

**CITY OF CRAIG
COUNCIL AGENDA
AUGUST 18, 2022
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.

- Meeting Minutes July 21, 2022

HEARING FROM THE PUBLIC

- Ordinance 748 Fuel Tax Final Reading
- Resolution 22-20 Appointing Natalie Stone as Clerk – Pro Tem
- Resolution 22-21 Setting the Sales Tax Cap on Fuel in Craig

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

- Letter from Rich Trojan requesting to install a credit card fuel station at carwash
- Southeast Senior Services Report
- Article – It's Time to End the Era of Billion Dollar 'Sealords' and Heed the Fishermen
- Comments to FMCSA regarding CDL Variance

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

- Ordinance 748 Fuel Tax Cap Final Reading
- Resolution 22-20 Appointing Natalie Stone as Clerk – Pro Tem
- Resolution 22-21 Setting the Sales Tax Cap on Fuel in Craig

UNFINISHED BUSINESS

- None

NEW BUSINESS

- Reappropriation Request from Public Works for Garbage Truck
- Finance Director Hiring
- Code Enforcement Officer
- Moving Expenses for Police Sergeant Hire

COUNCIL COMMENTS

ADJOURNMENT

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

ROLL CALL

Jim See, Chairman, called the meeting to order at 6:30 p.m. Present were Jim See, Millie Schoonover, Michael Kampnich, and Chanel McKinley. Hannah Bazinet was absent. Julie McDonald and Timothy O'Connor were absent excused.

Staff Present: Brian Templin, City Administrator; Heather Mendonsa, City Clerk; Hans Hjort, Harbormaster

Audience Present: None

CONSENT AGENDA

1. Meeting Minutes July 7, 2022
2. First reading for Ordinance 748 Fuel Tax Cap

Councilwoman Chanel McKinley has some concerns about the fuel tax cap because it will require two transactions for businesses. She does not want to see the fuel tax cap to result in taxes being raised in other areas, such as the bed tax or property tax, to cover the loss. Brian Templin said he and Sheri Purser are looking at alternate methods for collections. He will bring more information to the council. Councilman Jim See added that the tax cap will be in effect until June 30, 2023, and the short time period should not result in small businesses being affected.

SCHOONOVER / KAMPNICH

Moved to adopt the Consent Agenda.
MOTION CARRIED UNANIMOUSLY
BY VOICE VOTE

HEARING FROM THE PUBLIC

No public comment.

READING OF CORRESPONDENCE

1. Letter from Craig Child Care Center

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

None

UNFINISHED BUSINESS

1. Senator Murkowski's August 8 Visit Discussion
Councilman Michael Kampnich is nearly finished with a draft to share with everyone at the next meeting regarding the young growth industry. In addition to the items suggested in the memo sent to the Council for this meeting, Kampnich would like to discuss promoting Thorne Bay as a hub for the young growth industry and the City's opposition to the Pebble Project. Brian would like to add discussion of the CDL training variance Alaska has requested. He will have the meeting points finalized for the next meeting.

NEW BUSINESS

1. False Island Industrial Dock – Cathodic Protection Project

Brian reported that the bids for the False Island Industrial dock were below the engineer’s estimate. It will cost \$11,000 more than originally intended, but it is the recommendation to move forward.

KAMPNICH / SCHOONOVER

Motion to award a contract to place cathodic protection anodes at the False Island Industrial Dock to Alaska Commercial Divers for an amount not to exceed \$160,877 and contract with PND Engineers to conduct contract administration and inspection on the project for a fee not to exceed \$18,778 with all funds appropriated from the city’s Capital Reserve Fund.
MOTION PASSED BY ROLL CALL VOTE

2. North Cove Ramp Expansion Project

See hopes it will be in place before the dock comes down so there won’t be multiple days without access. He hopes the pilings are in the correct place. General discussion ensued about the ramp and removal of the pilings. Hans Hjort provided details about the project and said the pilings can be removed with a hydraulic chainsaw at the mudline. No permits will be needed to do this.

SCHOONOVER / KAMPNICH

Motion to approve the contract to have WSP complete the design work for the North Cove Ramp Expansion Project.
MOTION PASSED BY ROLL CALL VOTE

COUNCIL COMMENTS

Kampnich suggested we work with the harbor committee to adjust the hump in the False Island launch ramp and move the apron down to help trailer some of the boats nearing hauling capacity. He believes it could be completed this fall. Brian agreed and said that has been on his radar, as well. The ramp project won’t start until next year so we have some money that can be reappropriated in the capital budget to meet that need. He will talk to Hans.

Hans said he is aware of the hump. PND Engineering looked at it. Engineering costs are very high right now, so he suggested we contact Southeast Road Builders and see if they have a grinder that could fix it. Hans will look at the drawings and see how deep the aprons are. Kampnich wanted to know how much rebar is in the apron. He also suggested doing the concrete pour in-house.

Councilwoman Millie Schoonover said she will be out of the state for the next meeting and requested to be absent excused.

ADJOURNMENT

SCHOONOVER /KAMPNICH

Moved to adjourn at 6:55 p.m.
MOTION CARRIED

APPROVED on the ____ day of _____, _____.

MAYOR TIMOTHY O'CONNOR

ATTEST: _____
HEATHER MENDONSA, CITY CLERK

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Brian Templin, City Administrator
Date: July 13, 2022
RE: Ordinance 748 - Fuel Sales Tax Cap – First Reading

At the July 7th council meeting the council held a general discussion on the merits of instituting a cap on sales tax for fuel. Fuel prices have increased by \$2.75 - \$3.50 per gallon since January 2022.

The council briefly discussed the first reading of the ordinance on July 21st. At that meeting staff explained that the cap per gallon was not feasible for the point of sale systems. There are a couple of options that the council may want to consider to provide relief to consumers.

Option A: Set a flat dollar amount cap on the amount taxed. This would be similar to the exemption for cars and boats where only the first \$5,000 of the purchase is taxed. This would likely work well with fuel vendors, but as the size of the sale increases, revenue does not. In order to set this cap at a level that benefits individuals it would result in an outsized benefit to large users and likely a decline in overall sales tax revenue.

Option A is used by vendors in the region and should be fairly easy to implement, but will have the largest impact to sales tax revenue. It will likely cause us to collect less sales tax on this item than we did last year. If the council is inclined to choose this option it should consider narrowing the eligibility (i.e. home heating fuel delivered in Craig only). This will have a narrower benefit, but will have less budget impact.

Option B: Set a lower tax rate specifically for fuel. The current sales tax rate is 5%. This rate has been approved by voters. The city can set a lower tax rate and can raise the rate at a later date (as long as the raised rate doesn't exceed what the voters have approved). This would have the advantage of benefiting all sales and not overly benefiting large sales since the tax would apply to all of the fuel sold. We are waiting on further comment from vendors about the ability of the point of sale systems to track this. Ultimately this would be similar to vendors that sell alcohol and other products and are able to tax alcohol at one rate and other goods at another rate (6% and 5%).

Option C: Set a cap per gallon. This is the option that first reading of the ordinance shows. Based on feedback from vendors, this option likely cannot be implemented because there is no way for the vendor to program their point of sale systems to do this.

Option D: Fuel Tax Rebate. All of the other options assume that fuel vendors will manage the tax break at the point of sale. Another option that the council may choose is to require people to submit copies of receipts and a form set by the city on a periodic basis (likely quarterly or annually). This would provide a benefit for the public but would be retroactive and would not show at time of delivery. The rebate would be for a percentage of the taxable sale and would represent a general reduction in the rate. For example, a 1% rebate would bring the purchase down to an effective rate of 4%.

I have attached a draft of the language that would be attached to the ordinance for all of the options above. If the council is concerned about budget impacts, it can choose to narrow eligibility to certain types of fuel (identified in the accompanying resolution)

I have also attached a quick sheet of calculations showing the various amounts of tax collected based on the various options.

Recommendation: The council should discuss the options shown above choose the option to approve.

Recommended Motion: Move to approve Ordinance 748 with Option (A, B, C or D).

Fuel Tax Cap Options and Financial Impacts

	Amount of Purchase and Tax Collected			
	\$ 100.00	\$ 500.00	\$ 1,000.00	\$ 1,500.00
Current Taxes (5% sales tax with no cap)	\$ 5.00	\$ 25.00	\$ 50.00	\$ 75.00
Option A Cap on Total Sale				
Only first \$250 taxable	\$ 5.00	\$ 12.50	\$ 12.50	\$ 12.50
Only first \$500 taxable	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Option B Reduced Sales Tax for Fuel				
4% Tax on Fuel	\$ 4.00	\$ 20.00	\$ 40.00	\$ 60.00
3% Tax on Fuel	\$ 3.00	\$ 15.00	\$ 30.00	\$ 45.00
Option C Fuel Tax Cap Per Gallon				
Fuel tax capped at \$4.50/gallon (based on gallon estimates)	\$ 3.91	\$ 19.57	\$ 39.13	\$ 58.70
Fuel tax capped at \$5.00/gallon (based on gallon estimates)	\$ 4.35	\$ 21.74	\$ 43.48	\$ 65.22
Option D Rebate				
1% of redeemed receipts	\$ 4.00	\$ 20.00	\$ 40.00	\$ 60.00
2% of redeemed receipts	\$ 3.00	\$ 15.00	\$ 30.00	\$ 45.00
Estimated Equivalent Gallons				
Fuel (approximately \$5.75 per gallon)	17.4	87.0	173.9	260.9
Propane (approximately \$3.50 per gallon)	28.6	142.9	285.7	428.6

OPTION A – CAP ON TOTAL SALE
ORDINANCE No. 748
ATTACHMENT A

Title 3 of the Craig Municipal Code is hereby amended by adopting a new definition for “Fuel” in Section 3.08.010 and adding a cap on sales tax collected on fuel in Section 3.08.020 to read as follows:

3.08.010 Definitions

“Fuel”, for purposes of this section, means fuel (refined gasoline, diesel fuel, and propane) that is subject to Craig sales tax. This does not include other products; pre-packaged fuel sold in cans or other containers; or any other types of fuel charges.

3.08.020 Levy of Sales Tax – rate

E. The following are exempt from the tax:

26. Gross receipts derived from sales of fuel for that portion of the sale above a rate set by resolution by the Craig City Council. This provision is effective until June 30, 2023.

OPTION B – REDUCED SALES TAX
ORDINANCE No. 748
ATTACHMENT A

Title 3 of the Craig Municipal Code is hereby amended by adopting a new definition for “Fuel” in Section 3.08.010 and adding a cap on sales tax collected on fuel in Section 3.08.020 to read as follows:

3.08.010 Definitions

“Fuel”, for purposes of this section, means fuel (refined gasoline, diesel fuel, and propane) that is subject to Craig sales tax. This does not include other products; pre-packaged fuel sold in cans or other containers; or any other types of fuel charges.

3.08.020 Levy of Sales Tax – rate

B.1. Sales of fuel shall be taxed at a rate set by resolution by the Craig City Council, not to exceed 5%. This provision is effective until June 30, 2023.

OPTION C – PER GALLON TAX CAP
ORDINANCE No. 748
ATTACHMENT A

Title 3 of the Craig Municipal Code is hereby amended by adopting a new definition for “Fuel” in Section 3.08.010 and adding a cap on sales tax collected on fuel in Section 3.08.020 to read as follows:

3.08.010 Definitions

“Fuel”, for purposes of this section, means fuel (refined gasoline, diesel fuel, and propane) that is subject to Craig sales tax. This does not include other products; pre-packaged fuel sold in cans or other containers; or any other types of fuel charges.

3.08.020 Levy of Sales Tax – rate

E. The following are exempt from the tax:

26. Gross receipts derived from sales of fuel for that portion of the per gallon cost above a rate set by resolution by the Craig City Council. This provision is effective until June 30, 2023.

