

CITY OF CRAIG
COUNCIL AGENDA
March 21, 2013
COUNCIL CHAMBERS 7:00 P.M

ROLL CALL

Mayor Dennis Watson, Greg Head, Joni Kuntz, Jim See, Don Pierce, Mike Douville and Wanda Rice

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 7, 2013

HEARING FROM THE PUBLIC

- Open for public comment

READING OF CORRESPONDENCE

- APCM February 2013 Report
- APCM March 2013 Newsletter
- Catholic Community Service budget request

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

- Resolution 13-07, Authorizing city staff to issue an access permit to seafood producers cooperative for use of the Craig City Dock as a fish buying station in 2013 and 2014

UNFINISHED BUSINESS

- Sealaska lands bill discussion

NEW BUSINESS

- Hazardous Waste agreement
- Consider appropriation for electrical work at Port Saint Nick Hatchery

EXECUTIVE SESSION

- To discuss contractual issues related to the City of Craig Phase III Street Improvement Project the immediate knowledge of which would clearly have an adverse effect upon the finances of the public entity

ADJOURNMENT

CITY OF CRAIG
COUNCIL MEETING
THURSDAY MARCH 7, 2013

ROLL CALL

Mayor Dennis Watson called the meeting to order at 7:00 p.m. and the roll was taken. Present were, Joni Kuntz, Jim See, Don Pierce, Mike Douville, Greg Head, and Wanda Rice.

Staff present: Jon Bolling, City Administrator; Nicole Robison, Aquatic Manager, Kassi Knock, City Clerk; Ron Macintosh, Public Works Director; RJ Ely, Police Chief; Joyce Mason, Treasurer; Amy Marshall, Librarian.

Audience present: Pete Rice, Jeff Music, Renee Rue.

CONSENT AGENDA

The consent agenda was presented, it contained:

- City Council Minutes of February 21, 2013
- Vehicle for Hire Application from Jeff Music
- Liquor License Renewals
- Introduction and first reading of Ordinance 649, Sale of city property at Lot 6, Park Place Subdivision to Tyler Rental
- Introduction and first reading of Ordinance 650, Terms of a lease of city-owned property Tract A, Craig Cannery Subdivision with Mr. Don Thomas
- Introduction and first reading of Ordinance 651, Sale of city property at Lot 1, Block 4 Crab Cove Heights Subdivision with Mr. Fred Ensign
- Introduction and first reading of Ordinance 652, Rezoning a portion of Tract E USS 1429 from Commercial to Residential High Density 1

PIERCE/HEAD

moved to approve the consent agenda with the following amendments; Mayor Watson requested that Jeff Music's Vehicle for Hire Application be put under new business. Mike Douville would like to have Ordinance 651 moved to Consideration of Resolutions and Ordinances for discussion. MOTION CARRIED

HEARING FROM THE PUBLIC

Final Reading and Public Hearing for Ordinance 648, Additions to Craig Endowment Fund Investment Policies Chapter 3.15.050 (A)(9) and Chapter 3.15.055 (B)(3)

Renee Rue came and spoke on behalf of Mountain View Cab, and her brother, owner Albert Owen. Renee is the main driver for the business, and had an agreement with Jeff Music when he sold her the business. Renee expressed concern about the lack of business on the island, and what another cab company might mean for Mountain View Cab. Presented to the Council by Renee was a signed petition with sixty signatures on it, as well as a letter from a patron of Mountain View Cab opposing the application from Jeff Music. Mayor Watson conveyed that the Council does not tell businesses they cannot operate in Craig because there are other businesses in the same industry. Joni added that competition only makes a business better. Chief Ely

mentioned that there have been random stops and insurance checks by his staff, all of which were satisfactory.

REPORTS FROM CITY OFFICIALS

Mayor- Mayor Watson reported the Capital Budget is looking grim for Craig after visiting Juneau. Greg asked about the new Representative Kreiss-Tomkins, and Mayor Watson was impressed with how attentive the Representative was. Mayor Watson also commented that the lack of funding is putting a damper on Southeast Alaska. The timing of his trip to Ketchikan for IFA business was beneficial as he was able to be present at the borough assembly meeting there to comment on the borough study of Prince of Wales and the discussion on whether or not to annex the Island. Mayor Watson was able to bring up reasons why this annexation would be detrimental to Prince of Wales.

Administrator- Jon added to his staff report that there is a budget workshop with the school district if any council would like to attend.

Treasurer- The assessors were here this week, and there were more sales than usual this year. The server is in, and will be installed next week.

Aquatic Manager- Nicole provided a written report.

City Clerk- Kassi provided a written report.

City Planner- Absent excused.

EMS Coordinator- Chaundell provided a written report.

Harbormaster- Absent excused.

Police Chief- RJ provided a written report. Joni commented on the litter on the side of the road that indicates an increase in “huffing” around Craig. RJ has been in contact with the AC manager and they have been working together to secure the products in the store that can be abused by kids.

Public Works-Ron attended the SDS conference in Juneau last week. Scrap metal barge was here last week, and will be back again. Train 4 and Train 1 are complete with rebuild, and Train 2 and Train 3 will be started next week.

Parks and Rec-Absent excused.

Library-Amy provided a written report. The OWL project has been cut for funding. The Chamber of Commerce’s raffle is split among the libraries, and Amy would like to begin a new account for the expansion of the library including the portion of the raffle as well as income from book sales.

READING OF CORRESPONDENCE

Sales Tax History Day

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

Resolution 13-03, Opposing Aquabounty Technologies, Inc's application to market genetically modified Atlantic salmon in the U.S.

