

CITY OF CRAIG  
COUNCIL AGENDA  
APRIL 5, 2012  
COUNCIL CHAMBERS 7:00 P.M.

**ROLL CALL**

Mayor Dennis Watson, 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 March 1, 2012 and March 15, 2012

**HEARING FROM THE PUBLIC**

- Open for Public Comment

**REPORTS FROM CITY OFFICIALS**

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

**READING OF CORRESPONDENCE**

- March 31, 2012 Status Report from Steve Silver
- Memo from Dennis Watson, I.F.A.-candidate for at-large position

**CONSIDERATION OF RESOLUTIONS AND ORDINANCES**

- **Resolution 12-07**, F/Y 2013 Payment in lieu of Taxes Funding
- **Resolution 12-08**, Initiating the 2012 Sales Tax Free Day

**UNFINISHED BUSINESS**

- P.O.W.H.A. Funding

**NEW BUSINESS**

- Consider Household Hazardous Waste Contract with Carson Dorn, Inc.
- Appointment of City of Craig Representative to SEASWA
- Consider Contract Services with Tanner Municipal Consulting
- I.F.A. line of credit

**ADJOURNMENT**

**Vicki**

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**From:** Dennis Watson <dwatson@interislandferry.com>  
**Sent:** Monday, April 02, 2012 5:20 PM  
**To:** cityclerk@craigak.com  
**Subject:** FW: At-Large board seat:

RE: IFA At-Large board seat

Craig City Council Members,

The vacant IFA At-Large board seat will have action taken on it at the April 17<sup>th</sup> IFA board meeting in Hollis.

As spelled out in the IFA by-laws 2.4.2 (b) the mayor of each IFA member community can submit a candidate for the At-Large board seat to the IFA board of directors. The board will then at its regular board meeting vote on the candidate to fill the position.

Dennis Watson  
Interim General Manager  
Inter-Island Ferry Authority  
Office: (907) 530-4800 ex 27  
Cell: (907) 617-2800

## ROLL CALL

Mayor Dennis Watson called the meeting to order and the roll was taken. Present were, Greg Head, Joni Kuntz, Jim See, Don Pierce and Mike Douville. Marge Young was absent, excused.

Staff present: Jon Bolling, City Administrator; Ramona Wise, Aquatic Manager; Vicki Hamilton, City Clerk; Brian Templin, City Planner; Daniel Nelson, Harbormaster; Amy Marshall, Librarian; Robert Ely, Police Chief; Steve Tanner, Public Works Director

Audience present: Barbie Armstrong, Kathy Peavey, Mike Kampnich

## CONSENT AGENDA

No consent agenda.

## HEARING FROM THE PUBLIC

Kathy Peavey was here on behalf of the upcoming Whalefest event taking place at the end of March here on Prince of Wales. Kathy is asking for monetary support from the city to help with the travel costs for guests from the Orca Network, who will be doing presentations at the school.

KUNTZ/SEE: moved to donate \$250 to the Whalefest Celebration and \$250 to the 2012 Senior Class graduation celebration.  
MOTION CARRIED UNANIMOUSLY

## REPORTS FROM CITY OFFICIALS

MAYOR-Dennis Watson was in Ketchikan attending to I.F.A. business. While there he attended a Round Table discussion with Senator Lisa Murkowski. Some of the discussion Dennis had with Senator Murkowski was concerns about health care.

While in Ketchikan, Dennis testified at the Board of Fisheries meeting. Dennis opposed a proposed 10-day closure for troll fishermen in the middle of summer.

While in Ketchikan, Dennis attended the Miners Association meeting. Also attending were representatives from Bokan Mountain mine and representatives from the Niblack Mine.

Included in the discussion was talk of road building.

I.F.A. update: Dennis reported the M/V Prince of Wales was brought back on line and it promptly blew a starter on one of the mains. The Prince of Wales was fixed and now it is back on line. The I.F.A. is putting the M/V Prince of Wales up for sale this year. Dennis stated it cost the I.F.A. \$280,000 last year to have it tied up. In a couple of weeks Dennis will be travelling to Juneau to talk with our state legislators.

ADMINISTRATOR-Jon Bolling reported he will be travelling to Juneau on March 12<sup>th</sup>. He will be attending Southeast Conference meetings. While Jon is in Juneau he will be meeting with our state legislators, speaking to them about the City of Craig's capital projects as well as talking to legislative staffers about existing projects. Jon plans to be back in Craig on March 15<sup>th</sup>.

**AQUATIC MANAGER**-Ramona Wise reported everything is going well at the pool. Ramona reported they are providing swim lessons for students who are home-schooled. Those lessons are going from now through May.

**CITY CLERK**-Vicki Hamilton reported starting work on putting the Craig cemetery on an excel spreadsheet. Ron Randall of the Ketchikan Mortuary has offered to help. The city's assessors, Horan and Co., were in Craig for two and a half days assessing properties here. There were no across-the-board changes to the property tax roll. Vicki reported there were 12 properties on the property tax foreclosure list for 2011. That list has been whittled down to three or four. The next city council meeting is scheduled for March 15<sup>th</sup>.

**CITY PLANNER**-Brian Templin provided a written staff report in the council packet. Brian was available for any questions.

**HARBORMASTER**-Daniel Nelson reported Marble Construction started work on the Ice House Expansion. Daniel reported the framing work on the Ice House should take about two weeks to frame up. Daniel reported they have put a couple more water pedestals on line at the harbors.

**LIBRARIAN**-Amy Marshall reported things are going really well at the library. Amy was gone last week to the Alaska Library Association Conference in Fairbanks. Amy reports she was drafted on to the I.T. Committee for the State. Amy is providing reading programs for Craig Head Start, Pre-School story time, and Klawock Head Start. Amy explained there was an unintended consequence of Craig Tribal Associations' name change. Because of that, they lost their CCR status in Grants.gov. This meant that they could not submit federal grants. The library gets a \$7,000 grant from the Institute of Museum and Library Services. That grant was due today. Craig Tribal Association was able to get the problem fixed and the library was able to renew the grant. The funding cycle has been changed on that grant, now it is good for three years instead of just one year. Amy reported on March 23<sup>rd</sup> at 7:00 a.m. the Craig Library will hook up with Texas A&M University to participate in a video conference, The Wreck of the Salles Le Belle, in the Gulf of Mexico.

**POLICE CHIEF**-Chief Ely provided a written report in the packet. Chief Ely reported he made an offer to Mark Harreus for a position with the Craig Police Department. Chief Ely got certified through TSA and Homeland Security to do finger printing for the Commercial Driver's Licensing/ Hazmat. He is planning on getting the other officers in the department, also certified.

**PUBLIC WORKS**-Steve Tanner is here to give his last oral staff report as Public Works Director. Steve retires on March 30, 2012.

Steve reported the public works department repaired another water line leak along the state highway, recently.

Steve continues to record his work history as the public works director, providing valuable information for his replacement.

Steve reported he will be attending the Southeast Alaska Sanitation Deficiency System meetings in Juneau, March 14-17<sup>th</sup>. Hopefully the city will be able to receive money for our projects.

## **READING OF CORRESPONDENCE**

There were no comments.

**CONSIDERATION OF RESOLUTIONS AND ORDINANCES**

**Resolution No. 12-06**, Supporting efforts by the Inter Island Ferry Authority to defease the remaining portion of its bonded debt through the Alaska Municipal Bond Bank Authority, was presented.

PIERCE/KUNTZ: moved to adopt Resolution No. 12-06. MOTION CARRIED BY UNANIMOUS ROLL CALL VOTE

**UNFINISHED BUSINESS**

- None

**NEW BUSINESS**

- **Proposed Change Orders: Craig Ice House Expansion Project-**

PIERCE/HEAD: moved to approve change orders No.1 and No.2 to the Craig Public Ice House Expansion Project in an amount not to exceed \$3,424.00. MOTION CARRIED

**ADJOURNMENT**

DOUVILLE/HEAD: moved to adjourn. MOTION CARRIED

The meeting adjourned at 7:38 P.M.

