

CITY OF CRAIG
COUNCIL AGENDA
JULY 21, 2011
COUNCIL CHAMBERS 7:00 P.M.

ROLL CALL

Mayor Millie Schoonover, Greg Head, Joni Kuntz, Jim See, Marge Young, Don Pierce and Mike Douville

CONSENT AGENDA

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

- City council minutes of June 16, 2011
- Introduction and first reading of Ordinance 634, Authorizing the city administrator to negotiate with NOAA/National Weather Service the terms of renewal of a lease of city-owned property for maintenance of a weather radio tower and associated equipment.
- Introduction and first reading of Ordinance 635, Authorizing the city administrator to negotiate with the Youth First Responders (YFR) the terms of a lease of city-owned office space within the old Craig Clinic space for use by YFR
- Introduction and first reading of Ordinance 636, Authorizing the city administrator to negotiate with Viking Lumber the terms of a lease of city-owned wood drying equipment for use by Viking Lumber.

HEARING FROM THE PUBLIC

- Final Reading and Public Hearing on Ordinance No. 633, Providing for the adoption of the F/Y 2011 Supplemental Operating Budget

REPORTS FROM CITY OFFICIALS

Mayor
Administrator
Aquatic Manager
City Clerk
City Planner
EMS Coordinator
Harbormaster
Librarian
Police Chief-written report
Parks and Rec
Public Works
Treasurer

READING OF CORRESPONDENCE

- Correspondence from Hoffman & Blasco, LLC, a newly formed company
- The 2011 certified property tax roll from the city assessors, Horan & Co.
- Correspondence from Sen. Lisa Murkowski concerning Secure Rural Schools

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

- Ordinance No. 633, Providing for the adoption of the F/Y 2011 Supplemental Operating Budget

UNFINISHED BUSINESS

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NEW BUSINESS

- Approving the late filing for the 2011 senior citizen property tax exemption by Clarke Ammerman

ADJOURNMENT

ROLL CALL

Acting Mayor, Don Pierce called the meeting to order and the roll was taken. Present were Greg Head, Joni Kuntz, and Jim See. Absent excused were A. Millie Schoonover, Marjorie Young and Mike Douville.

Staff present: Jon Bolling, City Administrator Vicki Hamilton, City Clerk; Brian Templin, City Planner; Joyce Mason, Treasurer; Sergeant R.J. Ely; and Victoria Merritt, Parks and Recreation

Audience present: Evan Rose, CEO, for Alaska Permanent Capital Management, Jean Bennett, Karen Head and Jim Thomas of the Craig Schools, Mike Kampnich, Linda Bennett, and Greg Boyd of Davies-Barry Ins.

CONSENT AGENDA

The consent agenda was presented; it contained the city council minutes of: May 5th, May 24th and June 2, 2011 as well as the first reading of Ordinance No. 633, Providing for the adoption of the F/Y 2011 Supplemental Operating Budget.

HEAD/SEE: moved to adopt the consent agenda. MOTION CARRIED

APPEAL OF SUSPENSION OF CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY-VEHICLE FOR HIRE-

Jeff Music, owner of the taxi company Island Ride, was not here to speak on this issue. If Jeff comes in later, he will have an opportunity to appeal the certificate suspension.

HEARING FROM THE PUBLIC

Jean Bennett was here to speak about a program she is spearheading. The program is P.O.W. Operation Outreach. This program assembles care packages for our soldiers deployed overseas. Jean is asking for donations from Prince of Wales communities to help with this effort. Jean asked the council for a \$200 donation to help with shipping costs for the care package items that will be sent to California where they will be shipped out to our troops in the Middle East.

KUNTZ/PIERCE: moved to donate \$200 to the Prince of Wales Operation Outreach. MOTION CARRIED UNANIMOUSLY

Evan Rose, CEO for Alaska Permanent Capital Management Corp. was here and gave a presentation to the council on how the City of Craig's investments are doing.

PUBLIC HEARING-2011 CRAIG UTILITY IMPROVEMENTS-There were no comments.