OPTION C – FUEL SALES TAX REBATE
ORDINANCE No. 748
ATTACHMENT A

Title 3 of the Craig Municipal Code is hereby amended by adopting a new definition for “Fuel” in Section 3.08.010 and adding a cap on sales tax collected on fuel in Section 3.08.020 to read as follows:

3.08.010 Definitions

“Fuel”, for purposes of this section, means fuel (refined gasoline, diesel fuel, and propane) that is subject to Craig sales tax. This does not include other products; pre-packaged fuel sold in cans or other containers; or any other types of fuel charges.

3.08.020 Levy of Sales Tax – rate

B.1. Fuel Sales Tax Rebate:

- a. Customers who purchase fuel from vendors where the sale is subject to Craig Sales Tax are eligible to receive a rebate on a portion of the sales tax paid.
- b. Customers may submit copies of receipts, along with a form prescribed by the city to the city for processing of a rebate.
- c. Rebate submission and payment schedule shall be fixed by the city.
- d. Rebate amount shall be set by the council by resolution.
- e. This provision is effective until June 30, 2023.

**CITY OF CRAIG
ORDINANCE No. 748**

AMENDING SECTION 10.04 OF THE CRAIG MUNICIPAL CODE, ADDING SECTION 3.08.010 AND 3.08.020 ESTABLISHING A CAP ON SALES TAX COLLECTED ON FUEL

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 September 1, 2022.

Section 4. Findings. The Craig City Council finds the following:

WHEREAS, on January 1, 2022, fuel costs for vehicle, equipment, and heating fuel were approximately \$4.00 per gallon; and

WHEREAS, as of July 10, 2022 fuel prices are between \$5.75 and \$6.50 per gallon depending on type of fuel; and

WHEREAS, the Craig City Council wishes to provide relief to consumers for high fuel prices; and

WHEREAS, the City of Craig is choosing to adopt an ordinance providing for the definition of “fuel” in this context and placing a cap on the amount of sales tax collected per gallon.

Section 5. Action. This ordinance adds Section 3.08.010 and 3.08.020 to the Craig Municipal Code as detailed in Attachment A.

Passed and approved this ___ day of _____, 2022.

Mayor Tim O’Connor

Attest _____
Heather Mendonsa, City Clerk

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Brian Templin, City Administrator
Date: July 21, 2022
RE: Resolution 22-20, Appointing Natalie Stone as Clerk Pro-Tem

We recently hired Natalie Stone as the new part time administrative assistant at city hall. This new position was approved in the FY2023 budget.

The position is intended to manage a number of programs and projects city wide and perform other administrative support as needed. Clerk Pro-Tem is one of the duties that will be assigned to Natalie. This duty assigns a number of tasks and authorities granted to the city clerk by our code. Primarily, Natalie will act as the clerk for council meeting preparation and at the meeting when the clerk is unavailable.

Per Section 2.04.050.B of the Craig Municipal Code, the clerk pro-tem is appointed by the council.

Recommendation: Approve Resolution 22-20, appointing Natalie Stone as the clerk pro-tem.

**CITY OF CRAIG
RESOLUTION 22-20**

APPOINTING NATALIE STONE AS CITY CLERK PRO-TEM

WHEREAS, from time to time the city clerk is unavailable to perform the duties assigned to that office; and,

WHEREAS, when the clerk is unavailable, the clerk pro-tem may perform city clerk duties, as assigned by the mayor, city council, or city administrator; and,

WHEREAS, POWCAC adopted Resolution 22-02 on June 28, 2022; and,

WHEREAS, Section 2.04.050.B of the Craig Municipal Code provides for council appointment of a clerk pro-tem.

NOW, THEREFORE, BE IT RESOLVED that Natalie Stone be appointed as clerk pro-tem.

Adopted this 4th day of August, 2022.

Mayor Tim O'Connor

ATTEST _____
Heather Mendonsa, City Clerk

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Brian Templin, City Administrator
Date: July 27, 2022
RE: Resolution 22-21, Setting the Sales Tax Cap on Fuel in Craig

The council is considering Ordinance 748 for final approval at the August 4, 2022 council meeting. If approved, that ordinance allows the city council to set the cap on fuel sales tax by resolution.

In the discussion of the ordinance the council will consider a couple of alternatives. We have prepared a different attachment for the resolution based on the adopted option included in ordinance 748.

A copy of the resolution and the attachment options are attached to this memo. The council should review the attachment that pertains to the tax cap method chosen in Ordinance 748 and move to adopt the resolution along with that attachment language.

Recommended Motion: Move to approve Resolution 22-21 with Attachment A for Option (A, B, C, or D).

**CITY OF CRAIG
RESOLUTION 22-21**

A RESOLUTION SETTING RATES FOR A CAP ON SALES TAX FOR FUEL

WHEREAS, the Craig City Council has determined that with steeply rising fuel prices that a cap on sales tax collected is in the best interest of the city and its residents; and,

WHEREAS, the Craig City Council has adopted Ordinance 748 amending Section 3.08.010 and 3.08.020 of the Craig Municipal Code to allow for a tax cap on fuel at a rate set by resolution by the council; and,

WHEREAS, this resolution sets that cap.

THEREFORE BE IT RESOLVED that Craig City Council sets a cap on the tax rate/sales tax collected on fuels as shown in attachment A of this resolution.

PASSED AND APPROVED by a duly constituted quorum of the city council this 4th day of August, 2022.

MAYOR TIM O'CONNOR

HEATHER MENDONSA, CITY CLERK

OPTION A – CAP ON TOTAL SALE

Attachment A

As defined in 3.08.010 and detailed in CMC 3.08.020, Unleaded Gasoline and Diesel Fuel – Gross sales after the first \$500 are exempt from city sales tax.

OPTION B – REDUCED SALES TAX

Attachment A

As defined in 3.08.010 and detailed in CMC 3.08.020, Unleaded Gasoline and Diesel Fuel are subject to sales tax at a rate of 4%.

OPTION C – PER GALLON TAX CAP

Attachment A

As defined in 3.08.010 and detailed in CMC 3.08.020, Unleaded Gasoline and Diesel Fuel sales tax at a rate of \$.225 per gallon.

OPTION D – FUEL SALES TAX REBATE

Attachment A

As defined in 3.08.010 and detailed in CMC 3.08.020, Unleaded Gasoline and Diesel Fuel PURCHASES subject to Craig sales tax paid on fuel is eligible for a rebate of 1% of the gross fuel purchase. Rebate requests shall be filed in a time and manner proscribed by the city. To be eligible for a rebate person's must include copies of receipts showing eligible payments for fuel, and a completed form provided by the city.

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Brian Templin, City Administrator
Date: August 11, 2022
RE: Updated August Staff Report

1. Staff Updates

We are continuing to make progress in filling positions in the city.

- Our new administrative assistant has started working full time.
- Our recently hired billing clerk recently resigned and took a job elsewhere in Craig. We have one internal candidate who will be trying out for the position through the next billing cycle. Michelle Maze, the current billing clerk, is leaving August 12th.
- The Finance Director position is still open and being advertised. The council held an executive session on August 17th and there is an item on the agenda for a short discussion on this position in the packet.
- The PD is still short staffed. Chief Ely has extended a job offer for a Sergeant and has a potential offer for a temporary code enforcement officer that would transition to a police officer later this year. There are a couple of items later on the agenda regarding these positions.
- The pool is still short staffed. One of the part time employees will recently started again and Jessica has hired a new full-time employee that is going through training and certification. Jessica has published an updated pool schedule starting August 15th that has extended hours and brings a shortened open swim back to the schedule.

2. Grants and Other Funding Opportunities

We are currently working on a number of grant projects and have several Congressionally Directed Spending requests that Senator Murkowski has included in discussions on various appropriations bills. Staff will continue to work with funding agencies and the delegation on these grant opportunities. We are finalizing an agreement on the \$150,000 in state appropriations for repairs/upgrade of the power building.

Senator Murkowski has scheduled another grant symposium on September 7th. I have asked City Planner, Samantha Wilson to attend that meeting to meet with federal agencies regarding congressionally directed spending requests and to identify additional funding opportunities.

3. Craig Cannery/Harbor Project

The USACE is continuing to work on the environmental validation. Staff is scheduled to meet with the Pacific Ocean Division Commander, Alaska District Commander and Alaska District Deputy Commander on September 21st at the harbor site.

4. Alaska State Budget

We were notified back in May/June that additional funds were included in the state budget for contract jails. This funding was reduced by the time the governor signed it, but we were recently notified that even with the reduced amount, that the City of Craig should expect about \$160,000 - \$195,000 in additional funding this fiscal year for the contract jail.

In addition to the additional jail contract funding, the Planner is completing the grant award paperwork for the POWER building upgrades. This project should start this fall.

5. Daycare Center

The RFP for daycare center operators is currently being advertised. Proposals are due by August 11th. We will keep the council informed as to the results after the proposal deadline.

6. Visit by Senator Murkowski

As the council is aware, Senator Murkowski had to cancel her scheduled August 8th visit to POW. She is currently working on rescheduling a visit likely in September.

7. July 26, 2022 POWCAC Meeting

POWCAC met on July 26th in Whale Pass and talked about a number of issues, including:

- a. USFS Update on Ross Adams Mine Cleanup
- b. Whale Pass Timber Sale
- c. Landless Legislation
- d. Senator Murkowski visit, August 8th
- e. CDL Licensing Requirements on POW
- f. Prince of Wales Chamber of Commerce Board of Directors

8. Travel and Leave Schedule

I will be out of the office from September 13 – 20, partly to attend the SE Conference meeting in Ketchikan and partly for personal travel.

CITY OF CRAIG
MEMORANDUM

July 28, 2022

To: City Council

From: Sheri Purser, Treasurer

Re: Monthly Report

The July monthly financials and APMC reports are included.

I still have not heard back from Christine for our audit. Hoping to hear from her soon. I am preparing for the FY22 Audit. I am also preparing the information that is needed to start bidding out to other auditor's for FY23.

The Property Tax bills have been sent out, there was an error on the empty lot statements. I have fixed that, and we have sent out new bills for those properties.

I am working on year end process. Closing out accounts, balancing the general ledger and starting on the supplemental budget. I will get that to you to be approved as soon as I have that finished.

We have hired April McDougall for the Billing Clerk position. She started today so she can be trained on the end of the month utility billing process. We are excited to welcome her to our accounting team.

