented you (b) in carrying out any such other representation, the Firm shall not violate the duty of confidentiality that we owe to you and, (c) prior to undertaking the other representation, the Firm has reasonably concluded, in the existing circumstances, including this consent, that the Firm can provide competent and diligent representation to you and each other affected client and that the other representation complies with applicable ethical standards and, (2) you agree that you will not seek to disqualify us from representing other clients with respect to any matters where such provisos are satisfied.

You further agree that, if you choose to withdraw your consent to the Firm's representation of another client in any such other representation, you will, at our request, engage other counsel, and, after any brief and reasonably necessary transition period (for which we will not bill you), you will permit us to terminate our representation of you unless any rule or statute or tribunal with jurisdiction precludes us from doing so.

We have a large and diverse transactional patent practice. You agree that no conflict of interest is presented when, on behalf of other Firm clients, we render patentability, infringement and validity opinions regarding, and advance patentability arguments over, patents and/or patent applications owned, licensed or controlled by you, but not handled by our law firm. In order to avoid any misunderstanding, we request that our clients, by accepting our engagement letter and these Terms, confirm that they do not think it is a conflict of interest (or that any conflict of interest is waived) when we opine for one client with respect to a patent owned by another client of the firm or distinguish same during prosecution of a patent application.

We also have a large and diverse transactional trademark practice. You agree that no conflict of interest is presented when, on behalf of other Firm clients, we render registrability, infringement and validity opinions regarding, and advance registrability arguments over, registered or unregistered trademarks and/or trademark registration applications owned, licensed or controlled by you, but not handled by our law firm. In order to avoid any misunderstanding, we request that our clients, by accepting our engagement

letter and these Terms, confirm that they do not think it is a conflict of interest (or that any conflict of interest is waived) when we opine for one client with respect to a trademark owned by another client of the firm or distinguish same during prosecution of a trademark application.

The Firm represents various third party funders (TPFs) that provide financing for, without limitation, court based litigation, arbitration proceedings, and court judgment and arbitral award enforcement proceedings in various countries around the world (collectively, Financing Activities). There may be situations (known or unknown to the Firm) in which a client of the Firm (which we do not represent in relation to its Financing Activities) is providing or has provided financing to the adverse party in a matter in which the Firm is representing you. The Firm has determined that it would be able to provide competent and diligent representation to both the TPF and you in such a situation and that our representation of each will not be materially limited by our responsibilities to the other. As a condition of this engagement, you consent to the Firm's representation of you and TPFs (in matters unrelated to our work for you). In the event you seek funding or related services (known or unknown to the Firm), from TPFs, you agree that the Firm will not consider the TPF to be a client of the Firm solely as a result of the TPF providing funding and related services to you. Furthermore, you agree the Firm is in no way precluded from representing other clients in any matters adverse to TPFs that have provided or are currently providing financing or related services to you.

Finally, you agree that, for the purposes of determining whether any conflict may exist, only the client(s) identified in our engagement letter, and not any affiliated entity or person, shall be considered our client.

OPPOSING LAWYERS

In addition to our representation of business and not-for-profit entities as well as individuals, we also regularly serve as legal counsel to lawyers and law firms. From time to time, we engage other lawyers and law firms to represent us. As a result, opposing lawyers in a matter may be a lawyer or law firm that we represent now or may represent in the future. Likewise, opposing lawyers in a matter may represent us now or in the future. Further, we have professional and personal relationships with many other lawyers, often because of our participation in professional organizations. Collectively, these situations are common in the legal field. We believe that these relationships with other lawyers will not adversely affect our ability to represent you.