APPROVED \_\_\_\_\_

\_\_\_\_\_  
MAYOR DENNIS WATSON

ATTEST \_\_\_\_\_  
VICKI HAMILTON, CITY CLERK

CITY OF CRAIG  
COUNCIL MEETING  
MARCH 15, 2012

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**ROLL CALL**

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

Staff present: Jon Bolling, City Administrator; Vicki Hamilton, City Clerk; Brian Templin, City Planner; Robert Ely, Police Chief and Joyce Mason, Treasurer.

Audience present: Lisa Radke, Andy Deering, Chris Piburn, Pat Tyner and Cheryl Fecko

**CONSENT AGENDA**

The consent agenda was presented, it contained the city council minutes of February 16, 2012.

DOUVILLE/KUNTZ: moved to adopt the consent agenda. MOTION CARRIED

**HEARING FROM THE PUBLIC**

Pat Tyner, a member of the Prince of Wales Hatchery Association, was here to speak on behalf of the Saint Nicholas Hatchery. Mr. Tyner was asking the council to consider a permanent source of funding for the hatchery. Mr. Tyner made a correction to the correspondence he had, stating there are 320,000 fish at the Saint Nicholas hatchery.

Cheryl Fecko was here representing the Prince of Wales Watershed Association. Cheryl is here, seeking island-wide support for the association. She is seeking support from all of the communities on Prince of Wales Island in the form of nominating a representative to the Prince of Wales Watershed Association. This organization currently has resolutions of support from Thorne Bay, Naukati Bay Inc., Coffman Cove, Whale Pass Home Owners Assoc., Hollis, with confirmed support from Hydaburg, Organized Village of Kasaan, Craig Tribal Assoc., Hydaburg Cooperative Assoc. and Klawock Heenya Assoc. This association is its own association. Cheryl said she holds a part-time position to serve as the coordinator. This position is funded by the National Forest Foundation which is a non-profit branch of the Forest Service. This organization is currently seeking 501(c)3 status. Some of the organization's goals are to seek funding to train or encourage local hire for these water shed, restoration projects that are happening.

Joni Kuntz is asking that the City of Craig support the Prince of Wales Watershed Association, by resolution.

The city will bring a resolution to the council at the next meeting, April 5, 2012.

There was further discussion about the P.O.W. Watershed Association.

**READING OF CORRESPONDENCE**

There were no comments.

**CONSIDERATION OF RESOLUTIONS AND ORDINANCES**

None to Consider

**UNFINISHED BUSINESS**

None to consider

**NEW BUSINESS**

- **Street Paving Update**-Jon Bolling gave a report on the status of Phase III of Street Paving. In April, 2012, the federal funding from the Federal Government should be released to the Denali Commission. At this time we are not sure when the money will be released from the Denali Commission to the City of Craig for paving of its city streets. If it is released soon enough, the city may pave some of its streets in September of this year. If not, the paving will be postponed until 2013.
- **Bid Award, Street Paving Projects**-This bidding process is for Phase IV. It would be the bidding process that would design the balance of the streets in Craig. Jon stated the city won't have enough funding to get them all paved unless we're able to come up with some funds between now and 2013. We can get them designed and have enough left over to get at least some of them improved next year. Jon pointed out an error on the bids. The bid submitted by R&M Engineering was over stated by the city but did not affect the bid scoring or outcome. It should have been listed as \$55,105.

KUNTZ/HEAD: moved to award the bid for street design services to RP Kinney Associates in an amount not to exceed \$47,373.  
 MOTION CARRIED UNANIMOUSLY

- **Request for Funding for the Prince of Wales Hatchery Association**-Greg Head commented that the city has made the investment into the Saint Nicholas Hatchery and we don't want to lose it. It benefits everybody, the commercial and sports fishermen and the charter fishermen. Greg stated it needs to be held on to and developed. Bed Tax was discussed as a means to raise money for the hatchery. There was further discussion amongst the council members.

Jim See reminded everyone that this hatchery is the City of Craig's hatchery.

PIERCE/KUNTZ: moved to have staff bring ideas to the council in regards to funding of the Port Saint Nicholas King Salmon Project.  
 MOTION CARRIED

- **Appointment to Southeast Alaska Solid Waste Authority, SEASWA**-Jon Bolling reported Gail Slentz was the city's representative on the Southeast Alaska Solid Waste Authority Board. Gail has resigned her position and Jon Bolling has temporarily filled her seat, representing the City of Craig. The city is looking for someone to represent it on this board. Don Pierce will look into this.

**ADJOURNMENT**

DOUVILLE/HEAD: moved to adjourn. MOTION CARRIED  
 The meeting adjourned at 7:38 P.M.


APPROVED \_\_\_\_\_

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 MAYOR DENNIS WATSON

\_\_\_\_\_  
 ATTEST VICKI HAMILTON, CITY CLERK

**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: April 2, 2012  
RE: April Staff Report



**1. Wood Drying Equipment**

The city received four proposals from companies in response to the solicitation to purchase wood drying equipment using grant funds from the Alaska Energy Authority and with matching funds from Viking Lumber Company. All four proposals have equipment prices above the amount budgeted. In addition, each of the proposals is complex; city staff is still evaluating the proposals, and I have yet to confer with staff from Viking Lumber and the Alaska Energy Authority. My goal is to bring the matter to the council at its April 19 meeting for direction on how to proceed with the procurement of the wood dryer.

**2. Roadless Rule Appeal**

The federal judge in Washington DC overseeing the appeal approved the city's request to participate as an intervenor. The parties will now agree on a schedule to file their pleadings. A decision from the judge will likely not come until 2013. Steve Silver will work on the brief that the city and other co-intervenors will file.

**3. POW Vocational/Technical Facility**

The project's advisory committee has met on a couple of occasions with the project architect. Some very preliminary sketch and floor plan work is now complete. The committee now begins the process of working with the architect on more detailed design documents. The committee hopes to complete excavation and other site work in 2012, with the bulk of construction to come in 2013.

**4. Craig Public Ice House Expansion.**

The contractor has completed framing and siding the ice house addition. The ice making equipment is set in place in the expanded ice house, and both the refrigeration and electrical subcontractors are on site. The general contractor, Marble Construction, expects to finish the project in April, as scheduled.

**5. Community Street Paving Project**

R&M Engineering completed the design recently for Phase III of the community streets project, and delivered a copy of the design drawings and specifications book to city staff. I will contact R&M about proceeding with the bidding process.

**6. North Fork Lake Dam**

Work to complete the environmental assessment document continues among staff at the US Forest Service. A public scoping notice was printed in the Ketchikan Daily News a few days ago for the project. US Forest Service staff apparently tried to drive up to the



dam recently to conduct some field work but were turned back by snow and ice on the access road. As I reported to the council last month, federal law requires that the project be under contract before October 1, 2012 if we are to use Title II funding from the National Forest Receipts program. US Forest Service staff are aware of this timing restriction and are working with city staff to meet the requirement.

#### **7. Craig North Waterline Replacement Project.**

The project is out to bid, with the bid opening date set for Thursday, April 12. If the bid opening process goes well, the council's April 19 meeting agenda will have an item for a bid award for the project. I want this work completed before July 1 so that the Silver Bay Seafoods and other water users on the north end of Craig can work through the height of the commercial fishing season without an interruption to their water service.

#### **8. Capital Projects to Legislature**

Mayor Watson and I met with Rep. Thomas, and Sen. Kookesh and their staff on March 12. Among the issues discussed were the city's capital project requests. Both Rep. Thomas and Sen. Kookesh understand our needs. Rep. Thomas made it a point to say that Craig's filings on the Legislature's CAPSIS nomination system are exceptionally well done, a nod to Brian Templin who is responsible for completing and submitting the nominations. We should have a good idea what, if anything, will make it into the capital budget by April 16. After that it's up to the governor as to whether the projects stay in the budget.