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

City of Craig
Cash Balances
7/31/2022

General Fund

Deposit Clearing Account	718,113.34
Checking - First Bank	1,468,834.48
Checking - Wells Fargo	25,218.73
Petty Cash	356.60
Petty Cash-Harbors	165.29
Petty Cash- Aquatic Center	250.00
Petty Cash - Police	134.95
Petty Cash- Library	150.00
Wells Fargo CD Saving Account	<u>510,912.14</u>
Total	<u>2,724,135.53</u>

Restricted Fund

Cares Fund Checking	169,002.08
Cash, Police Fund	40,917.41
Cash Evidence, Police	4,416.00
Police Petty Cash	781.17
Cash Hatchery Salmon Derby	3,222.22
MM Park Funds	7,702.76
Fish Quota Funds	15,552.70
MM POW Clinic Funds	46,429.61
MM Invest Muni Land	433.73
Hatchery Saving Account	57,302.94
Cash MMkt NFR -School FB	61,592.36
Cash Invest School Funds APCM	2,901,437.01
Accrued Interest, School	<u>9,484.00</u>
Total	<u>3,318,273.99</u>

Endowment

Cash Held Endowment	194,085.22
Fixed Inc. Investment Endowment	5,275,387.54
Accr. Int., Endowment	39,823.94
Equity Invest., Endowment	6,681,497.91
Unrealized Gain/Loss Endowment	6,753.64
Unrealized Gain/Loss Equity, Endowment	<u>4,322,401.75</u>
Total	<u>16,519,950.00</u>

Enterprise Fund

DNR Performance CD	<u>8,500.00</u>
Total	<u>8,500.00</u>

City of Craig
02. Craig Gov Revenue

July 31, 2022

	M-T-D Actual	Y-T-D Actual	Budget	Over(Under) Budget	% of Budget
01 00.4000.00 000 Property Tax	692,755	692,755	687,480	5,275	101
01 00.4050.00 000 Sales Tax	333,922	333,922	1,205,500	(871,578)	28
01 00.4051.00 000 1% Sales Tax for School	0	0	340,850	(340,850)	0
01 00.4052.00 000 Alaska Remote Sales Tax	0	0	100,000	(100,000)	0
01 00.4053.00 000 1% Sales Tax Pool & Rec	0	0	340,850	(340,850)	0
01 00.4060.00 000 Liquor Sales Tax	22,827	22,827	120,000	(97,173)	19
01 00.4065.00 000 Transient Room Tax	4,335	4,335	20,000	(15,665)	22
Total Local Taxes	1,053,839	1,053,839	2,814,680	(1,760,841)	37
01 00.4100.00 000 Property PILT Funding	0	0	300,000	(300,000)	0
01 00.4110.00 000 State Revenue Sharing	0	0	75,000	(75,000)	0
01 00.4111.00 000 Liquor Revenue Sharing	0	0	4,000	(4,000)	0
01 00.4112.00 000 Fish Bus Tax - DOR	0	0	75,000	(75,000)	0
01 00.4120.00 000 Shared Fish Tax - DCED	0	0	2,000	(2,000)	0
Total State Revenue	0	0	456,000	(456,000)	0
01 00.4200.00 000 COVID 19 Response Revenue	0	0	75,000	(75,000)	0
01 00.4220.00 000 EMS Service Fees	(75)	(75)	50,000	(50,075)	0
01 00.4250.00 000 EMS Training Fees	0	0	1,000	(1,000)	0
01 00.4255.00 000 EMS Estimated NonCollectable	0	0	(25,000)	25,000	0
01 00.4260.00 000 Aquatic Center Revenue	(200)	(200)	50,000	(50,200)	0
01 00.4270.00 000 Library Fees	0	0	1,000	(1,000)	0
01 00.4275.00 000 Recreation Revenue	1,259	1,259	15,000	(13,741)	8
01 00.4280.00 000 Senior Card Fees	225	225	3,000	(2,775)	8
01 00.4620.00 000 Taxi Permit Fees	0	0	100	(100)	0
01 00.4640.00 000 Building Permit Fees	0	0	2,500	(2,500)	0
01 00.4644.00 000 Access Permit Fees	0	0	5,500	(5,500)	0
01 00.4646.00 000 PSN Road Maintenance	(300)	(300)	40,000	(40,300)	(1)
Total Permits & Fees	909	909	218,100	(217,191)	0
01 00.4300.00 000 Property Lease/Rentals	(5,608)	(5,608)	53,000	(58,608)	(11)
01 00.4400.00 000 Material Sales	0	0	1,000	(1,000)	0
Total Local Revenue	(5,608)	(5,608)	54,000	(59,608)	(10)
01 00.4700.00 000 Police-Fines,Citation	0	0	10,000	(10,000)	0
01 00.4703.00 000 Motor Vehicle Commision	5,831	5,831	60,000	(54,169)	10
01 00.4650.00 000 State Trooper Dispatch	(1,625)	(1,625)	7,200	(8,825)	(23)
01 00.4660.00 000 State Jail Contract Revenue	0	0	357,524	(357,524)	0
01 00.4665.00 000 Klawock Dispatch	0	0	53,088	(53,088)	0
01 00.4670.00 000 Forest Service Dispatch	0	0	3,000	(3,000)	0
Total Public Safety Funds	4,206	4,206	490,812	(486,606)	1
01 00.4820.00 000 Interest Income (A/R)	(3)	(3)	1,000	(1,003)	0
01 00.4900.00 000 Misc Revenue	891	891	5,000	(4,109)	18
01 00.4990.00 000 TRANS.FRM RESERVES BAL. BUDGET	895	895	0	895	0
Total Other Revenue	1,783	1,783	6,000	(4,217)	30
Total Revenues	\$ 1,055,129	\$ 1,055,129	\$ 4,039,592	\$ (2,984,463)	\$ 26

City of CraigRevenue and Expense YTD & Budget
July 31, 2021

	Y-T-D Actual	Y-T-D Encumbrance	Y-T-D Budget	Total
Administration				
Total Personnel Expenditures	23,203	0	330,652	23,203
Total Benefits Expenditures	9,644	0	124,715	9,644
Total Contract Expenditures	61,199	0	170,110	61,199
Total Travel & Expenditures	2,856	0	12,045	2,856
Total Materials Expenditures	1,706	0	6,800	1,706
Total Utilities Expenditures	1,326	0	16,850	1,326
Total Repairs & Maint Expenditures	245	0	3,260	245
Total Other Expenditures	2,511	576	26,920	3,087
Total Capital & Debt Expenditures	0	0	1,000	0
Total Expenditures	<u>\$ 102,690</u>	<u>\$ 576</u>	<u>\$ 692,352</u>	<u>\$ 103,266</u>
Excess Revenue Over (Under) Expenditures	<u>\$ (102,690)</u>	<u>\$ (576)</u>	<u>\$ (692,352)</u>	<u>\$ (103,266)</u>
Council				
Total Personnel Expenditures	1,340	0	12,920	1,340
Total Benefits Expenditures	142	0	5,008	142
Total Contract Expenditures	0	0	950	0
Total Travel & Expenditures	0	0	2,050	0
Total Materials Expenditures	0	0	0	0
Total Utilities Expenditures	12	0	0	12
Total Repairs & Maint Expenditures	0	0	0	0
Total Other Expenditures	18	0	220	18
Total Capital & Debt Expenditures	0	0	0	0
Total Expenditures	<u>\$ 1,512</u>	<u>\$ 0</u>	<u>\$ 21,148</u>	<u>\$ 1,512</u>
Excess Revenue Over (Under) Expenditures	<u>\$ (1,512)</u>	<u>\$ 0</u>	<u>\$ (21,148)</u>	<u>\$ (1,512)</u>
Planning				
Total Personnel Expenditures	5,607	0	49,573	5,607
Total Benefits Expenditures	1,839	0	19,452	1,839
Total Contract Expenditures	1,878	0	6,500	1,878
Total Travel & Expenditures	0	0	0	0
Total Materials Expenditures	1,996	(1,388)	1,000	608
Total Utilities Expenditures	0	0	0	0
Total Repairs & Maint Expenditures	0	0	500	0
Total Other Expenditures	144	0	1,015	144
Total Capital & Debt Expenditures	0	0	0	0
Total Expenditures	<u>\$ 11,464</u>	<u>\$ (1,388)</u>	<u>\$ 78,040</u>	<u>\$ 10,076</u>
Excess Revenue Over (Under) Expenditures	<u>\$ (11,464)</u>	<u>\$ 1,388</u>	<u>\$ (78,040)</u>	<u>\$ (10,076)</u>
Parks & Facilities				
Total Personnel Expenditures	11,464	0	135,100	11,464
Total Benefits Expenditures	5,447	0	71,111	5,447
Total Contract Expenditures	599	0	11,100	599
Total Travel & Expenditures	120	0	0	120
Total Materials Expenditures	2,359	544	22,900	2,904

City of Craig

Revenue and Expense YTD & Budget

July 31, 2021

	Y-T-D Actual	Y-T-D Encumbrance	Y-T-D Budget	Total
Total Utilities Expenditures	1,286	0	16,000	1,286
Total Repairs & Maint Expenditures	720	0	22,250	720
Total Other Expenditures	1,536	0	11,968	1,536
Total Capital & Debt Expenditures	1,647	0	33,680	1,647
Total Expenditures	<u>\$ 25,178</u>	<u>\$ 544</u>	<u>\$ 324,109</u>	<u>\$ 25,723</u>
Excess Revenue Over (Under) Expenditures	<u>\$ (25,178)</u>	<u>\$ (544)</u>	<u>\$ (324,109)</u>	<u>\$ (25,723)</u>
Public Works				
Total Personnel Expenditures	10,404	0	155,380	10,404
Total Benefits Expenditures	6,817	0	105,171	6,817
Total Contract Expenditures	0	0	720	0
Total Travel & Expenditures	0	0	0	0
Total Materials Expenditures	1,833	16,606	30,750	18,439
Total Utilities Expenditures	1,373	0	14,900	1,373
Total Repairs & Maint Expenditures	4,637	3,466	68,200	8,102
Total Other Expenditures	1,410	0	7,798	1,410
Total Capital & Debt Expenditures	250	7,855	129,000	8,105
Total Expenditures	<u>\$ 26,724</u>	<u>\$ 27,927</u>	<u>\$ 511,919</u>	<u>\$ 54,650</u>
Excess Revenue Over (Under) Expenditures	<u>\$ (26,724)</u>	<u>\$ (27,927)</u>	<u>\$ (511,919)</u>	<u>\$ (54,650)</u>
Police				
Total Personnel Expenditures	35,215	0	582,521	35,215
Total Benefits Expenditures	21,341	0	354,234	21,341
Total Contract Expenditures	485	0	8,920	485
Total Travel & Expenditures	0	0	3,000	0
Total Materials Expenditures	6,989	2,148	49,500	9,137
Total Utilities Expenditures	1,933	0	27,000	1,933
Total Repairs & Maint Expenditures	0	0	0	0
Total Other Expenditures	5,135	0	31,614	5,135
Total Capital & Debt Expenditures	15,000	0	25,650	15,000
Total Expenditures	<u>\$ 86,098</u>	<u>\$ 2,148</u>	<u>\$ 1,082,439</u>	<u>\$ 88,246</u>
Excess Revenue Over (Under) Expenditures	<u>\$ (86,098)</u>	<u>\$ (2,148)</u>	<u>\$ (1,082,439)</u>	<u>\$ (88,246)</u>
EMS				
Total Personnel Expenditures	14,336	0	181,480	14,336
Total Benefits Expenditures	4,887	0	77,917	4,887
Total Contract Expenditures	660	0	4,500	660
Total Travel & Expenditures	0	0	8,400	0
Total Materials Expenditures	553	0	18,150	553
Total Utilities Expenditures	672	0	4,900	672
Total Repairs & Maint Expenditures	0	0	0	0
Total Other Expenditures	880	0	6,351	880
Total Capital & Debt Expenditures	0	0	0	0
Total Expenditures	<u>\$ 21,988</u>	<u>\$ 0</u>	<u>\$ 301,698</u>	<u>\$ 21,988</u>

City of Craig

Revenue and Expense YTD & Budget

July 31, 2021

	Y-T-D Actual	Y-T-D Encumbrance	Y-T-D Budget	Total
Excess Revenue Over (Under) Expenditures	\$ (21,988)	\$ 0	\$ (301,698)	\$ (21,988)
Fire Department				
Total Personnel Expenditures	0	0	0	0
Total Benefits Expenditures	132	0	4,186	132
Total Contract Expenditures	5,100	0	5,400	5,100
Total Travel & Expenditures	0	0	2,700	0
Total Materials Expenditures	171	0	2,600	171
Total Utilities Expenditures	92	0	5,900	92
Total Repairs & Maint Expenditures	0	0	1,000	0
Total Other Expenditures	449	0	4,827	449
Total Capital & Debt Expenditures	0	0	0	0
Total Expenditures	\$ 5,944	\$ 0	\$ 26,613	\$ 5,944
Excess Revenue Over (Under) Expenditures	\$ (5,944)	\$ 0	\$ (26,613)	\$ (5,944)
Library				
Total Revenues	\$ 300	\$ 0	\$ 0	\$ 300
Total Personnel Expenditures	4,657	0	62,263	4,657
Total Benefits Expenditures	2,550	0	48,500	2,550
Total Contract Expenditures	2,295	1,195	3,175	3,490
Total Travel & Expenditures	0	0	0	0
Total Materials Expenditures	3,602	381	7,000	3,983
Total Utilities Expenditures	2,401	0	10,600	2,401
Total Repairs & Maint Expenditures	0	0	1,000	0
Total Other Expenditures	209	0	1,750	209
Total Capital & Debt Expenditures	0	0	2,500	0
Total Expenditures	\$ 15,714	\$ 1,576	\$ 136,788	\$ 17,290
Excess Revenue Over (Under) Expenditures	\$ (15,414)	\$ (1,576)	\$ (136,788)	\$ (16,990)
Recreation				
Total Personnel Expenditures	2,960	0	56,362	2,960
Total Benefits Expenditures	3,815	0	27,227	3,815
Total Contract Expenditures	200	0	1,500	200
Total Travel & Expenditures	0	0	0	0
Total Materials Expenditures	(1,094)	0	29,525	(1,094)
Total Utilities Expenditures	922	0	13,000	922
Total Repairs & Maint Expenditures	0	0	2,100	0
Total Other Expenditures	544	0	5,130	544
Total Capital & Debt Expenditures	0	0	6,439	0
Total Expenditures	\$ 7,347	\$ 0	\$ 141,283	\$ 7,347
Excess Revenue Over (Under) Expenditures	\$ (7,347)	\$ 0	\$ (141,283)	\$ (7,347)
Aquatic Center				
Total Personnel Expenditures	11,661	0	166,960	11,661