DOCUMENT RETENTION

Your original hard copy documents and property, described further below, will be returned to you upon conclusion of our representation of you on a particular matter (unless they are relevant to another matter on which we continue to represent you) and, upon our receipt of payment for outstanding fees and other charges, subject to applicable Rules of Professional Conduct. At that time, you will also have the opportunity to accept the remainder of your entire client file, including lawyer work product. Some of our offices maintain files in a digital image format. If you request your file from any of those offices, we will provide it in an electronic format on a CD, DVD or other medium. Should you decide not to accept your remaining file at that time, you authorize us to destroy your files at our discretion. If you do not request the return of your file at the time your matter is concluded, we may retain or destroy the file without further notice to you.

Original documents and property, if not returned to you for any reason, will be designated for permanent retention and will not be destroyed without your prior approval. Such items include, but are not limited to, money orders, travelers checks, stocks and bonds, final executed releases, settlement agreements, contracts and sale or purchase agreements, judgments, deeds, titles, easements, wills and trusts, powers of attorney and all other dispositive estate planning documents.

You agree that our drafts of documents, notes, internal working papers, internal e-mail and electronic databases shall be and remain the property of our Firm and shall not be considered part of your client file.

The Firm retains the right to make copies of your file, at our expense, for our own information and retention purposes.

FIRM LAWYERS' PRIVILEGE

We believe it is in your interest as well as the Firm's interest that, in the event ethical or other legal issues arise during our representation of you, including conflict of interest issues or potential disputes between us, the Firm lawyers working on your behalf are able to receive informed, confidential advice regarding their obligations. Accordingly, if we determine in our discretion that it is necessary or advisable for Firm lawyers to consult with our internal or outside counsel, you agree that they may do so and that you recognize the Firm has a lawyer-client privilege protecting the communications between the Firm lawyers working on your behalf and the Firm's internal or outside counsel.

NEW YORK FEE DISPUTE PROCESS

If any of our New York licensed lawyers work on this matter and if a material portion of the legal services we provide to you takes place in New York, you may have an option to invoke arbitration should a fee dispute arise between you and us during or at the conclusion of this engagement. Specifically, in any civil matter where the fee dispute involves a sum of up to \$50,000, you may have a right to compel resolution by binding arbitration. In addition, whether or not binding arbitration is available, both you and we are encouraged to seek resolution of lawyer-client disputes, including fee disputes, through mediation, and the New York Courts and Bar have established a program for mediation of such disputes by an impartial mediator. In the event that any fee dispute should arise in this engagement which is not promptly and satisfactorily resolved between us, we shall furnish you with further details concerning the procedures and effects of arbitration and mediation, so that you can make an informed decision as to how to proceed in the circumstances.

CLIENT RESPONSIBILITIES

It is possible that you may have insurance policies relating to the matter that is the subject of our engagement. You should carefully check the insurance policies you have purchased and, if coverage may be available, you should provide notice to all insurers that may provide such coverage as soon as possible. Although we will be pleased to assist you in assessing the potential for coverage under any policies you may have, our engagement will not include advising you with respect to the existence or availability of insurance coverage for matters within the scope of our engagement unless you supply us with copies of your insurance policies and expressly request our advice on the potential coverage available under such policies.

SEVERANCE OF TERMS

If all or any part of our Engagement Contract is or becomes illegal, invalid or unenforceable in any respect, then the remainder will remain valid and enforceable.

THIRD PARTY RIGHTS

No provision of our Engagement Contract is intended to be enforceable by any third party. Accordingly, no third party shall have any right to enforce or rely on any provision of our Engagement Contract.

ASSIGNMENT

A. Permitted Assignment

We may assign the benefit of our Engagement Contract to any partnership or corporate entity that carries on the business of □□L Gates-US in succession to us and you will accept the performance by such assignee of the Engagement Contract in substitution for our performance. References in these Terms (other than in this paragraph) and in any relevant engagement letter to the Firm or to □□L Gates-US shall include any such assignee.

B. Other Assignment

Sub̄ect to the foregoing paragraph, neither you nor we shall have the right to assign or transfer the benefit or burden of our Engagement Contract without the written consent of the other party.