I can say that it seems an appropriation is likely for POW Island's request for funding for a borough study. The topic was brought up at both meetings. If the funding comes through Craig staff will work through POWCAC with other communities to set up a process to select a contractor to do the work.

#### **9. Redistricting**

The Alaska Redistricting Board approved a modified redistricting plan last Saturday. The ARB had to reconsider its work after the Alaska Supreme Court sent the original plan back for more work. At this point, the result for Craig and SE Alaska are unchanged from the version that the ARB first adopted. Prince of Wales Island will be split into two districts. The south half of POW, including Craig, Klawock, Kasaan, and Hydaburg will be in a house district with Annette Island, Sitka, Haines, and a number of smaller communities, including Kake, Angoon, Pelican, Klukwan, and Hoonah. Our senate district will likely be a pairing of our house district with the house district that includes northern POW; that house district also includes Wrangell and all of Ketchikan.

#### **10. Travel Schedule**

April – December: Two or three trips to Juneau at the expense of Catholic Community Service to attend board meetings.

September 10-21 (approximately): Personal travel.

If the council has questions regarding these items feel free to contact me anytime.

## Statistics for March 2012:

Patron Visits: 1,818  
 Computer Hours Logged: 447 hours  
 Circulations: 2,718 items  
 (Up 9.4% from March 2011 – 2,562 items)  
 Program Attendance: 201 ( No Scrabble)

March Programs: 1-31 Think Like A Geek! Reading Program for Kids & Teens  
 2,9,16,23,30 Toddler/Preschool Storytimes  
 6,13,20,27 Klawock Headstart Storytimes  
 14 Pi-Einstein Day (Pie at the Library!)  
 20 "History, Heroes, & Symbolism" Video Conference  
 23 "The Last Voyage of LaSalle and *La Belle*" Video Conference

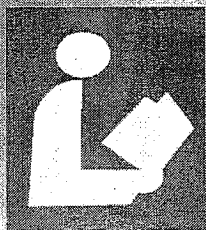
## Grants Status:

IMLS FY12 Funds Request at CTA  
 IMLS FY13-15: Complete and Submitted (Confirmation Received)  
 PLAG FY12 Spent  
 PLAG FY13: Complete and Submitted  
 COOPERATIVE LIBRARY GRANT FY13: Complete and Submitted  
 CE FY12 (Continuing Education Grant, state): Request for  
 Reimbursement Submitted  
 LIBRI FY12: Declined  
 CROSSET FY12: Planning, will be accepting grants in Fall '12  
 RASMUSEN COLLECTION DEVELOPMENT GRANT: Development  
 ALASKA HUMANITIES FORUM: Project Specific Grant, Query Letter  
 Submitted  
 ALASKA COUNCIL ON THE ARTS: Project Specific Grant, Query Letter  
 Submitted  
 ALASKA AIRLINES MILES DONATION: Currently working to submit  
 Proposal (this is another Project-Specific Grant)

1. Staff is working on a number of fundraising ideas to support a project in August (15<sup>th</sup> – 22<sup>nd</sup>) that has statewide support. An Interlibrary Cooperative Grant for \$7,200 was submitted on 3/30/12 to the state after lengthy discussions with members of the grant committee and Alaska OWL Project personnel. The Library will be hosting a Chili Cook-Off Fundraiser at the Spring Carnival on 4/7, a 50/50 Raffle with a drawing on 5/26 after the Marathon, and several other fundraisers throughout the summer. Current partners on this project include The 49 Writers, F'Zine, The Office of Letters and Light, and the Tongass National Forest.
2. The library conducted two (2) Video Conferences this month: one for adults entitled "History, Heroes, and Symbolism: A Visual Analysis of George Caleb Bingham's Iconic Painting." The painting was "Daniel Boone Escorting Settlers Through Cumberland Gap." We had 6 in attendance in Craig and an additional 3 in attendance at Anchor Point Library. I wrote a guest post for the provider's blog: <http://www.csdtechpd.wordpress.com> and that is the link to it. The

second Video Conference was produced by 7<sup>th</sup> graders in Palacios, Texas and detailed the wreck and excavation of LaSalle's ship *La Belle*. We had 18 in attendance, and everyone had a great time. These have been so successful, that I have a number of other free events scheduled for April.

3. Staff assisted 55 individuals with filing online for the PFD, assisted another 16 in job hunts and with the use of ALEXSYS, and a further 9 in filing for unemployment benefits. In addition to the 55 assisted individuals filing for their PFDs, we estimate that another 40 who did not require assistance used the public use computers to file. Because the state is more than likely discontinuing the use of the paper forms in the next few years, the library will be conducting four trainings on how to file your PFD Electronically next January, February, and March. Lori Skaggs from the Post Office has volunteered to come assist the staff with these trainings.



# The Craig Public Library

## Video Conference Event

Meet The Author of  
Hank The Cowdog  
John R. Erickson!



YEEHAW! SADDLE UP!

GET ON UP TO THE LIBRARY ON

WEDNESDAY, APRIL 11 AT 10:15AM

FOR ALL THE FUN DOWN ON THE RANCH!

We have a limited number of Autographed Books for sale!

PLEASE CALL TO RESERVE YOUR COPY!



CALL 826.3281 FOR MORE INFORMATION!



The Craig Public Library

Presents:

*Saturday  
April 7th!*

# A Chili Cook-Off Fundraiser!

Join Us at the Spring  
Carnival on Saturday,  
April 7th!

Cook up a BIG POT of  
your World-Famous  
Chili, bring a \$10 entry  
fee, and you could  
WIN cash prizes!

(all entry fees go to the prizes  
for 1st, 2nd, and 3rd place, so  
the more entered, the larger  
the prizes! Tell your friends!)

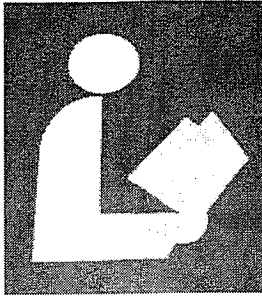
Call 826-3281  
for more information

Everyone Can Be A Judge!

Simply buy a bowl and  
spoon for \$5, sample all  
the chilis you want, and  
VOTE!

The Library will also be  
selling Rootbeer Floats &  
Purple and Orange Cows  
for \$3 each (to cool that heat!)

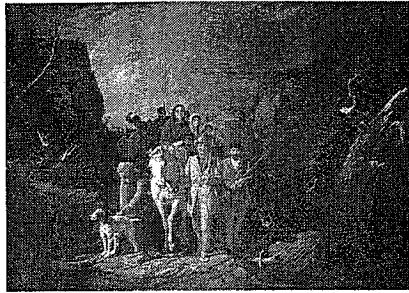
Proceeds benefit the Library's  
Summer Reading & Writing  
Programs!



# The Craig Public Library

## Video Conference Event!

### History, Heroes, & Symbolism:



### Visual Analysis of George Caleb Bingham's Iconic Painting "Daniel Boone Escorting Settlers Through Cumberland Gap" (1852)

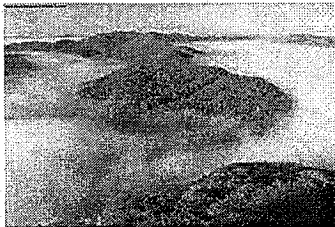
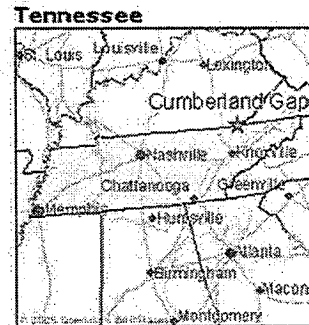
**Tuesday, March 20th**

**Noon**

**Brown Bag Lunch!**

New, from the Mildred Lane Kemper Art Museum at Washington University in St. Louis:

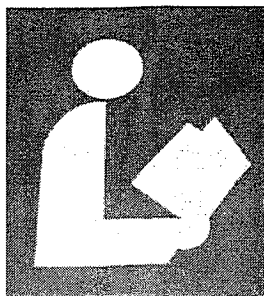
American artist and Missouri native George Caleb Bingham (1811-1879) is known and regarded for his genre paintings focused on the then Western frontier that feature the cities, people, and life along the Missouri and Mississippi rivers. Fascinated with Daniel Boone and the heroic stories of his life, Bingham's Daniel Boone Escorting Settlers through the Cumberland Gap painted in 1851-52, is considered one of his most iconic works. Telling the story of the 1777 event, this painting is full of symbolism and classical art historical references. In this program, we will explore the painting compositionally, historically, and delve deeper into the symbolism represented.