READING OF CORRESPONDENCE

There were no comments.

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

Resolution No. 11-10, City of Craig Health Reimbursement Arrangement, was presented.

HEAD/KUNTZ: moved to adopt Resolution 11-10. MOTION CARRIED UNANIMOUSLY BY ROLL CALL VOTE.

UNFINISHED BUSINESS

NEW BUSINESS

School Budget discussion-Superintendent Jim Thomas and Karen Head, Business Manager were present to answer questions from the council concerning the school budget. Discussion included several topics, some of which were: elementary enrollment, foundation formula, whether Craig Schools was going to provide a Special Education teacher this coming school year, the S.T.R.I.V.E. Program, and the P.A.C.E. Program.

KUNTZ/SEE: moved to accept the School District's FY 2012 Operating Budget. MOTION CARRIED UNANIMOUSLY

Comparison of Insurance Bids, AMLJIA and APEI-Joyce Mason recommends that the City of Craig stay with APEI. There was discussion amongst the council members.

HEAD/KUNTZ: moved to accept Alaska Public Entity Insurance quote of \$125,576 for general liability, auto, property, and workers compensation for F/Y 2012. MOTION CARRIED

Change Order on the South Cove Improvement Project-Jon Bolling stated the change order is needed due to requirements issued by the second of two grants that are paying for the cost of the South Cove Harbor project. The second grant agreement calls for implementation of specific Davis-Bacon contract language. That language is missing from the solicitation the city issued to secure bids for the project. The attached change order corrects the problem by implementing public contract wage and reporting requirements consistent with the requirements of the second South Cove Harbor grant. The result is a net increase in the contract amount of \$3,482.

PIERCE/HEAD: moved to adopt Order No. 1 of the South Cove Harbor Improvement Project. MOTION CARRIED

Grant agreement with U.S. Forest Service-North Fork Lake Dam-Jon Bolling reported the Prince of Wales Resource Advisory Committee (RAC) approved the North Fork Dam raising project and forwarded it to the Tongass Forest Supervisor for approval. The project was approved. The City of Craig will receive Title II funding in the amount of \$275,000 to raise the dam at North Fork Lake.

PIERCE/HEAD: moved to authorize staff to sign Grant Agreement No. 10-DG-11100500-301 with the U.S. Forest Service for improvements to North Fork Lake Dam. MOTION CARRIED

APPEAL OF SUSPENSION OF CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY-VEHICLE FOR HIRE-

Mr. Music was not here.

Jim See suggested that Island Ride sales tax account be audited, that there be a requirement through the process of random drawing for drug testing the taxi drivers and a requirement for pre-employment drug screening. Jon commented that this was a reasonable thing to ask after a company has been suspended. Staff will check with the city’s attorney about making changes to the municipal code, Vehicles for Hire.

PIERCE/KUNTZ: move to uphold the two-week suspension of Island Ride with an amendment that their sales tax account be audited.
MOTION CARRIED

The council set Thursday, July 21, 2011 to be our next city council meeting date.

ADJOURNMENT

HEAD/KUNTZ: moved to adjourn. MOTION CARRIED

The meeting adjourned at 8:15 p.m.

APPROVED _____

ACTING MAYOR, DON PIERCE

ATTEST
VICKI HAMILTON, CITY CLERK

CITY OF CRAIG MEMORANDUM

To: Craig Mayor and City Council
From: Brian Templin, City Planner
Date: July 8, 2011
RE: National Weather Service Lease

NOAA/National Weather Service (NWS) has applied to the City of Craig to renew a lease of city owned property at below market value for a tower and transmission equipment site in Craig. NOAA/NWS currently has leased the site since 2001. The lease has expired and NOAA/NWS would like a new 20 year lease for the same site.

Craig Municipal Code 16.02.030 (B) allows the city to approve a lease below the minimum 8% of market value. Normally this is the \$1 per year lease that is given to various government and non-profit entities around town. NOAA/NWS qualifies as a government entity and the project has a public benefit that allows it to be considered for this below market lease.