City of Craig

Revenue and Expense YTD & Budget

July 31, 2021

	Y-T-D Actual	Y-T-D Encumbrance	Y-T-D Budget	Total
Total Benefits Expenditures	6,816	0	116,480	6,816
Total Contract Expenditures	0	0	6,400	0
Total Travel & Expenditures	5,300	(4,196)	11,080	1,103
Total Materials Expenditures	1,899	(1,399)	23,720	500
Total Utilities Expenditures	5,485	0	126,000	5,485
Total Repairs & Maint Expenditures	0	0	3,800	0
Total Other Expenditures	1,604	0	11,800	1,604
Total Capital & Debt Expenditures	0	0	165,838	0
Total Expenditures	<u>\$ 32,765</u>	<u>\$ (5,595)</u>	<u>\$ 632,078</u>	<u>\$ 27,169</u>
Excess Revenue Over (Under) Expenditures	<u>\$ (32,765)</u>	<u>\$ 5,595</u>	<u>\$ (632,078)</u>	<u>\$ (27,169)</u>
Sewer				
Total Revenues	\$ 25,705	\$ 0	\$ 290,000	\$ 25,705
Total Personnel Expenditures	6,301	0	77,087	6,301
Total Benefits Expenditures	3,548	0	43,765	3,548
Total Contract Expenditures	118	0	7,800	118
Total Travel & Expenditures	400	0	1,280	400
Total Materials Expenditures	661	350	8,200	1,012
Total Utilities Expenditures	3,247	0	55,741	3,247
Total Repairs & Maint Expenditures	127	8,380	4,000	8,507
Total Other Expenditures	1,587	0	9,450	1,587
Total Capital & Debt Expenditures	18,400	25,455	66,500	43,855
Total Expenditures	<u>\$ 34,389</u>	<u>\$ 34,185</u>	<u>\$ 273,823</u>	<u>\$ 68,575</u>
Excess Revenue Over (Under) Expenditures	<u>\$ (8,684)</u>	<u>\$ (34,185)</u>	<u>\$ 16,177</u>	<u>\$ (42,870)</u>
Water				
Total Revenues	\$ 29,039	\$ 0	\$ 326,778	\$ 29,039
Total Personnel Expenditures	10,148	0	134,003	10,148
Total Benefits Expenditures	5,619	0	70,577	5,619
Total Contract Expenditures	614	0	10,000	614
Total Travel & Expenditures	1,343	344	3,935	1,687
Total Materials Expenditures	4,220	0	67,400	4,220
Total Utilities Expenditures	3,857	0	57,400	3,857
Total Repairs & Maint Expenditures	1,428	1,924	10,000	3,352
Total Other Expenditures	1,336	0	12,850	1,336
Total Capital & Debt Expenditures	24,612	1,166	76,821	25,778
Total Expenditures	<u>\$ 53,177</u>	<u>\$ 3,434</u>	<u>\$ 442,986</u>	<u>\$ 56,611</u>
Excess Revenue Over (Under) Expenditures	<u>\$ (24,138)</u>	<u>\$ (3,434)</u>	<u>\$ (116,208)</u>	<u>\$ (27,572)</u>
Garbage				
Total Revenues	\$ 30,427	\$ 0	\$ 322,280	\$ 30,427
Total Personnel Expenditures	2,774	0	38,295	2,774
Total Benefits Expenditures	3,528	0	27,151	3,528
Total Contract Expenditures	19,991	0	211,500	19,991
Total Travel & Expenditures	0	0	0	0
Total Materials Expenditures	1,297	0	9,300	1,297

City of Craig

Revenue and Expense YTD & Budget

July 31, 2021

	Y-T-D Actual	Y-T-D Encumbrance	Y-T-D Budget	Total
Total Utilities Expenditures	28	0	500	28
Total Repairs & Maint Expenditures	221	0	7,500	221
Total Other Expenditures	596	0	3,500	596
Total Capital & Debt Expenditures	500	0	40,000	500
Total Expenditures	<u>\$ 28,935</u>	<u>\$ 0</u>	<u>\$ 337,746</u>	<u>\$ 28,935</u>
Excess Revenue Over (Under) Expenditures	<u>\$ 1,492</u>	<u>\$ 0</u>	<u>\$ (15,466)</u>	<u>\$ 1,492</u>
Harbor				
Total Revenues	\$ 21,965	\$ 0	\$ 269,600	\$ 21,965
Total Personnel Expenditures	9,564	0	148,739	9,564
Total Benefits Expenditures	5,223	0	99,896	5,223
Total Contract Expenditures	129	0	900	129
Total Travel & Expenditures	0	1,207	2,200	1,207
Total Materials Expenditures	1,566	(256)	24,100	1,310
Total Utilities Expenditures	5,664	0	44,592	5,664
Total Repairs & Maint Expenditures	2	0	108,050	2
Total Other Expenditures	13,062	0	35,550	13,062
Total Capital & Debt Expenditures	859	(859)	1,650	0
Total Expenditures	<u>\$ 36,069</u>	<u>\$ 92</u>	<u>\$ 465,677</u>	<u>\$ 36,161</u>
Excess Revenue Over (Under) Expenditures	<u>\$ (14,104)</u>	<u>\$ (92)</u>	<u>\$ (196,077)</u>	<u>\$ (14,196)</u>
JTB Industrail Park				
Total Revenues	\$ 72,962	\$ 0	\$ 592,589	\$ 72,962
Total Personnel Expenditures	17,037	0	93,421	17,037
Total Benefits Expenditures	3,491	0	35,938	3,491
Total Contract Expenditures	0	0	1,900	0
Total Travel & Expenditures	0	0	0	0
Total Materials Expenditures	561	0	49,975	561
Total Utilities Expenditures	10,088	0	53,336	10,088
Total Repairs & Maint Expenditures	0	0	17,500	0
Total Other Expenditures	1,749	0	12,325	1,749
Total Capital & Debt Expenditures	0	0	97,000	0
Total Expenditures	<u>\$ 32,926</u>	<u>\$ 0</u>	<u>\$ 361,395</u>	<u>\$ 32,926</u>
Excess Revenue Over (Under) Expenditures	<u>\$ 40,036</u>	<u>\$ 0</u>	<u>\$ 231,194</u>	<u>\$ 40,036</u>
Ward Cove Cannery				
Total Revenues	\$ 531	\$ 0	\$ 7,000	\$ 531
Total Personnel Expenditures	0	0	0	0
Total Benefits Expenditures	0	0	0	0
Total Contract Expenditures	0	0	50,000	0
Total Travel & Expenditures	0	0	0	0
Total Materials Expenditures	14	0	750	14
Total Utilities Expenditures	253	0	1,600	253
Total Repairs & Maint Expenditures	23	0	0	23
Total Other Expenditures	256	0	1,020	256

City of Craig

Revenue and Expense YTD & Budget

July 31, 2021

	Y-T-D Actual	Y-T-D Encumbrance	Y-T-D Budget	Total
Total Capital & Debt Expenditures	0	0	1,000	0
Total Expenditures	<u>\$ 546</u>	<u>\$ 0</u>	<u>\$ 54,370</u>	<u>\$ 546</u>
Excess Revenue Over (Under) Expenditures	<u>\$ (15)</u>	<u>\$ 0</u>	<u>\$ (47,370)</u>	<u>\$ (15)</u>
GF Revenue				
Total Revenues	\$ 1,395,724	\$ 0	\$ 3,808,162	\$ 1,395,724
Total Personnel Expenditures	0	0	0	0
Total Benefits Expenditures	0	0	0	0
Total Contract Expenditures	0	0	0	0
Total Travel & Expenditures	0	0	0	0
Total Materials Expenditures	0	0	0	0
Total Utilities Expenditures	0	0	0	0
Total Repairs & Maint Expenditures	0	0	0	0
Total Other Expenditures	0	0	0	0
Total Capital & Debt Expenditures	0	0	0	0
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess Revenue Over (Under) Expenditures	<u>\$ 1,395,724</u>	<u>\$ 0</u>	<u>\$ 3,808,162</u>	<u>\$ 1,395,724</u>
Inter Governmental Transfers				
Total Personnel Expenditures	0	0	0	0
Total Benefits Expenditures	0	0	0	0
Total Contract Expenditures	0	0	0	0
Total Travel & Expenditures	0	0	0	0
Total Materials Expenditures	0	0	0	0
Total Utilities Expenditures	0	0	0	0
Total Repairs & Maint Expenditures	0	0	0	0
Total Other Expenditures	0	0	0	0
Total Capital & Debt Expenditures	0	0	0	0
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess Revenue Over (Under) Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Other Fund Sources	65	0	0	65
Other Funding Sources/Outflows	65	0	0	65

CITY OF CRAIG - PERMANENT FUND

Account Statement - Period Ending June 30, 2022



Registered Investment Adviser

ACCOUNT ACTIVITY

Portfolio Value on 05-31-22	15,251,005
Contributions	0
Withdrawals	-3,594
Change in Market Value	-947,571
Interest	8,595
Dividends	74,575

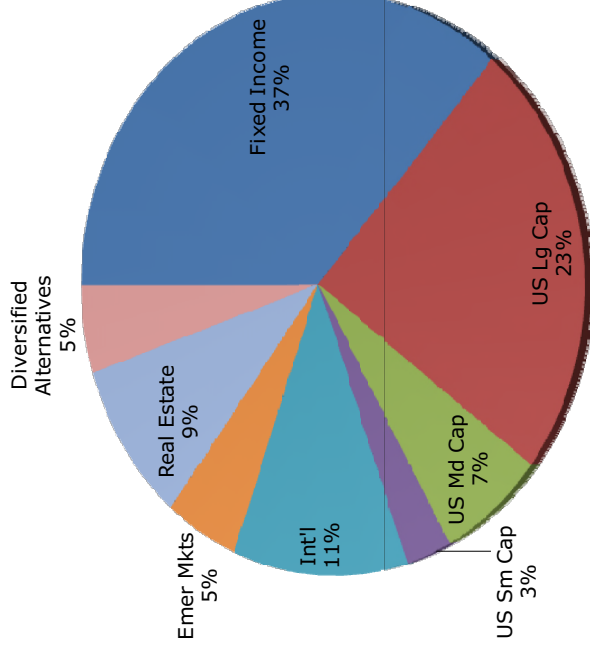
Portfolio Value on 06-30-22 14,383,010

MANAGEMENT TEAM

Client Relationship Manager: **Blake Phillips, CFA®**
 Blake@apcm.net

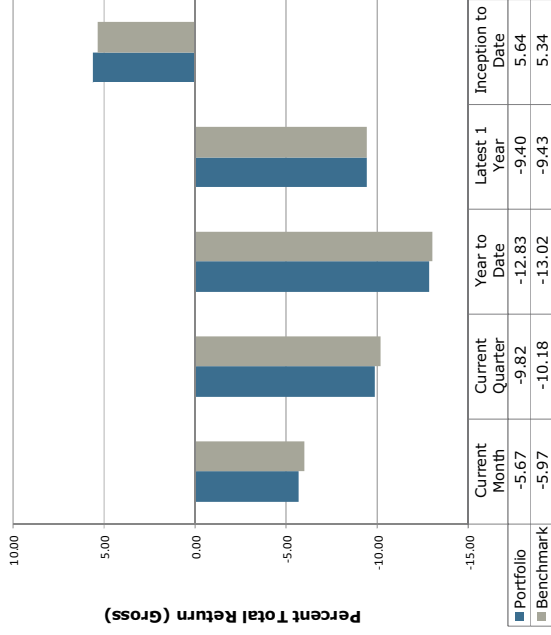
Your Portfolio Manager: **Bill Lierman, CFA®**
 907/272 -7575

PORTFOLIO COMPOSITION



INVESTMENT PERFORMANCE

Current Account Benchmark:
Equity Blend



Performance is Annualized for Periods Greater than One Year

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

**City Of Craig
Memorandum**

To: Mayor Tim O'Connor and Craig City Council
From: Jessica Holloway, Aquatic Manager
RE: Aug report
Date: August 12, 2022

There is not a lot to report with the Aquatic Center. Shut down went well and I was able to get all but one thing from my list done.