Join Us at the Craig Public Library for this Video Conference/ Brown Bag Lunch Event! It's art, history, and iconography all rolled up into one! Bring your lunch and your curiosity to the library! Please call 826-3281 for more information!

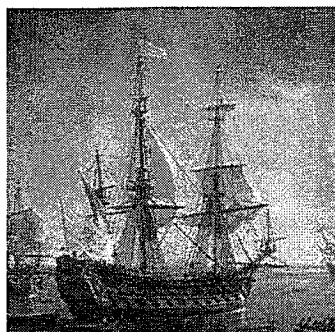






# The Craig Public Library

## Video Conference Event!



### The Final Voyage

### Of

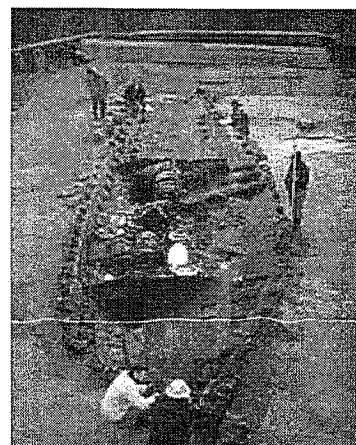
### La Salle's

### *La Belle*

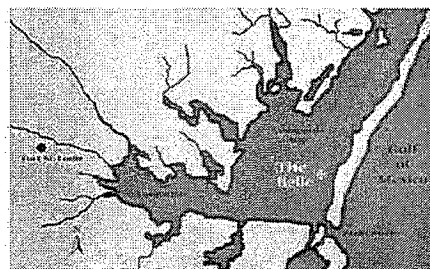
Friday, March 23rd

9:00am

Donuts, Coffee, & Juice!



In the early months of 1686, a French Expedition led by one of the 17th century's boldest explorers, saturnine René-Robert Cavelier, Sieur de La Salle, and backed by King Louis XIV missed the mouth of the Mississippi River by 400 miles and landed on the Gulf Coast not far from Corpus Christi, Texas. It all fell apart. Four ships, 300 men, and the loss of their ship *La Belle* took the last glimmer of hope for the expedition ... and in the end, only a handful of the 300 lived to tell the tale...



Join Us at the Craig Public Library for a Video Conference Event that chronicles the last voyage of this amazing ship and her journey into the 20th century after being rediscovered and excavated! The program is targeted at 3rd, 4th, and 5th graders, but all are welcome! Please call 826-3281 for more information! History Comes Alive @ your library!



CITY OF CRAIG  
MEMORANDUM



Date: April 2<sup>nd</sup>, 2012  
To: Honorable Dennis Watson, Craig City Council  
Fr: RJ Ely, Police Chief  
Re: Staff Report

RJ Ely

**ACTIVITY**

Activity for month of March 2012. Dispatch Center took the following amount of calls for service.

Craig	794
Klawock	242
AST	12
Craig EMS	8
Craig Fire	2

**DEPARTMENT OF MOTOR VEHICLES**

Dispatcher Lee Martynuik attended training in Anchorage, March 2012 and is now working solo in DMV. Martynuik is also CDL Road Testing Certified and has several road tests scheduled for the month of April. Was waiting for snow levels to drop in area where this test is performed.

**DISPATCHER(S)**

Part Time / Fill in Dispatcher Theresa "Tia" Morrow has given her notice effective June 1<sup>st</sup>, 2012. Morrow has done a good job and discovered that being a full time teacher, having two young children and filling in at the Police Department, she is losing out on family time.

**OFFICER(S)**

Mark Harreus was hired and began working for the Police Department on March 8<sup>th</sup>, 2012. Since starting, he has completed the Lateral F.T.O. Program and is now working solo. Harreus has over 15 years of experience; over 5 has been in Alaska. He is fitting in well, learning the town and thus far, doing a good job.

Klawock has hired a new chief, Terry Stonecipher. He is on island and currently working; admin only, for he broke his leg while traveling to the island. Sgt. Maxwell has given his notice and will be leaving after April 13<sup>th</sup>, 2012.

**OTHER**

Word has gotten out on TSA / DHS fingerprinting for CDL / HMZ. Several citizens, not only from Craig but other locations on P.O.W. have gone through this process.

Calls are picking up, more people are showing up and with any luck, summer is upon us. I've met with Silver Bay Seafood's Plant Manager. When their employees arrive, I will be attending their orientation meeting and addressing city ordinances, state laws and other issues that have presented themselves over the past few years.

Status Report  
March 31 2012

City of Craig

Submitted by  
Steve Silver

The Congress continued to struggle with budget issues as it approached its Easter/Passover recess. While the hearings on various budget issues continue with regularity, there seems to be little agreement on the upcoming budget process between the House and the Senate which are controlled by different parties. Just prior to the adjournment date for the spring recess, the House of Representatives did pass a budget resolution prepared by House Budget Committee Chairman Paul Ryan (R-WI). However the bill was passed on a strictly party line vote.

Meanwhile in the Senate, Majority Leader Harry Reid (D-NV) has announced that the Senate will not attempt to pass a budget and will move directly to passing the 12 individual appropriation bills. However, the vast gap in the budget process will likely be reflected in the federal appropriations process. Many are predicting that no appropriations bill will be passed before the federal fiscal year ends on September 30, 2012. The most likely prediction is that there will be a major, post election session in which the Congress will have to deal with the appropriations bills, the potential sequestration of federal spending which will automatically take place under the 2011 budget deal between the Congress and President Obama. So, the federal budget process is very complicated and unpredictable in the meantime.

#### Intervention in Roadless Case Approved by Federal Judge

The City received a bit of good news earlier this month when Federal District Judge Richard Leon approved the City's petition to intervene in the State of Alaska's case to overturn the Alaska Roadless Rule. While this was expected, until the Judge issued his order, the intervention was not approved and the case could not go forward. Now that the intervention has been approved, the case will proceed under regular order. The next step is for the US Forest Service to file the administrative record in the case. The State and supporting intervenors including the City will file their motion for summary judgment. Predicting how long this case will take is always difficult, but the case now should begin to move to a decision.

#### Federal Transportation Funding

Congressman Young and both Senators have been exploring the issue of communities losing federal earmarks because the project name in the earmark is not available or funding. All members of the Delegation strongly support Alaska community efforts to retain and use earmarks in other projects which are important to the City.



Congressman Young has heard this concern from other communities including which were told by the State Dept. of Transportation that directed funding for specific projects is also in danger. Mr. Young's staff contacted the State DOT and was assured by the Commission that earmarks would not expire and could be used in the future. This is excellent news for Alaska communities

Additionally, while this effort is ongoing, the House and Senate have agreed to a 90 day extension of the general federal transportation funding while both bodies struggle for a longer term solution. At this point, there is no solution in sight. Congressman Young believes that a major reason why no long term bill can pass is because of the ban on directed projects or earmarks which give members of Congress some direction over where the funds will be spent. While he is not optimistic that this will change, he continues to predict short term extensions without some form of directed spending.

#### **PILT/Secure Rural Schools Funding**

The House and Senate have different approaches to secure rural schools funding also. The Senate is attempting to pass a 1-5 year extension. The Senate recently passed a two year extension to the Secure Rural Schools program as an amendment to the federal transportation bill. However, this is not agreeable to the House which is drafting legislation to increase timber harvest in the National Forest System to stimulate jobs in the rural areas of America.

I will keep working on this issue and will provide more information as it becomes available.