NOAA/NWS is applying to renew the lease of a portion of Tract 15, USS 2611 just north of the Craig Cable TV site. The amount of the lease area will not exceed 3,900 square feet.

Recommendation: Pass the 1st reading of Ordinance 634.

**CITY OF CRAIG
ORDINANCE No. 634**

AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE WITH NOAA/NATIONAL WEATHER SERVICE THE TERMS OF RENEWAL OF A LEASE OF CITY-OWNED PROPERTY FOR MAINTENANCE OF A WEATHER RADIO TOWER AND ASSOCIATED EQUIPMENT

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

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

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

Section 4. Action. This ordinance authorizes the City Administrator to negotiate a below market value renewal of a lease of city-owned land to NOAA/National Weather Service. The property considered for the lease is limited to a portion of the Tract 15, USS 2611 containing an area of no more than 3,900 square feet of land currently occupied by NOAA/National Weather Service. Final terms of said lease are subject to the approval of the Craig city council. The lease area will be used for maintaining a radio tower, weather cameras, radio equipment and other related equipment used by the National Weather Service.

The City Administrator is under no obligation to negotiate for the lease of a portion of Tract 15, and the City Council is under no obligation to approve any lease negotiated by the City Administrator with NOAA/National Weather Service.

Passed and approved on _____, 2011.

Mayor A. Millie Schoonover

Attest _____
Vicki Hamilton, City Clerk

**CITY OF CRAIG
MEMORANDUM**

To: Craig Mayor and City Council
From: Brian Templin, City Planner
Date: July 8, 2011
RE: Ordinance 635 – Lease of a portion of the Old Craig Clinic to Youth First Responders

The Old Craig Clinic building which was occupied by the Craig Clinic and the Public Health Nurse's office was vacated when those entities moved to the new clinic space. Since the building was vacated the city has used a portion of it for storage of records and equipment and leased a portion of the building to HOPE for office and clinic space.

The Prince of Wales 4-H Youth First Responders (YFR), a program designed to introduce youth to emergency response, has applied for a below market value lease space in the old clinic building for offices, training area and storage space to promote the YFR program and train Prince of Wales emergency responders. YFR is a non-profit entity and is eligible for a below market value lease under the public use exemption at CMC 16.02.030(B).

As part of the below market value lease YFR has offered to pay heating costs for the portion of the building they will be occupying and the portion of the building that the city is currently using for records and equipment storage. If Ordinance 635 is approved by the council this offer will be considered in the lease negotiations.

Recommendation: Approve first reading of Ordinance 635.

**CITY OF CRAIG
ORDINANCE No. 635**

AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE WITH THE YOUTH FIRST RESPONDERS (YFR) THE TERMS OF A LEASE OF CITY-OWNED OFFICE SPACE WITHIN THE OLD CRAIG CLINIC SPACE FOR USE BY HOPE

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

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

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

Section 4. Action. This ordinance authorizes the City Administrator to negotiate a below market value lease of city-owned office space to YFR. The property considered for the lease is limited to a portion of the Old Craig Clinic located on Lot 1 and 2, Block 14, USS 1430 containing an area of no more than 1,500 square feet of office space contained within the building. Final terms of said lease are subject to the approval of the Craig city council. The lease area will be used for office, storage and training space for YFR.

The City Administrator is under no obligation to negotiate for the lease the portion of the Old Craig Clinic building, and the City Council is under no obligation to approve any lease negotiated by the City Administrator with YFR.

Passed and approved on _____, 2011.

Mayor A. Millie Schoonover

Attest _____
Vicki Hamilton, City Clerk

**CITY OF CRAIG
MEMORANDUM**

To: Craig Mayor and City Council

From: Brian Templin, City Planner

Date: July 14, 2011

RE: Ordinance 636 – Lease of a Wood Drying Equipment to Viking Lumber

The City of Craig has been using wood waste from Viking Lumber to heat pool and school buildings for the past few years. One of the issues that impacts the efficiency and overall capacity of the wood dryer is the moisture content of the fuel that is delivered. Staff has been working with Viking Lumber to secure grant funding to purchase wood drying equipment that Viking would use to dry wood chips. Grant funding was approved during the recent legislative budget to purchase the equipment.