Ben Dill Returns to work on the 15th and open swim will return then as well. The new Schedule is already posted. That schedule will again change after I get our new hire Kaila Canada fully trained. Kaila will be a full time employee and I am grateful to have her as part of the team.

High school swim team began on the 3rd of Aug and we will be closed on September 2nd for a home meet. This will be our first home meet in 8 years and we are all nervous and excited for it.

Wave runners will begin in September and we are looking forward to that.

I am still looking for workers to fill spots so we can get the rest of our programs going again.

Always if you have questions or comments please feel free to email me at pool@craigak.com

CITY OF CRAIG MEMORANDUM

To: Mayor O'Connor and the Craig City Council
From: Heather Mendonsa, City Clerk
Date: July 28, 2022
RE: July Staff Report and 2022 Municipal Election Information

City Council:

Most time is spent compiling information for the council; council meeting set up; preparing council packets; staff reports; and creating council meeting minutes.

Resolutions/Ordinances:

The city website is current with all council meeting minutes, resolutions, and ordinances.

Next Craig City Council Meeting:

The first Thursday of the month, September 1, 2022.

Personal Leave:

No leave is on file for August, 2022,

Municipal Elections:

Absentee voting will begin August 1 and continue through August 12 at the city offices. Updated election information and open seats will be posted in The Island Post in August. Signs have also been posted on the website and around town.

The following terms and expirations are listed below for your convenience:

MAYOR/CITY COUNCIL SCHOOL BOARD PLANNING COMMISSION

2023 Tim O'Connor 2022 Patricia Conatser 2023 Sharilyn Zellhuber (Chair)

2022 Chanel McKinley 2022 Scott Brookshire 2023 Barbara Stanley

2022 Michael Kampnich 2023 Tristan Douville 2024 Jeremy Crews

2023 Millie Schoonover 2023 Marla Dillman 2025 John Moots

2023 Julie McDonald 2024 OPEN 2025 Kevin McDonald

2024 Jim See

2024 Hannah Bazinet

Attached is the Notice of Open Seat Vacancy for the Craig Municipal Election on October 4, 2022.



**CITY OF CRAIG
NOTICE OF OPEN SEATS AT THE
CRAIG MUNICIPAL ELECTION ON OCTOBER 4, 2022**

CITY COUNCIL

- **SEAT B: THREE-YEAR TERM**
- **SEAT F: THREE-YEAR TERM**

SCHOOL BOARD

- **2 THREE-YEAR TERM SEATS**
- **1 TWO-YEAR TERM SEAT**

**DECLARATION OF CANDIDACY FORMS ARE AVAILABLE AUGUST 2, 2022
FILING OPENS AT 8:00 A.M. ON AUGUST 5, 2022
AT CRAIG CITY HALL DURING REGULAR OFFICE HOURS
MON.-FRI. 8 A.M. - 5 P.M.**

**CANDIDACY FORMS MUST BE SUBMITTED TO CITY HALL NO LATER THAN
5:00 P.M. ON SEPTEMBER 2, 2022**

To run for office, you must be a U.S. Citizen, at least 18 years old, have been a resident of Craig for at least 30 days and be a qualified voter registered to vote in Craig and the State of Alaska for at least 30 days prior to the election.

CITY OF CRAIG MEMORANDUM

To: Craig Mayor and City Council
From: Samantha Wilson, City Planner
Date: July 28, 2022
RE: Planning Department Staff Report – August 2022

1. Senator Murkowski 2022 Appropriation Requests: In addition to the wastewater treatment plant improvements (\$360,000) and the replacement of up to three deteriorating wastewater lift stations (\$760,000), two more of our appropriation requests have been championed by Senator Murkowski. These additional congressionally directed spending requests include the micro-hydroelectric generator (\$350,000) and the replacement biomass boiler (\$800,000). These requests must still be passed by the house, the senate, and receive the President's signature.
 - a. Unless her bout of COVID affects plans, Senator Murkowski is scheduled to visit Craig on August 8th.
2. POWER Building funding: \$150,000 funding to repair the POWER building has been approved through Bill HB 281. Now a scope of work for the project is required as a completed signatory authority form, and site control documents. I am conversing with Doug and Victoria about repair priorities.
3. Grant Research:
 - a. USDA Placemaking Grant: the City of Craig was contacted by Ed Douville with Shaan Seet regarding a USDA grant that is due August 15th. This grant may award up to \$250,000 to a tribe or local government to develop "placemaking" within a community. Heavy emphasis is put on cooperation between entities. The grant does not allow money to be used on construction, construction design plans, or equipment. Research regarding this grant suggests the possibility and desirability of developing a Placemaking/Recreation Master Plan with or without the grant. This will ultimately be up to the Recreation department with support from Planning. This could be done in partnership with other organizations including Shaan Seet and possibly the Craig Tribal Association who have both expressed cursory interest in pursuing this option. This grant may be a good one to apply for next year after establishing a foundation with interested organizations and outreach to the community.
4. Cemetery Expansion: A survey has been released and two public "open houses" have been hosted at City Hall (July 22nd and July 27th) to evaluate the first draft designs. Planning Commission reviews are being planned in August (11th and 25th) to evaluate public comment and direct the next design draft. The City Council review is planned on September 1st.

5. Tsunami Brochure: An adjusted inundation line was decided by the Planning Commission during the June 23rd meeting. I have reviewed and edited the draft brochure provided by the UAF Alaska Earthquake Center and approved it for print.
6. EMPG Final financial/progress reports were due on July 15th with an extension to July 31st requested. Much of the grant funds will be unclaimed; the extension was requested to try to track down hours from the 1st and 2nd quarters that hadn't been documented previously.
7. SHSP Grant Progress (Emergency Disaster Trailers):
 - a. Quarterly financial/progress reports were submitted outlining purchases and remaining funds.
 - b. I reached out to the Red Cross and attended a meeting regarding potential access to cots and blankets that may have been set aside for POW. We are scheduled to meet August 5th.
 - c. I have reached out to Zach West, the VPSO of Kasaan regarding two pallets of blankets they received after getting a tip from Sandy Curtis. I was directed to follow up with Chaundell Piburn to see where she sourced the blankets.
 - d. There are funds remaining from the EMS Hazmat portion of the project, I will need to work on transferring remaining funds to the trailer project with EMS approval.
8. Municipal Code review, research, and discussion for potential revision regarding non-wheeled mobile homes in trailer parks like shipping container homes.
9. Heather Mendonsa B&B CUP. A conditional use permit application was submitted by Heather Mendonsa to continue to operate a Bed and Breakfast. PC Resolution 601-22 will be reviewed by the Planning Commission on July 28th.
10. Building Permits.
 - a. Tiffany Stephens is working on a drainage project on 1150 Sunnyside that requires construction of a retaining wall. She is seeking a building permit and an easement. Earlier this month I scheduled a visit out at the site with Russell to inspect the area and get an outline of the proposed project.
11. The plotter was down for a couple weeks due to expired printheads. New printheads were purchased and used to replace old printheads. The plotter is back up and running and has been used to print new posters for the Craig Aquatic Center, the POW Chamber of Commerce, and others.
12. Library Paint Class: I partnered with the Craig Library to lead a painting class as part of the library youth programming on July 20th. We had approximately 8 kids who painted an octopus with acrylic paints on canvas.

13. Port St. Nick Slide at 2.9 mile: I worked to communicate with Russell regarding the slide and provide resources to the crew working on the slide. I worked with Heather to keep the public informed progress developed.
14. I inspected and flagged a dead tree of interest on City of Craig property. A local business is interested in harvesting the tree. The tree is a large deceased spruce located a short way from Gale Force Gardens. According to the interested party, it once housed an eagle's nest but no longer contains one. No eagle nests were observed upon inspection and no remains of a nest were found underneath the tree. Contact with USF&W revealed that although eagles and eagle nests are protected, old eagle trees that no longer contain a nest do not retain that protection. Continued interest needs to be verified before moving forward in determining City actions if any. If interest remains the next steps moving forward will need to be determined. Close proximity to Crab Creek and smaller streams feeding into it in the area will need to be considered.
15. FEMA 200 training completed
16. Thorne Bay Omnilert list for Fire and EMS were updated.
17. Absentee Ballot training completed
18. Lot 3A Murphy/Salmonberry Subdivision Land Sale: We are awaiting final payment which is due August 22nd.

EMS Report/July 28th, 2022

Submitted by Tsai, EMS Coordinator

Calls to Date

July 2022 Calls: 26 (Updated 7/28)

2022 Calls to date: 154 (Updated 7/28)

Crew Status

One EMT will be chartering in July, August. He will not be on the schedule until late August.

All EMTs are responding as scheduled or to back up crew as needed.

There are now 3 new EMT 2's.

Training

The EMS office is now a training room for anyone to come in and practice.

In person training is on hold due to crew schedules, and will resume in September.

Recruitment

Looking for 1 part time EMT and additional volunteers.

Hired a part time employee, he has passed his ETT class and will continue obtaining his EMT 1 certification. I will be moving him to full time hopefully in August.

Other Responsibilities:

EMPG:

- Applications/Work Plan Projects for FY2022
- WCIF submission with City Planner
- FEMA courses

Reports for EMPG/SHSP

SHSP Grant: SCBA tanks ordered

Working on revised On Call Policy

Creating Incentive Policy for Volunteers/Employees

Keeping reports up to date with EMS System/Billing and State of Alaska

Continue working on standing orders and the possibility of a new medical director

Updating and maintaining Team Schedule



To: Craig City Council

From: Hans Hjort, Harbor Master

Date: July 29, 2022

RE: August staff report

Harbor department report August 2022

- The boat yard has slowed down. We usually are still hauling one or two boats a week. We have started working with Brownell to retro-fit the trailer with a remote control system. The remote will allow us to easily walk around the trailer and boat while loading or unloading a boat in the yard. The old cable remote will stay in place as a back-up system.
- The ice house has been running smoothly this season. We have two small maintenance projects that we need to take care of. The first is changing the drive chains on the ice rakes. This should take us about an entire day to do. We have all the parts for this job, we just need to find a convenient time to take the ice house out of service. The other project is changing out a bearing on an auger. We have all the parts, we just need 4-5 hours to get the job done. We will get both these projects done before the end of the season when our ice house operator leaves.
- Another piling got broken off at false island. The owner of the vessel has accepted responsibility and we will get the piling replaced the next time a pile driver is in town.
- We are working on applying for a matching state grant to extend the North Cove ramp. WSP is doing the engineer work and should be done soon.
- The harbor is pretty busy this year. Almost as busy as pre-Covid19. We are seeing more pleasure vessels this year than the last couple years.
- We've already sold well over 300 tons of ice since Daniel Jackson has been here. He is estimating that we'll sell at least 700 tons of ice summer.