DEFINITIONS

In these Terms a reference to a □matter□ is to a transaction, case or other matter as to which at any time you have engaged us to represent you□and, any reference to □our services□ is to the legal services to be provided by us to you as described in our engagement letter and any other legal services provided by us to you at any time in relation to a matter.

INCONSISTENCIES

In the event of any inconsistency between our engagement letter and these Terms, the engagement letter shall prevail.

RESOLVING PROBLEMS AND DISPUTES

If you have any complaints or concerns about our work for you, please raise these in the first instance with the lawyer responsible for your engagement or with the Firm's Chairman or Global Managing Partner. We will investigate your complaint promptly and carefully and do what we reasonably can to resolve the difficulties to your satisfaction.

APPLICATION OF TERMS

These Terms supersede any earlier terms of business we may have agreed with you and, in the absence of express agreement to the contrary, will apply to the services referred to in any engagement letter accompanying these Terms and all subsequent legal services we provide to you.

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Jon Bolling, City Administrator
Date: February 12, 2021
RE: Utility Service to ATS 788

Attached is a letter from Mr. Patrick Gardner. The letter asks for city participation in connecting the property to the municipal wastewater collection system.

Mr. Gardner owns property at ATS 788. The property is located adjacent to the city's parking area at North Cove. The property is familiar to area residents as the site leased by the city seasonally to provide summertime vehicle parking for North Cove and South Cove harbors.

In 1992 the sewer service line that connected ATS 788 to the municipal wastewater collection system was abandoned in place due to installation of a new wastewater main in the Craig/Klawock Highway. At the time, the council discussed whether to reconnect ATS 788 to the municipal wastewater collection system. (see attached page from council's May 7, 1992 meeting). The lot did not have a need for wastewater connection at the time, and the council took no action other than agreeing that the lot could be connected when a planned wastewater main at North Hamilton Drive was installed. The council did not address the question of who would pay the cost to connect ATS 788 to the new N. Hamilton Drive main.

A few years later, around 1996, the sewer main was installed along North Hamilton Drive to serve properties that had been emptying wastewater into North Cove. Because of the flat terrain in the area, this new main required that adjacent properties, including ATS 788, use a pump to get the wastewater from the properties into the new sewer main. At that time the city installed individual pump stations to the North Hamilton Drive lots, and turned the pumps over to the property owners to operate and maintain. This work was probably financed through grants, but I do not recall with certainty how the North Hamilton main and pump stations were paid for. As in 1992, there was no active use of ATS 788 requiring a wastewater pump station. The city did see to it that a service line was stubbed out to the property as part of the N. Hamilton Drive project.

According to the Gardner's letter, ATS 788 has a near term need for an active connection to the city's wastewater collection system. Mr. Gardner asks that the city purchase and install a pump that will make the lot's wastewater connection functional.

Staff requests council direction on this matter. While Mr. Gardner's letter implies that the council agreed to bear the cost to reconnect ATS 788 to the municipal wastewater system, that conclusion is not supported by the minutes. The council apparently agreed to wait to connect the lot when the N. Hamilton Drive project was installed, but there was no agreement as to who would bear the cost of that effort.

Having said that, given the series of events as to the property's wastewater connection, it is my view that the city should take the steps needed to acquire and install a pump station for use at ATS 788, and turn the improvements over to Mr. Gardner to operate and maintain. This action treats Mr. Gardner's property the same as the N. Hamilton Drive properties that pump into the same wastewater main and restores a functional connection to replace the one abandoned in 1992.

Recommendation

Authorize staff to purchase and install a wastewater pump station at ATS 788.

Recommended motion: I move to appropriate funds necessary to purchase and install a wastewater pump station at ATS 788, and turn ownership of the pump station over to Mr. Patrick Gardner to operate and maintain.