Viking Lumber Company has applied to lease city owned industrial wood drying equipment for the purpose of providing dried biomass fuel to the City of Craig and others. Lease will include the wood drying equipment and all associated equipment as outlined in a final lease agreement.

Dry fuel from Viking Lumber will increase the city's heating capacity and efficiency at the wood boiler. Dry fuel will also expand the opportunities for biomass heating and development of a material source for pellet or biomass brick production in SE Alaska.

Recommendation: Approve first reading of Ordinance 636.

**CITY OF CRAIG
ORDINANCE No. 636**

AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE WITH VIKING LUMBER THE TERMS OF A LEASE OF CITY-OWNED WOOD DRYING EQUIPMENT FOR USE BY VIKING LUMBER

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

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

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

Section 4. Action. This ordinance authorizes the City Administrator to negotiate a market value lease of city-owned wood drying equipment to be purchased by the City of Craig. The equipment considered for the lease is limited to that dryer and all associated equipment as outlined in a final lease agreement. Final terms of said lease are subject to the approval of the Craig city council. The leased equipment will be used to dry biomass fuel to be used by the City of Craig and others.

The City Administrator is under no obligation to negotiate for the lease the wood drying equipment, and the City Council is under no obligation to approve any lease negotiated by the City Administrator with Viking Lumber.

Passed and approved on _____, 2011.

Mayor A. Millie Schoonover

Attest _____
Vicki Hamilton, City Clerk

CITY OF CRAIG

ORDINANCE NO. 633

PROVIDING FOR THE ADOPTION OF THE FISCAL YEAR 2011 SUPPLEMENTAL
OPERATING BUDGET

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

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

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

Section 3. Authorization and Appropriation. The appropriations identified in "Attachment A" hereto are adopted and authorized for the period of July 1, 2010 through June 30, 2011 and are the budget for that period. The Administrator may modify line item expenditures within an authorized appropriation to another line item in any amount which would not annually exceed ten (10) percent or \$10,000, whichever is more.

Section 4. Unexpended Balances. All unexpended balances lapse as of June 30, 2011.

APPROVED this _____ day of July, 2011.

MAYOR A. MILLIE SCHOONOVER

ATTEST: VICKI HAMILTON, CITY CLERK

CITY OF CRAIG MEMORANDUM



Date: July 12th, 2011
To: Honorable Millie Schoonover, Craig City Council
Fr: Sgt. RJ Ely, Acting Police Chief
Re: Staff Report

Chief Habib has been recovering better than doctors thought. He has completed physical therapy; location where he was required to stay, 24/7. He is now an outpatient and will continue therapy, Mondays / Wednesdays / Fridays, for just a few hours each day. He will be required to do this for around 4 weeks. He sounds good, missing Craig and said if he had his way, he would be here already.

ACTIVITY

Activity for month of June has been busy. Jail mandates are increasing and several inmates have been transferred to other jails, for serving longer sentences. Dispatch Center took following amount of calls for service;

Craig	749	Up from 674 in May
Klawock	419	Up slightly from 413 in May
AST	14	Down from 21 in May

DEPARTMENT OF MOTOR VEHICLES

Steps are in motion for getting person or persons certified to conduct C.D.L. (commercial driving license) road tests. This will allow person(s) living on P.O.W. to be able to schedule and take these road tests and either remove restriction 7 off current C.D.L. or new drivers to obtain valid C.D.L. License, without certain restrictions.

DISPATCHER

Bill Sharps has resigned his position as dispatcher, effective date being July 3rd, 2011. He has worked for the City for 10 years; either as EMS coordinator or Craig Police Department. He has taken a position with the IFA Ferry System.

Theresa Morrow has completed training and will begin covering shift(s), July 4th, 2011. She has exceeded my expectations with training, is well liked and fitting in great. She will be able to cover Sharps shift, until new dispatcher is hired. Applications have been received, backgrounds completed and interviews are set up. Should have dispatcher position filled, soon.