06/30/22-07/27/22

Patron Visits: 812

Circulation: 3129

Computer Usage: 705

WiFi Usage: 367 unique visitors, 1,109 total visits

Story Times: Craig Public Library Story Time (34 Children)

Summer Reading Program 135 participants

Inter-Library Loans: 50

Volunteer Hours -20 hours

New-

- ✓ IMLS Grant for \$10,000 Awarded (Shaan Seet)
- ✓ PLAG \$7000 Awarded
- ✓ Finished State of Alaska PLAG Report
- ✓ Painted office
- ✓ Cleaned out all storage areas
- ✓ Processing Books and Materials

Project-

- Working on the summer reading program.
- Working on the ALA Grant
- Inventory/Ordering



Submitted by Patricia Gardner, Library Director

**CITY OF CRAIG
MEMORANDUM**



Date: 07/xx/2202
To: Honorable Tim O'Connor, Craig City Council
Fr: RJ Ely, Police Chief
Re: Staff Report / July 2022

RJ Ely

ACTIVITY

Activity from June 30, 2022 through July 26, 2022, the Dispatch Center took the following amount of calls for service.

Craig	737
Klawock	259
AST	5

DEPARTMENT OF MOTOR VEHICLES

Drop Off's are increasing, causing DMV Staff to open extra batch on Thursday's, to deal with increased amounts of drop offs.

Travis has been doing several motorcycle tests. CDL's have slowed down, most likely due to knew rule-law that went into effect; mandating extra training requirements.

DISPATCHER(S)

Dispatcher Holloway is back to work.

OFFICER(S)

Still advertising for an officer and Sergeant.

OTHER

Have obtained, installed and set up new Stencil System / Voice Logger that records all incoming/outgoing phone lines. All backed up files recovered, installed and are again accessible.

With Magistrate Clark retiring and is no longer working. Court staff is down a clerk position. Deputy Magistrate Kim Rice was offered, accepted and as of 7/25/2022 she is now the Magistrate/Judge for POW Court.

As of 07/21/2022 a Trial System of Filing Court Documents. This "trial" is only in Southeast Alaska and will be evulgated after a few months.

All Contract Jails will see a increase in funding. I was informed, as of 7/27/2022 that proposed amount that Craig will see, \$195.000 increase from last years funding amount.

Public works Report

7.28.2022

Streets and Alleys:

- a. Continued brushing of PSN road
- b. Street sweeping as needed.
- c. Landslide cleanup completed on 7.13.22
- d. PSN road is scheduled to have pavement marking performed in the summer of 2023. Currently many areas on the paved sections of PSN road need traffic marking. I have reached out to **Specialty Pavement Marking company (SPM)**; who is working for ADOT on Prince of Wales Island; to see if they might have extra paint and would be willing to quote the City of Craig a price to do the work. In July of 2020, Jolt Construction marked PSN road for \$15,800.00. I have not received any response from SPM.

Sewer:

- a. Daily and Monthly General maintenance and sampling at the wastewater treatment plant as required.
- b. Monthly Sludge removal as required.
- c. Working with Architect on WWTP roof Project. Review/ approval of draft concept design. Awaiting final concept drawings.

Water:

- a. "Water Operator Report". 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 reads meter system.
- e. Public works Dept. has begun water main valve exercising on the west side of the city.
- f. Quarterly TTHM and HAA5 samples were taken in the beginning of July, and are below the MCL standard.
- g. Public notice was sent out to the City of Craig concerning water conservation to help meet peak demand for all users.

Equipment:

- a. Opening of Public Bids for surplus vehicles was conducted at 3:30 pm on June 21st. All but three vehicles were sold.
- b. Over the counter sale is complete for the additional vehicles. It is Public Works goal to have another public bid process by the end of August.

Public works Report

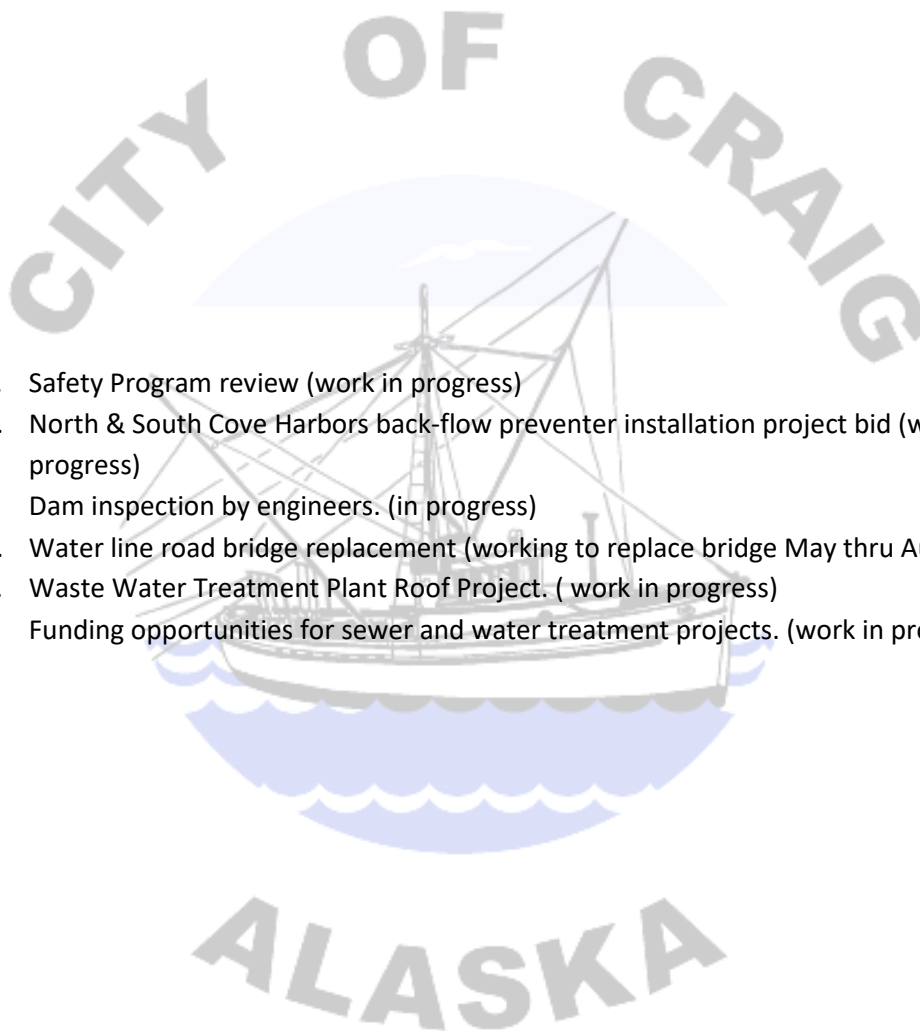
7.28.2022

Solid Waste:

- a. Weekly pick-up process performed as require.
- b. A partial order has been sent in for parts on the sidenav solid waste truck. Additional funding is needed for the complete order.

Projects:

- a. Safety Program review (work in progress)
- b. North & South Cove Harbors back-flow preventer installation project bid (work in progress)
- c. Dam inspection by engineers. (in progress)
- d. Water line road bridge replacement (working to replace bridge May thru August 2023).
- e. Waste Water Treatment Plant Roof Project. (work in progress)
- f. Funding opportunities for sewer and water treatment projects. (work in progress)



Recreation report to the Craig City Council , August 2022

July has been busy!

Training Elli is a work of art in progress. She is doing a great job.

4th of July. Was a great success! Volunteers make it happen.

Soccer will have one week left. 30 kids signed up!

Skating and blading has been busy, as has dodgeball.

Volleyball continues to be popular.

Ellen Hannan won the Womens mini King Salmon derby.

Derby will end on August 15 with a kids derby on August 13 and 14. Social is being planned for August 20th.





Parks & Public Facilities

7/28/2022

Staff Report –July 2022

To: Craig Mayor and City Council

From: Douglas Ward

Current Projects Underway:

- 1 Build and install shelving in Municipal offices.
- 2 Install conduit and wiring for heating controls at Harbor building.
- 3 We are awaiting delivery of the Ventrac mower / snow removal equipment.
- 4 Annual Wood Boiler repair and maintenance.
- 5 Windows for the Child Care Center have arrived.
- 6 Lawn cutting and weed eating throughout city parks.
 - Installed cameras at false island and bridge to transmit to Harbor offices.
 - Installed new camera system at City Burn Pit.
 - Replaced faulty camera system at the Ballfield.
 - Pressure washed Medical Clinic parking lots.
 - Pressure washed City Hall parking lot.
 - Pressure washed DMV parking lot.
 - Assisting with 4th of July set-up.
 - Installed new exterior door at WWTP.
 - Assisting other department heads with repairs and help as needed.
 - Performed required administrative duties throughout the month.

Responded to day-to-day routine, and emergency calls as they come in.

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

From: Richard Trojan <richardtrojan@outlook.com>

Sent: Monday, July 25, 2022 7:10 AM

To: Accounts Pay <acctspay@craigak.com>; City Clerk <CityClerk@craigak.com>

Subject: FW: Gas station

Subject: Gas station

To the city of Craig,

I have been doing some research on installing a credit card fuel station at my carwash location. I have located a 6k gallon , above ground, storage tank. And would put a card station somewhere on the lot.

I will entertain moving ahead on the idea if the city will meet my requirement.

My requirement that the mayor rescind his veto for the sale of my leased land.

Rich Trojan



Southeast Senior Services

A Division of Catholic Community Service, Inc.



Helping elders in Southeast Alaska stay healthy, safe and independent

July 28, 2022

Mr. Brian Templin
City Administrator
City of Craig
PO Box 725
Craig, AK 99921

RECEIVED
AUG 10 2022

BY: _____
Coding: _____

Dear Mr. Templin:

We want to thank the City of Craig for its generous support of our Craig/Klawock Senior Center. We are pleased to report the following services provided by our Craig/Klawock Senior Center staff in the fourth quarter of the Fiscal Year 2022:

- * 80 senior citizens received 3,831 home-delivered meals.
- * 46 senior citizens received 1,148 rides.

During the fourth quarter the Craig/Klawock Senior Center remained closed due to COVID-19. All elders were able to receive home-delivered meals during this time.

Please contact me at (907)463-6154 or Marianne.mills@ccsjuneau.org if you would like additional information.

Sincerely,

Marianne Mills

Marianne Mills
Program Director

MM/acb



1803 Glacier Highway, Juneau, AK 99801 • Telephone: (907) 463-6177 • Fax: 888-756-6664

Find us on www.facebook.com/CatholicCommunityServiceInc • www.ccsak.org



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THE NEW BEDFORD LIGHT
FREE · NONPROFIT · NEWS

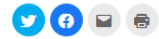
COMMUNITY VOICES / FISHING CRISIS

Opinion: It's time to end the era of billion-dollar 'sealords' and heed the fishermen

Congress must act to ensure that existing programs do not further exacerbate the damage that is already playing out

By [Captain Ryan Bradley](#) / [North American Marine Alliance](#)

July 28, 2022



Private equity presence on the New Bedford waterfront and its effect on local fisherman has sparked debate and calls to action. Credit: Tony Luong/ Special to ProPublica

The recent New Bedford Light/ProPublica investigative report, revealing how a billionaire Dutch family currently operates as the largest New England fish-quota owner, confirms what fishermen have been warning lawmakers for decades: that replacing independent fishermen with outside investment firms will undermine economic, social and environmental goals. However, these warnings extend well beyond New England.