#### **Sea Otter Issue**

I am working on this issue closely with City Administrator Jon Bolling. WE have met with the US Fish and Wildlife Service seeking a better interpretation of how sea otter pelts can be harvested and sold to third parties. This is a difficult issue and we are working with Alaska Native groups which also support change.

The Alaska Delegation supports a change in law to foster a better economic market for the pelts. This would allow Alaska Natives in Southeast Alaska to have a greater incentive to harvest the pelts. This is not an easy issue but it is important to the bivalve and dive fishery in Southeast Alaska. I will continue to work on this issue with the City to seek a better solution.

#### **Next Steps**

I will work with the City staff to pursue the issues described above and other issues as these become available. I will provide an additional report as soon as new information becomes available.

Additionally, the City should consider a trip soon to Washington to press its other issues including those discussed above and federal project funding.

City of Craig  
Memorandum

Date: March 30, 2012

To: Mayor & City Council

From: Joyce Mason

Re: FY13 PILT Funding

---

Resolution 12-07 requests Payment in Lieu of Taxes funding for FY 13. The Department of Commerce, Community & Economic Development requires this resolution each year for this program.

This resolution is an item presented to the Council each year

Recommendation:

Approve Resolution 12-07, Requesting FY13- Payment in Lieu of Taxes funding.

**CITY OF CRAIG  
RESOLUTION 12-07**

**A RESOLUTION REQUESTING F/Y 2013 PAYMENT IN LIEU OF TAXES FUNDING FROM THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT**

WHEREAS, 3 ACC 152.100 requires the governing body of a city to adopt a resolution requesting funding from the payment in Lieu of Taxes Program for cities in the unorganized borough and to submit the resolution to the Department of Community and Economic Development, and

WHEREAS, the city has conducted a regular election during the preceding state fiscal year and has reported the results of the election to the commissioner; and

WHEREAS, regular meetings of the governing body are held in the city and a record of the proceedings is maintained; and

WHEREAS, ordinances adopted by the city have been codified in accordance with AS29.25.050;

NOW THEREFORE BE IT RESOLVED THAT: The city council by this resolution hereby requests distribution from the F/Y 2013 Payment in Lieu of Taxes Program by the Department of Community and Economic Development on the date required by law.

PASSED AND APPROVED by a duly constituted quorum of the city council this 5th day of April 2012.

---

MAYOR DENNIS WATSON

---

ATTEST: VICKI HAMILTON, CITY CLERK

**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: March 30, 2012  
RE: Tax Free Day Resolution

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Attached you will find a resolution authorizing a sales tax-free day. Also attached is a letter from Prince of Wales Properties requesting that the council authorize the tax free day.

Section 3.08.020.E.25 of the City of Craig Municipal Code provides for the city council to authorize, by resolution, a day where sales normally subject to the city's sales tax are exempt from the tax. The attached resolution provides for the sales tax free day on April 14, 2012. The attached resolution also sets out conditions for tax exempt sales on April 14.

The council has authorized a sales tax-free day for several consecutive years now. If the council approves the attached resolution, city staff will work to promulgate the conditions of the event to local merchants.

RECEIVED

MAR 28 2012

CITY OF CRAIG  
CRAIG, ALASKA

Prince of Wales Properties  
P.O. Box 492  
Craig, AK 99921-0492  
(907)826-MALL (6255)

March 28, 2012

City of Craig  
P.O. Box 725  
Craig, AK 99921-0725

Re: Request for Tax Relief Day on April 14, 2012

Dear Administrative Staff & Council Members,

I am writing to you on behalf of Prince of Wales Properties. I am requesting that the City of Craig consider allowing a Sales Tax Free day on Saturday, April 14, 2012 in accordance with City of Craig Ordinance No. 593.

This one day event has been well received in previous years. Although the discount to the customer is small, the gesture by the City of Craig to allow this event is substantial.

Thank you for your consideration on this matter.

Best Regards,



Ken Owen

CITY OF CRAIG

RESOLUTION NO. 12-08

**INITIATING THE 2012 SALES TAX FREE DAY**

**WHEREAS**, the Craig city council requested that an annual sales tax free day be established through ordinance; and

**WHEREAS**, Ordinance No. 593 provides for a sales tax free day in the Craig Municipal Code; and

**WHEREAS**, Saturday, April 14th has been chosen as the 2012 tax free day; and,

**WHEREAS**, Tax Free Day will benefit the Craig residents and other Island shoppers, and provide local merchants a marketing opportunity.

**NOW THEREFORE BE IT RESOLVED** that April 14th be established as tax-free day for 2012 during normal business hours, subject to the following conditions:


- 1) The promotion does not include the payment of rents and leases;
- 2) All sales made on the tax-exempt day must be recorded like any other exempt sale, and the record from that day submitted with the businesses quarterly sales tax return.
- 3) Sales are limited to stock on hand items only
- 4) Participation in the promotion by local merchants is voluntary.

APPROVED \_\_\_\_\_

\_\_\_\_\_  
MAYOR DENNIS WATSON

ATTEST \_\_\_\_\_  
VICKI HAMILTON, CITY CLERK

**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator   
Date: March 30, 2012  
RE: Funding for the Prince of Wales Hatchery Association

---

At its March 1 meeting the city council heard comments from representatives of the POW Hatchery Association board of directors seeking regular funding for the Port St. Nicholas king salmon facility. In short, POWHA seeks the establishment of a fund from which it can draw on to meet the expenses to operate the Port St. Nicholas king salmon facility. A copy of the background memo from the council's March 15 meeting is attached.

POWHA envisions the City of Craig playing a central role in this effort because the building and equipment, and the land upon which the building and equipment is located, are all owned by the City of Craig. As the council will recall, the city relies on POWHA to acquire eggs, then hatch and rear the salmon until they are ready for release into salt water. For several years the city paid POWHA \$20,000 each year to complete this work. Those funds are now gone and a new source of funding is needed if the city is to continue to pay POWHA to raise and release king salmon at Port St. Nicholas.

POWHA representatives suggested that the cities of Craig and Coffman Cove contribute to a fund managed by the City of Craig that becomes a source for the king salmon project. POWHA also stated that it would contribute funds from its annual Port St. Nicholas cost recovery efforts to the fund so that all sources used to support to PSN facility are combined into one account for eventual disbursement to POWHA. POWHA estimates that in a typical year the cost to operate the PSN facility is about \$70,000. If the city were to contribute to a PSN facility operating fund each year, the city's share would likely be about 85 percent of the facility's operating costs, after accounting for revenue from cost recovery. The other 15 percent may come from a cash contribution from the City of Coffman Cove, which also receives king salmon from the PSN facility.

In short, if the council chooses to make an annual contribution to the PSN facility, the city should be prepared to contribute between \$30,000 and \$50,000 per year to the project, depending on the amount of cost recovery revenue POWHA realizes each year. The city has no obvious funding source that it can dedicate to the project. The council did discuss some possible new local revenue sources to fund a city contribution each year. Staff needs additional time to develop options for the council to consider. In the meantime, the city does hold several thousand dollars from the old Craig-Klawock king salmon derby program that it could use to start a fund supporting the hatchery. Setting up this fund might prompt Coffman Cove to make its contribution, and have ready an account into which to deposit cost recovery funds from the 2012 king salmon return to Port St. Nicholas.


**Recommendation**

That the council direct staff to create a fund within the City of Craig to hold revenues intended to support the Port St. Nicholas king salmon project.

Recommended motion: I move to direct staff to create an account supporting the Port St. Nicholas king salmon project and deposit all funds the City of Craig holds from the now-defunct Craig-Klawock king salmon derby program.



**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator   
Date: March 10, 2012  
RE: POW Hatchery Association Request for Support

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At its March 1 meeting, representatives from the POW Hatchery Association asked the council to consider ongoing financial support for POWHA's Port St. Nicholas king salmon hatchery. Below is a history of the PSN king salmon project, followed by a request from staff for council direction on POWHA's funding request.