OFFICERS

Ofc. Roberto Medina has completed a R.E.I.D. School – Interviewing & Interrogation Course. This course will greatly assist Ofc. Medina with investigations.

UPGRADES / REPAIRS

Department server is close to reaching maximum hard drive space. Will be looking at ordering two mirrored hard drives to correct this. Being that almost all police work is computerized, records that are required to be kept, along with digital photo's & audio, space becomes an issue; mirrored hard drives allow for current/consent back-up of all files.

State of Alaska / Department of Public Safety Crime Lab has decided to switch out or upgrade current breath testing instruments. Craig is lower on the list, for this and it's not certain when we will be required to switch. Along with switching out instrument, instructors will be required to attend training, in order to train operators.

HOFFMAN & BLASCO, LLC

ATTORNEYS AT LAW

ANCHORAGE & CRAIG OFFICES

JUNEAU OFFICE

9360 GLACIER HIGHWAY
SUITE 202
JUNEAU, ALASKA 99801
PHONE: (907) 586-3340
FACSIMILE: (907) 586-6818

PAUL M. HOFFMAN
ROBERT P. BLASCO
MARY HUNTER GRAMLING

PO BOX 809
CRAIG, ALASKA 99921
PHONE: (907) 826-2453
FACSIMILE: (907) 826-2123

ROBERT P. BLASCO

June 22, 2011

Via US First Class Mail

Jon Bolling
City Administrator, City of Craig
City of Craig
P.O. Box 725
Craig, AK 99921
jbolling@aptalaska.net

Re: Legal Representation

Dear Jon:

On May 10, 2011, the Alaska attorneys of Hoffman Silver Gilman & Blasco, P.C., formed Hoffman & Blasco, LLC. All of the Alaska attorneys, paralegals and staff remain with Hoffman & Blasco. We will be providing exactly the same legal services with the same attorneys and staff as formerly under Hoffman Silver Gilman & Blasco. The entity change relates only to the separation of the Virginia personnel, who are primarily engaged in providing lobbying services, from continued association with us and our provision of legal services in Alaska.

Our Juneau office address remains the same. Please address future communications to Hoffman & Blasco, LLC at the same Juneau address and same e-mail addresses.

Please call if you have any questions.

Sincerely,


Robert P. Blasco

HORAN & COMPANY, LLC

403 LINCOLN STREET, SUITE 210 SITKA, ALASKA 99835

TELEPHONE (907) 747-6666 FAX (907) 747-7417 EMAIL appraisals@horanappraisals.com

CHARLES E. HORAN, MAI / WILLIAM G. FERGUSON, TIMOTHY W. RILEY, JOSHUA C. HORAN
JACQUE WALTON

REAL ESTATE APPRAISERS / CONSULTANTS

July 1, 2011

Vicki Hamilton, City Clerk
City of Craig
P O Box 725
Craig, Alaska 99921

Via Email cityclerk@craigak.com

Re: AMENDED Certified 2011 Tax Roll; Our File 11-CRG-AS

Dear Ms. Hamilton:

Per our phone discussion, two minor errors were corrected requiring a slight adjustment to the final amounts indicated by the 2011 tax roll. Therefore, the assessment roll for 2011 has been completed and is hereby certified by the assessor. The total assessed value for land in the City of Craig is \$30,902,500. The amended total assessed value for the improvements in the City of Craig is \$57,696,400. The total for both the land and improved properties and therefore, the overall amended total for real property values in the City of Craig is \$88,598,900.

Based on observed market conditions, this indicates a slight decrease of approximately 2.6% in property value relative to last year.