The report outlines how Bregal Equity, a multi-billion dollar private equity firm based in the European Union, maximizes fishing profits from their New England quota holdings by slashing costs and reducing income to captains and crew. This downward pressure forces fishermen to take on more risk in what is already among the most dangerous professions in the country, and use fishing techniques such as pulse fishing, which completely undermines marine conservation goals.

Independent fishermen who warned fisheries managers that the policy, known as catch shares, would eliminate the future of community-based fisheries and decimate fish stocks, were ignored at public meetings, intimidated and in some cases had microphones turned off during hearings.

The time has come to heed fishermen's warnings that catch shares, promoted heavily as a management tool by the National Oceanic and Atmospheric Administration (NOAA) Fisheries, are creating this trend toward billion-dollar "sealords." Congress must place an immediate moratorium on any future catch share programs coupled with significant safeguards to ensure that existing programs do not further exacerbate the inequities and ecological damage that we see playing out in New England and around the country.

Catch share programs have been implemented in Alaska, the West Coast, and the Gulf of Mexico, as well as internationally, where the next generation of independent fishermen are being systematically replaced by non-fishing, outside investors who follow in the wake of Bregal. Fishermen are observing the ecological consequences of this shift firsthand, while NOAA Fisheries relies on scant data that shows little, if any, correlation between catch share policy and sustained healthy fish stocks over time.

It is critical that the public understand the extent to which private equity firms are controlling aspects of our seafood system. We already know that Bregal controls

several other seafood companies, including those involved in aquaculture. How much do they control? Decision-makers need to understand the answers to these questions before further opening up the ocean, for example, to industrial aquaculture interests.

It's worth noting that those concerned about the implications of catch shares, especially fishing communities and conservation groups, had the foresight to organize in the early 1990s to highlight the risks of privatization and consolidation. At the time, catch shares were called Individual Transferable Quotas (ITQs). Their efforts led to the establishment of a moratorium in the 1996 reauthorization of the Magnuson-Stevens Act. Due to heavy lobbying of catch share proponents — including some fishing businesses/organizations and organizations such as Environmental Defense Fund — suggesting the concerns



Private equity's presence on the New Bedford waterfront and its effect on local fisherman has sparked debate and calls to action. Credit: Tony Luong / Special to ProPublica

that led to the moratorium were unfounded, the moratorium was lifted in 2001. Twenty years later, we see the concerns of fishing communities were indeed well founded and the impacts predicted by independent harvesters have come to fruition.

We are heartened to see Senators Blumenthal, Markey, and Warren call for stronger protections for fishermen and the fish stocks in response to the original story. Their call for a review of excessive quota ownership by the Justice Department, however, needs to go further than just overseas interests and include U.S.-based financial companies. And, lawmakers cannot stop there. Congress must listen to the voices that for nearly 30 years have consistently sounded the alarm about management schemes that privatize fishing rights, industrialize the ocean, and undermine our public commons. Fishermen need lawmakers — from the U.S. Congress to the United Nations — to institute safeguards that will address this massive consolidation within catch share fisheries and prioritize access for community-based fishermen instead of billion dollar private equity firms.

Captain Ryan Bradley, a fifth-generation fisherman, serves as executive director of Mississippi Commercial Fisheries United.

[Time to End the era of billion dollar sealords and heed the fishermen](#)

Comments to Federal Motor Carrier Safety Administration (5000 characters)

Thank you for the opportunity to comment on the State of Alaska's application for an exemption related to Entry Level Driver Training (ELDT) for remote Alaska.

Craig, Alaska is located on Prince of Wales Island in Southeast Alaska. Prince of Wales Island is the third largest island in the United States (after the island of Hawaii and Kodiak). There are about a dozen communities on the island (most connected by roads), four school districts, four federally recognized tribes, two US Forest Service Districts, two major shipping companies and countless businesses that require CDLs for employees.

The City of Craig has long been permitted to conduct both written test and CDL road tests on the island through our contract DMV. There is an approved testing course on Prince of Wales Island.

Under the current rules our average daily traffic count would exceed that allowed for remote user licenses and would likely nullify our test course. This would have a huge impact to all operations on the island and create an onerous burden. Currently the City of Craig had to spend over \$7,000 to send one driver to Juneau for the ELDT training and testing under the new requirements. This is not sustainable for small municipalities, tribes, school districts and businesses.

The additional requirements are not justified for remote locations in Alaska that are not connected to the road system, even if the average daily traffic count exceeds the limit. CDL licensed drivers on Prince of Wales Island drive in an area that does not have any multi-lane roadways and no on/off ramps. The cost and burden of completing the ELDT training and sending drivers to an approved testing location are a burden that is not supported by the actual driving conditions here.

The City of Craig fully supports Governor Mike Dunleavy's request for a variance to 49 CFR 380.700 Appendix A, Section 3.1. The city further requests that the Federal Motor Carrier Safety Administration immediately grant the State of Alaska's request for a variance.

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Brian Templin, City Administrator
Date: July 13, 2022
RE: Ordinance 748 - Fuel Sales Tax Cap – First Reading

At the July 7th council meeting the council held a general discussion on the merits of instituting a cap on sales tax for fuel. Fuel prices have increased by \$2.75 - \$3.50 per gallon since January 2022.

The council briefly discussed the first reading of the ordinance on July 21st. At that meeting staff explained that the cap per gallon was not feasible for the point of sale systems. There are a couple of options that the council may want to consider to provide relief to consumers.

Option A: Set a flat dollar amount cap on the amount taxed. This would be similar to the exemption for cars and boats where only the first \$5,000 of the purchase is taxed. This would likely work well with fuel vendors, but as the size of the sale increases, revenue does not. In order to set this cap at a level that benefits individuals it would result in an outsized benefit to large users and likely a decline in overall sales tax revenue.

Option A is used by vendors in the region and should be fairly easy to implement, but will have the largest impact to sales tax revenue. Likely causing us to collect less sales tax on this item than we did last year. If the council is inclined to choose this option it should consider narrowing the eligibility (i.e. home heating fuel delivered in Craig only). This will have a narrower benefit, but will have less budget impact.

Option B: Set a lower tax rate specifically for fuel. The current sales tax rate is 5%. This rate has been approved by voters. The city can set a lower tax rate and can raise the rate at a later date (as long as the raised rate doesn't exceed what the voters have approved). This would have the advantage of benefiting all sales and not overly benefiting large sales since the tax would apply to all of the fuel sold. We are waiting on further comment from vendors about the ability of the point of sale systems to track this. Ultimately this would be similar to vendors that sell alcohol and other products and are able to tax alcohol at one rate and other goods at another rate (6% and 5%).

Option C: Set a cap per gallon. This is the option that first reading of the ordinance shows. Based on feedback from vendors, this option likely cannot be implemented because there is no way for the vendor to program their point of sale systems to do this.

Option D: Fuel Tax Rebate. All of the other options assume that fuel vendors will manage the tax break at the point of sale. Another option that the council may choose is to require people to submit copies of receipts and a form set by the city on a periodic basis (likely quarterly or annually). This would provide a benefit for the public but would be retroactive and would not show at time of delivery. The rebate would be for a percentage of the taxable sale and would represent a general reduction in the rate. For example, a 1% rebate would bring the purchase down to an effective rate of 4%.

I have attached a draft of the language that would be attached to the ordinance for all of the options above. If the council is concerned about budget impacts, it can choose to narrow eligibility to certain types of fuel (identified in the accompanying resolution)

I have also attached a quick sheet of calculations showing the various amounts of tax collected based on the various options.

Recommendation: The council should discuss the options shown above choose the option to approve.

Recommended Motion: Move to approve Ordinance 748 with Option (A, B, C or D).

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Brian Templin, City Administrator
Date: August 3, 2022
RE: Fuel Tax Cap – Home Heating Fuel

The mayor and I had a short discussion this week about the potential revenue loss of allowing all fuels to be given a tax break. Based on this discussion, I wanted to give the mayor and council some additional options to consider when looking at Ordinance 748.

The council has the discretion to narrow the tax break down to a particular group to provide maximum benefit to Craig residents or to reduce the risk of potential revenue loss.

One clear option would be to exempt home heating fuel delivered within the Craig city limits. If the council would like to consider this option I have prepared some draft language that can be included in any of the options given for Ordinance 748. If the city does choose to settle on a more limited option, then I would suggest considering Option D, Tax Rebate since other options may cause additional problems at the point of sale.

For all options in Ordinance 748 the term “fuel” would be changed to “home heating fuel” and the definition in 3.08.010 would read:

“Home Heating Fuel”, for purposes of this section, means diesel fuel or propane delivered to fixed tanks that are connected to residential dwelling units for the primary purpose of providing heat to the residential units. For purposes of this section, “Home Heating Fuel” does not include other fuel types; delivery to mobile containers or tanks; appliances or other heating system appurtenances; or, prepackaged fuel.

We would ensure eligibility based on the form that would need to be submitted with the receipt.

Fuel Tax Cap Options and Financial Impacts

	Amount of Purchase and Tax Collected			
	\$ 100.00	\$ 500.00	\$ 1,000.00	\$ 1,500.00
Current Taxes (5% sales tax with no cap)	\$ 5.00	\$ 25.00	\$ 50.00	\$ 75.00
Option A Cap on Total Sale				
Only first \$250 taxable	\$ 5.00	\$ 12.50	\$ 12.50	\$ 12.50
Only first \$500 taxable	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Option B Reduced Sales Tax for Fuel				
4% Tax on Fuel	\$ 4.00	\$ 20.00	\$ 40.00	\$ 60.00
3% Tax on Fuel	\$ 3.00	\$ 15.00	\$ 30.00	\$ 45.00
Option C Fuel Tax Cap Per Gallon				
Fuel tax capped at \$4.50/gallon (based on gallon estimates)	\$ 3.91	\$ 19.57	\$ 39.13	\$ 58.70
Fuel tax capped at \$5.00/gallon (based on gallon estimates)	\$ 4.35	\$ 21.74	\$ 43.48	\$ 65.22
Option D Rebate				
1% of redeemed receipts	\$ 4.00	\$ 20.00	\$ 40.00	\$ 60.00
2% of redeemed receipts	\$ 3.00	\$ 15.00	\$ 30.00	\$ 45.00
Estimated Equivalent Gallons				
Fuel (approximately \$5.75 per gallon)	17.4	87.0	173.9	260.9
Propane (approximately \$3.50 per gallon)	28.6	142.9	285.7	428.6

OPTION A – CAP ON TOTAL SALE
ORDINANCE No. 748
ATTACHMENT A

Title 3 of the Craig Municipal Code is hereby amended by adopting a new definition for “Fuel” in Section 3.08.010 and adding a cap on sales tax collected on fuel in Section 3.08.020 to read as follows:

3.08.010 Definitions

“Fuel”, for purposes of this section, means fuel (refined gasoline, diesel fuel, and propane) that is subject to Craig sales tax. This does not include other products; pre-packaged fuel sold in cans or other containers; or any other types of fuel charges.

3.08.020 Levy of Sales Tax – rate

E. The following are exempt from the tax:

26. Gross receipts derived from sales of fuel for that portion of the sale above a rate set by resolution by the Craig City Council. This provision is effective until June 30, 2023.

OPTION B – REDUCED SALES TAX
ORDINANCE No. 748
ATTACHMENT A

Title 3 of the Craig Municipal Code is hereby amended by adopting a new definition for “Fuel” in Section 3.08.010 and adding a cap on sales tax collected on fuel in Section 3.08.020 to read as follows:

3.08.010 Definitions

“Fuel”, for purposes of this section, means fuel (refined gasoline, diesel fuel, and propane) that is subject to Craig sales tax. This does not include other products; pre-packaged fuel sold in cans or other containers; or any other types of fuel charges.

3.08.020 Levy of Sales Tax – rate

B.1. Sales of fuel shall be taxed at a rate set by resolution by the Craig City Council, not to exceed 5%. This provision is effective until June 30, 2023.