Background

POWHA operates the Port St. Nicholas king salmon facility. The facility, located on city- owned property next to the city's water treatment plant at 5.5 mile of the PSN Road, raises king salmon from eggs to smolts. The smolts are released at two locations: the Port St. Nicholas River, and at Coffman Cove. Both these release sites are classified as terminal fisheries, meaning that the king salmon that return to the release sites as adults are not allowed to spawn. Instead they are intended for 100% catch by the various gear groups. Eggs are brought in every year from other hatcheries to resupply the PSN facility. Since the project began, PSN eggs have come from the Mountain Point hatchery facility in Ketchikan. That facility is operated by the Southern Southeast Regional Aquaculture Association, whose board of directors agreed a few years ago to provide eggs to the PSN facility. The SSRAA board, however, is not obligated to provide king salmon eggs every year.

Funding for the PSN hatchery building and equipment came in part from a grant from the Sustainable Salmon Fund that Craig City Administrator Tom Briggs secured in the early 2000's. A fish enhancement project at PSN was an economic development priority for the City of Craig for many years before the project was eventually funded from the Sustainable Salmon Fund. The City of Coffman Cove also received funding from the same source to begin a terminal fishery there, using fish raised at the PSN facility. Some of the funding Coffman Cove secured has been spent on upgrades to the PSN hatchery site.

The City of Craig owns all the equipment and the hatchery building on the site. For several years the city signed an operation agreement with POWHA, where POWHA agreed to raise and release the king salmon, and city agreed to pay POWHA for the effort. Typically the city paid POWHA \$20,000 per year for the work. Over four years the city paid POWHA \$75,000 to raise the fish, funding that the City of Coffman Cove secured from the Sustainable Salmon Fund for the purpose of providing some operational support to the project. The hope was that when the \$75,000 ran out POWHA would be able to fund the operation from cost recovery: that is, from the catching and selling of the king salmon returning to PSN. POWHA did complete some cost recovery last year, and earned about \$35,000. The association is uncertain if future cost recovery efforts will earn as much revenue. The association is, however, planning a cost recovery effort again

in 2012, and has equipment for a new weir system to more efficiently harvest the returning king salmon.

#### Current and Future Need

To improve the return of adult king salmon to PSN, POWHA proposes to install net pens in PSN to rear smolts prior to release. Net pen rearing apparently provides for a healthier group of smolts and ultimately leads to increased adult returns, and thus better salmon catches as well as improved prospects for cost recovery. POWHA also sees the net pens as one means to ensure the raising of 400,000 chinook smolts each year at the PSN facility. This year's population is at about 320,000.

With the original \$75,000 operational funding how spent, POWHA desires a fund be established to finance the operation of the PSN facility. The board and staff at the hatchery estimate the prior year's cost to operate the facility at about \$70,000 (see attached budget summary from POWHA). Members of the POWHA board asked the council on March 1 to establish a fund to ensure annual operation of the PSN facility. Ideally the proposed fund would begin at an amount equal to one year's operation, and then grow to provide an operational margin for the PSN facility. The hatchery association would prefer to have at least the full year's requirement of \$70,000 in the fund at the time the new broodstock year eggs arrive so that they are assured funding is in place to hatch, raise, and eventually release the fish. POWHA desires an annual operation agreement between itself and the City of Craig governing responsibilities for raising king salmon. The responsibilities are similar to the agreements that POW and the city used when dispensing the \$75,000 allocation. However, POWHA staff does propose some specific tasks for it and the city, including

#### POWHA tasks:

- Hire, train and manage employment of a Fisheries Technician for the site; this is a full time job.
- Hire, train and manage employment of two Technicians every year, during February, for CWT
- Provide qualified personnel for hatchery maintenance and repairs, when necessary.
- Purchase all needed supplies on a yearly basis (fish food, chemicals, tools, etc.)
- Take care of accounting for PSN project.
- Obtain eyed eggs each fall, for yearly production of chinook fry (this is dependent on yearly cost to operate, roughly \$70,000, to be secured each year, no later than July 1<sup>st</sup>).
- Hatch, rear, transport, and release chinook smolts each year, as outlined in Annual Management Plan with ADF&G.
- Install and maintain weir on Port Saint Nick River, and perform cost recovery operations. Funds generated to go into a "Fish Fund", to be used for yearly operating costs of project.
- Provide technical and logistical support to both Craig and Coffman Cove for duration of the project.

City of Craig tasks:

- Provide continuous supply of high pressure water for hatchery operations.
- Perform yearly maintenance on pressure reducing valves in Mechanical Room of hatchery.
- Provide electricity for the hatchery site.
- Continue to donate the \$1.00 per year for the lease to the grounds of the facility.
- Pay \$59,500 per year to a fund to support POWHA.

The \$59,500 amounts to about 85 percent of the estimated annual operating costs. Because the City of Coffman Cove also benefits from the raising of king salmon at the PSN facility, POWHA proposes that Coffman Cove also contribute to the cost of raising the salmon. POWHA estimates that about 15% of the salmon are shipped to Coffman Cove for release, and the association plans to approach Coffman Cove about funding a portion of the project cost.

POWHA proposes that the city manage the operational fund, using its own general fund revenue, revenue contributed by Coffman Cove, revenue from cost recovery efforts, and any other revenue that is earmarked for the king salmon program. POWHA would regularly invoice the city for payment from the fund equal to the cost to raise king salmon each year. For example, if the fund had been in place in the past year, the \$69,297 operational costs would have been met by the \$35,000 in cost recovery, and from contributions made by the City of Craig and City of Coffman Cove.

Summary

In short, POWHA wants assurance that it can pay for the raising of each year's stock of king salmon, and continue to have a formal agreement with Craig governing management of the PSN facility. The city council should respond with direction to staff as to what extent it wants the city to participate in the king salmon program. The original hope that cost recovery efforts would pay the operational cost of the PSN facility has not materialized yet, and may never materialize. While the city can help in this effort by seeking grant funding for operation, such as from the 2012 Chinook Salmon Mitigation Fund program, a longer-term plan to fund PSN hatchery operations is needed.

Recommendation

City staff is in the middle of working on the next city fiscal year budget. If the council chooses to contribute City of Craig general fund dollars to this project it should give staff guidance on the amount of funding to designate toward the PSN facility, and how to manage the funding, such as through continuation of an operational agreement with POWHA.

## Prince of Wales Operating Budget For 2012

<b>Expenses</b>	<b>Budget Amount</b>	<b>Expenditures to Date</b>	<b>Budget Remaining</b>
Fish Feed	\$ 10,727	\$ -	\$ 10,727
Freight	\$ 2,604	\$ -	\$ 2,604
Labor	\$ 39,520	\$ -	\$ 39,520
Supplies	\$ 2,376	\$ -	\$ 2,376
Employee Benefits	\$ 5,882	\$ -	\$ 5,882
Telephone & Internet	\$ 1,188	\$ -	\$ 1,188
Tagging Wire	\$ 7,000	\$ -	\$ 7,000
<b>Total Budget</b>	<b>\$ 69,297</b>	<b>\$ -</b>	<b>\$ 69,297</b>

**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: March 30, 2012  
RE: Proposed Household Hazardous Waste Agreement

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Attached you will find a proposed agreement between the City of Craig and Carson-Dorn Inc. governing the disposal of household hazardous waste (HHW) for 2012.

The City of Craig typically appropriates funds each year for HHW disposal, and coordinates the collection of HHW to coincide with spring clean up week. For several years now the event has resulted in the collection of HHW at the Klawock landfill. Typically the HHW collected is shipped Down South when it is collected. However the amounts collected in recent years has been quite small, and none of the HHW collected over the past two years has been shipped; instead it has been held at the landfill until enough of it accumulated to warrant shipping the material to a licensed disposal site. Because the HHW has not been sent south for several years, this year's agreement with Carson-Dorn includes a higher than normal cost of the event—as much as \$9,400. However, the city has paid less than usual over the past couple of years due to the fact that the collected material was not shipped off-island.