Sincerely,
HORAN & COMPANY, LLC



William G. Ferguson
City of Craig Contract Assessor

LISA MURKOWSKI
ALASKA

COMMITTEES:
ENERGY AND NATURAL RESOURCES
RANKING MEMBER
APPROPRIATIONS
HEALTH, EDUCATION, LABOR,
AND PENSIONS
INDIAN AFFAIRS

United States Senate

WASHINGTON, DC 20510-0203
(202) 224-6665
(202) 224-5301 FAX

June 9, 2011

510 L STREET, SUITE 600
ANCHORAGE, AK 99501-1956
(907) 271-3735

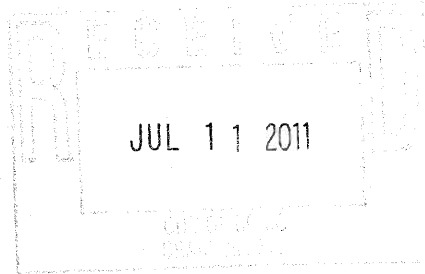
101 12TH AVENUE, ROOM 329
FAIRBANKS, AK 99701-6278
(907) 456-0233

805 FRONTAGE ROAD, SUITE 105
KENAI, AK 99611-9104
(907) 283-5808

4079 TONGASS AVENUE, SUITE 204
KETCHIKAN, AK 99901-5526
(907) 225-6880

851 EAST WESTPOINT DRIVE, SUITE 307
WASILLA, AK 99654-7142
(907) 376-7665

Mr. Jon Bolling
City Manager
City of Craig
Post Office Box 725
Craig, Alaska 99921-0725



Dear Jon:

Thank you for contacting me about Secure Rural Schools. I appreciate hearing from you and having the opportunity to respond.

I understand the importance of maintaining the Secure Rural Schools program in much the same form as it is has been funded during FY2011. As I have told the Ketchikan Gateway Borough and the State Superintendent, I do not believe that the President's proposal has any significant traction and the long-term prospects for continuing the program do not look promising. That being said, Congress in the past has made changes to all three Titles of the Secure Rural School and Community Self-Determination Act, but the long term prospects for maintaining the program in its current form will be difficult.

As the Senate proceeds, I will be sure to keep your comments in mind. Again, thank you for contacting me.

Sincerely,

Lisa Murkowski
United States Senator



COPY

CITY OF CRAIG

MEMO

November 1, 2010

To: City of Craig property owners who are Senior Citizens or Disabled Veterans

From: Vicki Hamilton, City Clerk

Subject: Property Tax Exemption for 2011

Enclosed is the property tax exemption application for 2011 property tax.

Please provide proof of residency by sending in:

- 1) A copy of your permanent fund receipt or proof of its deposit
- 2) Your completed property tax exemption application

If this is your first time applying, please provide a birth certificate or driver's license showing proof of age. You must be 65 years old before January 1st. If this is your first time applying, please provide a copy of the deed for the property you are claiming as the owner. The property is only exempt if you own it. This property must also be your permanent residence.

The application deadline is January 15, 2010.

If you have any questions please contact me at 826-3275.



COPY

June 29, 2011

Clarke Ammerman
Box 28
Craig, AK 99921

Dear Mr. Ammerman,

Please submit a letter explaining why your 2011 property tax exemption application was filed late. I want you to know that I sent two applications for property tax exemption, with the second letter being mailed to you on December 10, 2010.

Before the council can exempt your property for 2011 property taxes, I need to have your letter to me at city hall by **July 13th** to be placed on the agenda for the next city council meeting scheduled for Thursday, July 21st.

Respectfully,

A handwritten signature in cursive script that reads "Vicki Hamilton".

Vicki Hamilton
City Clerk

6/29/11

JUN 30 2011

Clarke Ammerman
P.O. Box 28
Shaan-Sect Trailer Court
Space # 612

City of Craig
Attn: Vicki Hamilton

I thought I only had to make a one-time application for my tax exemption on property taxes, as I did last year in 2010.

I never received, in my mail, a notice in January, 2011.

I am a 100% disabled, service-connected Veteran. I have on file with your office, a copy of service connection, which is Permanent Disability. Thus affording tax exemption on property up to \$100,000.00.

I am submitting this letter, today, along with my application for tax exemption on my home at 612 Shaan-Sect.

I have a new letter, from the Department of Veterans Affairs, which should arrive here in a few days.

Thank you for your consideration regarding this matter.

Respectfully,