OPTION C – PER GALLON TAX CAP
ORDINANCE No. 748
ATTACHMENT A

Title 3 of the Craig Municipal Code is hereby amended by adopting a new definition for “Fuel” in Section 3.08.010 and adding a cap on sales tax collected on fuel in Section 3.08.020 to read as follows:

3.08.010 Definitions

“Fuel”, for purposes of this section, means fuel (refined gasoline, diesel fuel, and propane) that is subject to Craig sales tax. This does not include other products; pre-packaged fuel sold in cans or other containers; or any other types of fuel charges.

3.08.020 Levy of Sales Tax – rate

E. The following are exempt from the tax:

26. Gross receipts derived from sales of fuel for that portion of the per gallon cost above a rate set by resolution by the Craig City Council. This provision is effective until June 30, 2023.

OPTION C – FUEL SALES TAX REBATE
ORDINANCE No. 748
ATTACHMENT A

Title 3 of the Craig Municipal Code is hereby amended by adopting a new definition for “Fuel” in Section 3.08.010 and adding a cap on sales tax collected on fuel in Section 3.08.020 to read as follows:

3.08.010 Definitions

“Fuel”, for purposes of this section, means fuel (refined gasoline, diesel fuel, and propane) that is subject to Craig sales tax. This does not include other products; pre-packaged fuel sold in cans or other containers; or any other types of fuel charges.

3.08.020 Levy of Sales Tax – rate

B.1. Fuel Sales Tax Rebate:

- a. Customers who purchase fuel from vendors where the sale is subject to Craig Sales Tax are eligible to receive a rebate on a portion of the sales tax paid.
- b. Customers may submit copies of receipts, along with a form prescribed by the city to the city for processing of a rebate.
- c. Rebate submission and payment schedule shall be fixed by the city.
- d. Rebate amount shall be set by the council by resolution.
- e. This provision is effective until June 30, 2023.

**CITY OF CRAIG
ORDINANCE No. 748**

AMENDING SECTION 10.04 OF THE CRAIG MUNICIPAL CODE, ADDING SECTION 3.08.010 AND 3.08.020 ESTABLISHING A CAP ON SALES TAX COLLECTED ON FUEL

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 September 1, 2022.

Section 4. Findings. The Craig City Council finds the following:

WHEREAS, on January 1, 2022, fuel costs for vehicle, equipment, and heating fuel were approximately \$4.00 per gallon; and

WHEREAS, as of July 10, 2022 fuel prices are between \$5.75 and \$6.50 per gallon depending on type of fuel; and

WHEREAS, the Craig City Council wishes to provide relief to consumers for high fuel prices; and

WHEREAS, the City of Craig is choosing to adopt an ordinance providing for the definition of “fuel” in this context and placing a cap on the amount of sales tax collected per gallon.

Section 5. Action. This ordinance adds Section 3.08.010 and 3.08.020 to the Craig Municipal Code as detailed in Attachment A.

Passed and approved this ___ day of _____, 2022.

Mayor Tim O’Connor

Attest _____
Heather Mendonsa, City Clerk

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Brian Templin, City Administrator
Date: July 21, 2022
RE: Resolution 22-20, Appointing Natalie Stone as Clerk Pro-Tem

We recently hired Natalie Stone as the new part time administrative assistant at city hall. This new position was approved in the FY2023 budget.

The position is intended to manage a number of programs and projects city wide and perform other administrative support as needed. Clerk Pro-Tem is one of the duties that will be assigned to Natalie. This duty assigns a number of tasks and authorities granted to the city clerk by our code. Primarily, Natalie will act as the clerk for council meeting preparation and at the meeting when the clerk is unavailable.

Per Section 2.04.050.B of the Craig Municipal Code, the clerk pro-tem is appointed by the council.

Recommendation: Approve Resolution 22-20, appointing Natalie Stone as the clerk pro-tem.

**CITY OF CRAIG
RESOLUTION 22-20**

APPOINTING NATALIE STONE AS CITY CLERK PRO-TEM

WHEREAS, from time to time the city clerk is unavailable to perform the duties assigned to that office; and,

WHEREAS, when the clerk is unavailable, the clerk pro-tem may perform city clerk duties, as assigned by the mayor, city council, or city administrator; and,

WHEREAS, POWCAC adopted Resolution 22-02 on June 28, 2022; and,

WHEREAS, Section 2.04.050.B of the Craig Municipal Code provides for council appointment of a clerk pro-tem.

NOW, THEREFORE, BE IT RESOLVED that Natalie Stone be appointed as clerk pro-tem.

Adopted this 4th day of August, 2022.

Mayor Tim O'Connor

ATTEST _____
Heather Mendonsa, City Clerk

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Brian Templin, City Administrator
Date: July 27, 2022
RE: Resolution 22-21, Setting the Sales Tax Cap on Fuel in Craig

The council is considering Ordinance 748 for final approval at the August 4, 2022 council meeting. If approved, that ordinance allows the city council to set the cap on fuel sales tax by resolution.

In the discussion of the ordinance the council will consider a couple of alternatives. We have prepared a different attachment for the resolution based on the adopted option included in ordinance 748.

A copy of the resolution and the attachment options are attached to this memo. The council should review the attachment that pertains to the tax cap method chosen in Ordinance 748 and move to adopt the resolution along with that attachment language.

Recommended Motion: Move to approve Resolution 22-21 with Attachment A for Option (A, B, C, or D).

**CITY OF CRAIG
RESOLUTION 22-21**

A RESOLUTION SETTING RATES FOR A CAP ON SALES TAX FOR FUEL

WHEREAS, the Craig City Council has determined that with steeply rising fuel prices that a cap on sales tax collected is in the best interest of the city and its residents; and,

WHEREAS, the Craig City Council has adopted Ordinance 748 amending Section 3.08.010 and 3.08.020 of the Craig Municipal Code to allow for a tax cap on fuel at a rate set by resolution by the council; and,

WHEREAS, this resolution sets that cap.

THEREFORE BE IT RESOLVED that Craig City Council sets a cap on the tax rate/sales tax collected on fuels as shown in attachment A of this resolution.

PASSED AND APPROVED by a duly constituted quorum of the city council this 4th day of August, 2022.

MAYOR TIM O'CONNOR

HEATHER MENDONSA, CITY CLERK

OPTION A – CAP ON TOTAL SALE

Attachment A

As defined in 3.08.010 and detailed in CMC 3.08.020, Unleaded Gasoline and Diesel Fuel – Gross sales after the first \$500 are exempt from city sales tax.

OPTION B – REDUCED SALES TAX

Attachment A

As defined in 3.08.010 and detailed in CMC 3.08.020, Unleaded Gasoline and Diesel Fuel are subject to sales tax at a rate of 4%.

OPTION C – PER GALLON TAX CAP

Attachment A

As defined in 3.08.010 and detailed in CMC 3.08.020, Unleaded Gasoline and Diesel Fuel sales tax at a rate of \$.225 per gallon.

OPTION D – FUEL SALES TAX REBATE

Attachment A

As defined in 3.08.010 and detailed in CMC 3.08.020, Unleaded Gasoline and Diesel Fuel PURCHASES subject to Craig sales tax paid on fuel is eligible for a rebate of 1% of the gross fuel purchase. Rebate requests shall be filed in a time and manner proscribed by the city. To be eligible for a rebate person's must include copies of receipts showing eligible payments for fuel, and a completed form provided by the city.

CITY OF CRAIG
MEMORANDUM

To: Brian Templin and City Council
From: Russell Dill
Date: 7/22/2022
RE:

The City of Craig Public Works Department needs an additional \$15,000.00 for parts and freight for the side load solid waste truck. These parts are needed to fully repair the garbage truck. City of Craig has budgeted \$20,000.00 for these repair parts. There was an oversight from the vendor's quote.

Currently there is \$360,000.00 budgeted for the Waste Water Treatment Plant (WWTP) Roof Project. We are working with an Architect firm now to finalize concept drawings. This project will be bid out either in late Fall of 2022, or early Spring in 2023, and hopefully go to construction in August to September 2023. According to this time line, the City of Craig would have an opportunity to add funds for the WWTP Roof Project in the next fiscal year if needed.

Public Works Department has submitted questionnaires thru the State Revolving Fund (SRF) Program for potential financing of the wastewater treatment plant roof project through the Alaska Clean Water Fund. We have been told that the chances of obtaining a loan through the SRF Program this cycle is very high.

The Fiscal Year 2023 federal appropriations process includes opportunities to fund local projects through Congressionally Directed Spending (CDS). Senator Murkowski has requested funding for the WWTP Roof Project under: Interior, Environment, and Related Agencies.

Recommended Motion: Move to re-appropriate \$15,000.00 from the WWTP roof project to the garbage truck repairs authorized in the City's Capital Reserve Fund.

- \$9,098.61 Dump Arm Assembly
- \$5,901.39 Freight for all parts

Respectfully,

Russell W. Dill
Public Works Director

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Brian Templin, City Administrator
Date: August 11, 2022
RE: Finance Director Position

As the council is aware we have been advertising for a new Finance Director since Sheri Purser submitted her resignation letter in April. Sheri is still working for us remotely full time and it is a great help to have her continue working.

The council will hold a special meeting and executive session on August 17th to discuss this issue and some options.

I will provide a memo to the council prior to the council meeting on August 18th with recommendations based on the discussion on the 17th.

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Brian Templin, City Administrator
Date: August 11, 2022
RE: Temporary Code Enforcement Officer Position

Chief Ely has an applicant for the department with the goal of filling the vacant police officer position when they are eligible. They will be eligible under APSC to be hired as a police officer in about four months.

In the meantime, Chief Ely has suggested that we hire this individual primarily as a code enforcement officer to work within the department. The only code enforcement officer currently identified in the Craig Municipal Code is the City Planner who is designated as the enforcement officer for Title 18 and marijuana licensing issues.

Chief Ely has made a job offer and it has been accepted pending council approval. The Code Enforcement Officer would be authorized to issue citations for municipal code violations. This includes such things as parking, animal enforcement, zoning, burn pit violations, etc. There are some advantages of hiring this applicant now as the code enforcement officer and then transitioning them to a Police Officer Recruit when they are eligible.

- The code enforcement officer would relieve the current sworn officers of some of their workload by handling city code violations.
- Hiring the code enforcement officer now will give opportunity for them to ride along with police officers, ultimately reducing the time needed for field training when they transition to a police officer.
- The code enforcement officer could be cross training to perform non-police officer duties in the dispatch center, evidence area, and jail.

Hiring this person now as a code enforcement would be beneficial to the police department both in the short term and long term.

Since the current code enforcement duties in municipal code are limited to the city planner and sworn police officers, we are asking the city council to permit a one time designation of a code enforcement officer position within the Craig Police Department. This position would go away when this individual transitions to a full time police officer.

Recommendation: Move to authorize the Craig Police Department to hire a code enforcement officer and grant the code enforcement officer authority to enforce Craig Municipal Codes under the direction of the Craig Police Chief.

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Brian Templin, City Administrator
Date: August 11, 2022
RE: Moving Expenses for Police Sergeant Hire

As the council is aware, we have been severely short staffed at the Craig Police Department. Currently the department staffing is down one full time police officer and the police sergeant. They have been short staffed since last year.

Recently Ben Paige, a former Craig Police Officer contacted Chief Ely about the Sergeant position. Ben is highly qualified and Chief Ely has extended a formal job offer which Ben accepted. Ben has requested that the city provide up to \$4,000 in reimbursable moving expenses as part of his hire.

The Craig Personnel Handbook allows moving expenses for full-time salaried employees but does not have a general provision for hourly employees, such as the Sergeant.

This position is critical to adequate staffing for the department and will put a second supervisor in the department. RJ feels that Officer Paige would make a good Sergeant for the department and has requested that the council approve moving expenses. In this case the new employee would be required to sign a contract. One provision of the contract would be repayment of the moving expenses if the employee terminates employment within a set time.

Funds will come out of the existing budget and will likely not require any new appropriation.

Recommendation: Move to approve reimbursable moving expenses for the Craig Police Department Sergeant hire.