**Recommendation**

That the city council authorize staff to execute the attached agreement with Carson-Dorn for disposal of household hazardous waste for 2012.

## AGREEMENT

This AGREEMENT, dated this \_\_\_ day of March, 2012, is between the City of Craig hereinafter called City and Carson Dorn, Inc., hereinafter called CDI.

It is mutually agreed as follows:

### I. SERVICE BY CDI

- A. CDI shall collect and dispose of household hazardous waste materials collected on May 12, 2012 at the Klawock Landfill.
- B. CDI shall exercise authority on the management of the material collected.
- C. CDI shall provide drums and cartons to contain the material collected, labels, appropriate shipping papers, and shall provide for transportation, recycling, reclaiming, and/or disposal of materials. All drums and cartons shall be clearly marked as containing household waste only and labeled as Non Regulated.
- D. CDI shall provide up to two persons trained in the acceptance, sorting, packing, and shipping of collected materials.
- E. CDI shall make every reasonable effort to remove all collected material from the site by June 7, 2012.
- F. The EPA identification number for management of materials under conditions of this agreement is AKD983075953 CDI shall report actual drum volumes collected to the designated community contact at noon and the end of the event. The volumes will be compared to the projected number of drums budgeted for in the agreement. CDI shall submit a detailed report and invoice to DEC and the City including:
- Copies of all manifests
  - Description and quantity of each type of material disposed of by drum and DOT classification
  - The mode of disposal
  - The mode of transportation.
- G. CDI shall invoice the City \$3,350 for mobilization, operations, and management for up to a six drum, one carton event. Shipping of the waste collected at the event will be approximately \$3,400 (to be split proportionally between Craig and Klawock based on the number of drums and cartons shipped by each community). Collection of any drums and cartons over this limit will require approval by the City's representative listed below. The City currently has five drums and one cubic yard carton stored at the Klawock Landfill Hazwaste shed that were collected during the 2010 and 2011 HHW events. The disposal fee for these items will be an additional \$2,660. Disposal of the waste collected will be invoiced to the City at \$380 per drum and \$760 per cubic yard carton. If the amount of liable drums and cartons collected in 2012 exceeds the estimated level, the City shall pay for the additional amount of services required to dispose of such additional waste. All invoices and reports should be directed to:

Steve Tanner, Public Works Director  
City of Craig  
P.O. Box 775 Craig, Alaska 99921

- H. CDI certifies that it uses:
1. Valid Environmental Protection Agency identification numbers for the transportation, treatment, storage, and disposal of hazardous waste.
  2. Liability insurance in effect for claims arising out of death or bodily injury and property damage from hazardous waste transport, treatment, storage, and disposal, including vehicle liability and legal defense costs in the amount of \$1,000,000 as evidenced by a certificate of insurance for General, Automobile, and Environmental Liability Coverage.
- I. CDI warrants that it understands the currently known hazards and suspected hazards that are presented to persons, property, and the environment by the transport, treatment, and disposal of hazardous waste. CDI warrants that it will perform all services under this contract in a safe, efficient, and lawful manner using industry-accepted practices and in full compliance with all applicable state and federal laws and regulations.
- J. CDI shall be liable for and indemnity from and against any injury or loss whatsoever resulting from the negligent act or omission of any employee or agent of CDI, or from failure or inadequacy of any equipment of CDI. CDI is not barred from pursuing any legal action against any employee or agent of CDI, or any owner, manufacturer, or designer of equipment, who causes such property or personal injury or loss as described in this subparagraph IJ
- K. CDI is and shall perform this agreement as an independent contractor, and as such, shall have and maintain complete control over all its employees and operations. Neither CDI, nor anyone employed by it, shall represent, act, purport to act, or to be deemed to be the agent, representative, or employee of the City or of any of the other participating municipalities or agencies.
- L. CDI shall comply with all applicable regulations of the United States Department of Transportation and the Resource Conservation and Recovery Act in transporting the waste collected at this event.
- M. In the event of a spill or other accidental discharge of hazardous material at the collection site, CDI will promptly notify the ADEC and the local fire department.

## II. RESPONSIBILITIES OF THE CITY

- A. City shall provide areas for the collection of household generated hazardous waste from 9:00 AM until 4:00 PM the day of the event.
- B. The City shall provide personnel to assist in sorting and packing collected material, and shall provide a secure site in the event that waste must be stored for later shipment.
- C. The City shall, within 30 days of receipt of the invoice and satisfactory documentation from CDI, pay the base contract amount. If additional amounts are invoiced, the City shall negotiate arrangements for payment of the remainder within 60 days of date of invoice.

- D. The City shall notify appropriate emergency services of the Collection Day event and shall provide traffic control.
- E. The City shall be liable and indemnify from and against any injury or loss whatsoever resulting from the negligent act or omission of any employee or agent of the City, or from failure or inadequacy of any equipment of the City. The City is not barred from pursuing any legal action against any employee or agent of the City, or any owner, manufacturer, or designer of equipment, who causes such property or personal injury or loss as described in this subparagraph IIE.
- F. The City shall coordinate publicity and activities for the Household Hazardous Waste Collection Day (hereinafter "Collection Day")
- G. The City shall coordinate the provision of personnel, equipment, and services requested, including equipment mobilized to the site as air freight, tables, protection against inclement weather, plastic sheeting, absorbent material, and protective clothing, and shall provide any requested assistance in operational planning.
- H. The City shall produce a flyer on behalf of the Collection Day which shall contain:
  - A location at which the Collection Day shall operate and the time of operation.
  - A telephone number that residents may call for detailed information.
  - Instructions on what to bring to the Collection Day and on items that should not be brought.
  - The City shall arrange for the distribution of the flyers.
- I. The City shall provide Personnel on the Collection Day to assist in operations at the Collection Site. The City shall designate a person to sign the Non-hazardous Shipping Manifest or authorize CDI to sign on the City's behalf.

**III. COUNSEL**

- A. Parties to this agreement have the right to seek independent counsel to review this agreement, and have exercised that right if so desired.

**IV. MODIFICATION**

- A. No change, alterations, modifications, or addition to this contract will be effective unless it is in writing and properly signed by the parties hereto.

IN WITNESS WHEREOF, the parties have executed this agreement on the date first above written.

Carson Dorn, Inc.


City of Craig

By: \_\_\_\_\_

By: \_\_\_\_\_



**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator   
Date: March 30, 2012  
RE: Appointment of Craig Representative to the SEASWA Board of Directors

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The City of Craig is a member of the Southeast Alaska Solid Waste Authority. Other municipal members are the City of Klawock, City of Thorne Bay, City of Kasaan, City of Coffman Cove, City of Petersburg, and the Wrangell Borough. Each municipal member is entitled to a seat on the authority's board of directors. Gail Slentz was until recently Craig's representative to the board. The seat is now vacant.

At its March 15 meeting, the council discussed who might best fill the vacancy. Since that meeting I met with Councilman Don Pierce about the vacancy. Don is interested in being appointed to the position, and is qualified to hold the seat.

**Recommendation**

Appoint Councilman Don Pierce as Craig's representative to the SEASWA board of directors.

**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: March 30, 2012  
RE: Consider Contract for Services: Tanner Municipal Consulting Resources

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Craig Public Works Director Steve Tanner is set to retire, March 31, 2012. Steve is willing to work on specific city projects, for a limited time after his retirement date, as an independent contractor. The attached draft agreement would govern his contractual work for the city.

While the cost rate is fairly high, at \$75 per hour, neither Steve nor I intend for him to work 40 hours each week, and he will work fewer than 40 hours, short of an emergency situation occurring.

Steve will work on specific tasks for the city dealing with required reporting, some equipment operation, and eventually, providing training to the new director.

**Recommendation**

Steve's interest in completing contractual stands to benefit the city. I encourage the city council to authorize a contractual relationship with Tanner Municipal Consulting Resources.