Patrick Gardner
P.O. Box 1
Craig, Alaska
907-401-0317

RECEIVED
FEB 12 2021

February 12, 2021

To: Mayor O'Conner and Members of the Craig City Council,

I am writing this letter to inform you of a problem that arose when I requested reconnecting the water and sewer to my lot on North Cove, 1051 Craig-Klawock Highway (ATS 788). My daughter recently purchased a little coffee truck and plans to put it on this lot

This lot had water and sewer connected before the City installed a new sewer system in the 90's, at which time I was informed that the City could no longer provide sewer to this lot at the time, but in the future it would be possible to reconnect.

The following is from the Craig City Council meeting minutes of May 7, 1992:

"Otis thought the city should be responsible to make sure Gardner has sewer to his lot. The Mayor suggested that sewer to that lot could wait until the sewer project to connect North Hamilton Drive to the system. The council agreed."

The Mayor made it clear the sewer would be reconnected to the lot after the sewer project to North Hamilton Drive was in, and all the council agreed.

When I inquired about reconnecting this lot to the City of Craig's current sewer system I was told it would require an expensive, special pump for that hook-up to the sewer system - the same lot which didn't need this pump with the previously installed system. Also, a pump that the City can't supply.

I am not asking for anything that wasn't already in place to this lot, nor am I asking for anything that wasn't agreed upon by all Craig City council members in 1992. I would like the City of Craig to provide and install the pump which seems to be needed to reconnect the sewer system that was taken away when the City installed a new system that could not serve a lot that already had a connection.

If you have any questions, please contact me or my daughter Patricia Gardner 907-401-4089.

Because of COVID 19, I will not be attending the meeting in person; rather we will be ready to answer questions during the Zoom council meeting.

Thank you for your attention to this letter.



Patrick Gardner

Jon said that Shaan Seet is to provide a logging schedule to begin their logging plan. Clarence Clark will get it to the City this week and then Jon will post it.

SHAAN SEET
LOGGING PLAN
SCHEDULE

Jon reported that the ATS1410 Tideland Survey has been sent to the Recording Office to be recorded. It should be back to Bob Palmer next week and then the patent information will be sent off. We should have the patent and survey in another month.

TIDELAND
SURVEY
RECORDED

The Mayor asked if we had sent another letter to Pat Gardner. The answer was not yet. Mayor Watson said that he had heard that Gardner's were still interested in the land trade we offered them. Mike M. said that he talked to Mrs. Gardner about a week ago and she said that they aren't now that the buffer is gone.

GARDNER
LAND TRADE
NOT
INTERESTED

There was discussion about the sewer connection to Gardner's ATS88 lot in North Cove. Mike said that when the work is done at North Cove the old sewer line will be disconnected and the ground is too flat for Gardner's lot to be hooked up to the system. Mike said that he had talked to Pat Gardner about it and that Pat wants a letter from the City and is going to DEC for help. If they don't help him he said he will dump into the harbor. It was stated that he could not do that. Otis thought the city should be responsible to make sure Gardner has sewer to his lot. Both Mike and the Mayor said it would be real expensive to do. Mike said that Pat is planning to build on that lot soon. The Mayor suggested that sewer to that lot could wait until the sewer project to connect North Hamilton Drive to the system. The council agreed.

GARDNER'S
NORTH COVE
LOT SEWER

Helen reminded the council that the Board of Equalization will be on May 14th. She asked when the council would like to have the next meeting as High School Graduation is going to be May 21st. It was decided to tentatively schedule it for May 27th.

NEXT MEETING
MAY 27TH

Police Chief See explained that a draft ordinance for Taxi Cabs is in the packets for review and comments. Chief See said that he would like to stipulate that at least one cab company be on call until after the bars close. It was pointed out that we need to include tour buses and the Island Transporter.

TAXI CAB
ORDINANCE
TO BE
REVIEWED

A letter that had been received that afternoon from someone who was complaining that the Police Department isn't doing what he thinks they should was mentioned. It was decided to write a letter back to the guy and say that no action is being taken as we have no control over what he is writing about. He should contact Family Services or the Court.

RESPONSE
TO LETTER