## CONTRACT AGREEMENT

**THIS AGREEMENT** is by and between the City of Craig whose address is PO Box 725, Craig, Alaska 99921 herein referred to as “**City**” and Tanner Municipal Consulting Resources, PO Box 246, Craig, AK 99921, herein referred to as “**Contractor**”.

### RECITALS

- (a) City desires the performance, provision, and accomplishment of the work, services and materials described and set forth in Section 2; and,
- (b) Contractor claims that it has expertise in providing the services set forth in Section 2; and,
- (c) **Contractor** represents that he is ready, able and qualified to perform, and will perform, or caused to be performed, in all respects, all of the work, services, and materials and to otherwise perform all of the terms, covenants, conditions and provisions of the Agreement in the manner, at the times, and for the consideration hereafter provided.

**NOW, THEREFORE**, for and in consideration of the terms, covenants, conditions, and provisions contained herein, and/or attached and incorporated herein and made a part hereof, the parties hereto agree as follows:

**Section 1: Agreement to Perform:** The **City** hereby agrees to engage the **Contractor** and the **Contractor** hereby agrees to perform, complete, provide and furnish, in a timely and proper manner the duties within the scope of work found in Section 2 below.

**Section 2: Scope of Work.** The **Contractor** shall perform, supply, and provide all of the labor, services, and materials (hereinafter collectively referred to as “work”) as set forth below.

- a. Provide training to City of Craig employees in the following areas:
  - i. Preparation and submittal of monthly, quarterly, annual, and other regular reporting period documents to the Environmental Protection Agency, Alaska Department of Environmental Conservation, and other regulatory entities of reports on water and wastewater treatment, water distribution, and wastewater collection; and maintain city reporting databases and spreadsheets on city-owned computer equipment.
  - ii. Documentation of water distribution and wastewater collection mains, and individual water and wastewater services within the City’s water distribution and wastewater collection areas.
  - iii. Heavy equipment operation and maintenance.
  - iv. Department budget preparation and implementation.
  - v. Review of City of Craig water and wastewater management plans.
  - vi. Review of City of Craig capital projects at the conceptual, design, and construction phases.
- b. Construction supervision and inspection of Craig Community Streets Upgrade Project.
- c. Construction supervision and inspection of Craig North Fork Lake Dam expansion project.

- d. Plan review of City of Craig capital projects.
- e. Operate heavy equipment as directed by the Craig City Administrator.
- f. Research necessary for the subsequent production of as-built drawings for completed capital projects.
- g. Other tasks agreed to by City and Contractor.

**Section 3: Time of Commencement and Completion of Work:** (a). **Commencement:** Contractor will commence and continue work authorized by Agreement beginning April 1, 2012. (b). **Completion:** This contract expires June 30, 2012, unless further extended by written agreement between City and Contractor

**Section 4: Compensation and Payment:** Contractor agrees to complete the work for an hourly rate of \$ 75.00 (seventy five dollars). Payment will be made to Contractor within thirty days of receipt of invoice by City. Invoices shall itemize services performed by staff position, hourly fee, and cost of other billed expenses.

**Section 5: No Additional Work:** No claim for additional work, services or materials, not specifically and expressly requested and authorized as provided for in this Agreement, or by a written amendment thereto signed by both parties, done or furnished by the Contractor, will be allowed or paid by the City, and Contractor expressly waives any claim therefore.

**Section 6: Contractor Qualified:** The Contractor expressly represents and warrants it is now and shall continue to be at all times during the performance of this Agreement, the holder of all required or necessary professional, business or other licenses or permits and is qualified and capable of performing all of the work covered or called for by this Agreement and is presently ready, able and willing to undertake and perform all of such work and services in a non-negligent professional and workmanlike manner, and pursuant to the terms, conditions and provisions, and for the compensation and payment as herein provided.

**Section 7: Contractor Responsible for Personnel.** The Contractor has or will secure, at Contractor's own cost and expense, all personnel required to perform this Agreement in a timely and proper manner. The parties hereto agree and understand that such personnel shall in no event be deemed to be, and are not employees, agents, or representatives of the City and such persons shall have no contractual or other relationship with the City. City shall have no responsibility or liability whatsoever to any of said persons, or for the acts or omissions of any of such persons.

**Section 8: Independent Contractor:** The parties hereto expressly agree that the Contractor shall be and is an independent contractor and is not an employee or agent of the City, and is, therefore, entitled to no insurance coverage, whether worker's compensation or otherwise, and no other benefits accorded to City's employees. No withholding, FICA, or other taxes (whether income sales or other wise) or other amounts will be withheld from payments due to the Contractor, it being understood that the Contractor is solely responsible.

**Contractor** shall provide its own materials needed to complete the work, including telephone, computer, vehicle, hand tools, tool boxes, and other tools needed to complete the scope of work in Section 2.

**Section 9: Insurance. Public Liability Insurance.** **Contractor** agrees to keep and maintain in full force during the entire period of the project or work called for herein, broad form comprehensive public liability insurance with limits of not less than three hundred thousand (\$300,000.00) combined single limit insuring **Contractor**, and the **City** as an additional named insured, from any and all claims for bodily injury and death, and for property damage, that may arise out of, or in relation to, this Agreement. Such insurance shall require the insurance company give not less than thirty (30) days prior written notice to **City** prior to any cancellation, non-renewal or reduction in the amount of coverage of such insurance coverage. (a.) Each policy, or certificate of the policy, together with evidence of payment of premiums, shall be deposited with the **City** prior to execution of this Agreement by the **City**, and on renewal of the policy not less than twenty (20) days before expiration of the term of the policy.

**Section 10: No Third Party Beneficiaries:** Nothing in this Agreement shall be construed to give any person other than the **City** and the **Contractor** any legal or equitable right, remedy or claim under this Agreement, but it shall be held to be for the sole and exclusive benefit of the **City** and the **Contractor**.

**Section 11: Law Applicable:** The laws of the State of Alaska shall govern the construction, validity, performance and enforcement of this Agreement. Venue as to any action, claim, or proceeding arising out of, or based upon this Agreement, including, but not limited to any action for declaratory or injunctive relief, shall be the appropriate Court sitting in the City of Craig, First Judicial District, Alaska.

**Section 17: Severability:** In the event any provision of this Agreement is adjudicated or held to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

**WHEREFORE** the parties have entered into this Agreement the date and year first above written at the City of Craig, Alaska.

**City of Craig, Alaska**

**Contractor**

By: \_\_\_\_\_  
Jon Bolling, City Administrator

By: \_\_\_\_\_  
Steve Tanner

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**CITY OF CRAIG  
MEMORANDUM**

To: Craig Budget Committee  
From: Jon Bolling, City Administrator  
Date: March 31, 2012  
RE: IFA Request for Line of Credit

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The IFA is in need of a line of credit to meet its cash flow needs until funding approved in the State's supplement budget for the current fiscal year becomes available to IFA. IFA Acting General Manager and Craig Mayor Dennis Watson asked that this item be placed before the city council for consideration.

**Background**

The IFA successfully petitioned the Office of the Governor for a \$250,000 operating appropriation. The appropriation is in House Bill 307, which passed the legislature and was signed into law by Governor Parnell on March 26.

While the appropriation is now assured, the supplemental funding does not become available to IFA immediately. In the meantime, IFA's cash flow needs require access to funding to perpetuate its regular operations. To meet this need, the IFA proposes drawing on a line of credit from the City of Craig, which IFA promises to pay back to the city once it receives the appropriated supplemental funding from the State of Alaska.

The line of credit amount proposed by IFA is \$250,000, which IFA proposes to draw on in increments. The City of Craig currently has a sufficient cash flow reserve to meet our own cash needs plus that needed by the IFA over the next several months.

The city has loaned IFA funds on at least two occasions in the past. If the council approves IFA's request, city staff will likely use the old loan documents as a basis for developing an agreement governing the line of credit.

**Recommendation**

If the council is inclined to approve the request, it should direct staff to prepare and execute the necessary documents. The council may want to give staff direction on terms of the line of credit, such as how much of the credit line may be drawn out at any given time, timeline for repayment, costs, and so on.