PIERCE/RICE moved to approve Resolution 13-03.
MOTION CARRIED.

Resolution 13-04, Initiating the 2013 Tax Free Day April 13th, 2013

PIERCE/KUNTZ motion to adopt Resolution 13-04.
MOTION CARRIED.

Resolution 13-05, Supporting purchase of services- SE Senior Services grant proposal

PIERCE/KUNTZ motion to adopt Resolution 13-05 as amended in the final draft.
MOTION CARRIED.

Resolution 13-06, Supporting Senate Bill 60

PIERCE/SEE motion to adopt Resolution 13-06.
MOTION CARRIED.

Ordinance 648, additions to the Craig Endowment Fund Investment Policies Chapters 3.15.050 (A)(9) and Chapter 3.15.055 (B)(3)

PIERCE/HEAD motion to adopt Ordinance 648.
MOTION CARRIED

Introduction and First Reading of Ordinance 651, Sale of city property at Lot 1 Block 4 Crab Cove Heights Subdivision with Mr. Fred Ensign

PIERCE/DOUVILLE motion to approve the first reading of Ordinance 651.

Jon clarified the process for disposal of city property. The Council makes the final decision on the method of disposal. Jim asked about the services. Jon explained the process for instillation of services. Jim See expressed the need for residential housing in Craig. Staff is working toward this goal.
MOTION CARRIED.

UNFINISHED BUSINESS

Draft letter regarding the Tongass National Forest Plan Five-year Review- Jon would like additional time to prepare the draft as the comment deadline has been extended. The letter will be based on the POWCAC letter drafted last month.

Sealaska Lands Bill Discussion- Mayor Watson expressed concern for all the loggers that are working off island and away from family. Joni mentioned that the high school population is down to 78, and it could be due to the decline of the timber industry. Joni's main concern is having jobs that will keep people on the island. Jim See doesn't agree with the land that Sealaska has closed. Mike is concerned that this is an opportunity for Sealaska to get the prime timber without addressing the City's concerns. Mike is also concerned about the old village sites, sacred sites, and economic sites. The Bill is limiting the land that residents are able to subsistence harvest. Mike commented that this is a large impact on everyone. Mike mentioned that they were told the Sealaska bill would stand on its own or not at all, but now it seems it will be written on to another bill. Mike would support the bill after a few alterations. Mayor Watson will draft a letter addressing the larger bill and then the pre-selection, and the reasons why the Council cannot support it and have the Council approve it.

NEW BUSINESS

Tanner Crab Court Extension/ Salmonberry Subdivision utilities bid solicitation

PIERCE/SEE

moved to authorize staff to direct R&M Engineering to proceed with bid solicitations for the Tanner Crab Court Extension and Salmonberry Subdivision utility installation and to work on a method of financing the improvements.

Jon explained that the need for housing in Craig, and the need for additional funding to install these utilities. The bids will come back to the Council prior to making a selection. Staff will put this item to bid. MOTION CARRIED

Continuation of stipend pay for volunteer medics

PIERCE/KUNTZ

moved to authorize staff to continue paying the EMT's on a per call basis on a rate established by the City Council from January to June 2013.

The Council authorized stipend pay for medics until December of 2012 and Chaundell would like to extend it through the fiscal year. Joyce would like to add that EMT's are not contractors, and if pay exceeded \$600 they will need a 1099. The safer course would be to set the EMT's up as part time employees. Jon and Joyce will be revising the employee job classifications, in which case they could write in the on-call EMT's under their own classification.

MOTION CARRIED

Proposal from Communities of Distinction Program

Mayor Watson mentioned the 19,500 dollars for the show Communities of Distinction to come and spend time in Craig. The Council was opposed to appropriating funds for this purpose.

Cannery Property Boardwalk Maintenance

PIERCE/HEAD

motions to authorize staff to restart work on the cannery point park project using donated funds and the City general funds based upon subsequent council appropriation.

Jon would like some direction on whether or not the council would like to see the Cannery boardwalk redone, or taken out and replaced with a gravel pathway. The Council agreed that the cost to replace the boardwalk was not proportionate to the use of the boardwalk. Joni requested to have a public hearing for the residents to have a chance to comment on the decision. Mayor Watson would like to wait until we have couple more meetings with public comment to begin this project.

Vehicle for Hire application from Jeff Music

PIERCE/DOUVILLE

moved to accept the Vehicle for Hire application from Jeff Music.

MOTION CARRIED

ADJOURNMENT

HEAD/KUNTZ:

Moved to adjourn at 8:10 p.m. MOTION CARRIED

APPROVED _____

MAYOR DENNIS WATSON

ATTEST

KASSI KNOCK, CITY CLERK



March 11, 2013

sent via email

Ms. Joyce Mason
Treasurer
City of Craig
P.O. Box 725
Craig, Alaska 99921

Dear Ms. Mason,

Enclosed is the February 2013 report for the City of Craig, which includes a listing of portfolio assets, purchases and sales.

At month-end, the market value of the account was \$9,036,096. Based upon the composition of the portfolio, the expected annual income, excluding dividends on equities, is \$88,201.

Thanks for your help on the Vanguard index issue.

Our monthly commentary is attached.

Please call if you have any questions regarding this month's report.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bert Wagnon".

Bert Wagnon
Senior Vice President

A handwritten signature in blue ink, appearing to read "Evan D. Rose".

Evan D. Rose
President and CEO

cc via email: Mr. Jon Bolling, City Administrator

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
CITY OF CRAIG
February 28, 2013

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
100,000	US TREASURY NOTES 0.125% Due 09-30-13	99.93	99,934	99.99	99,988	1.11	125	52	0.15
150,000	US TREASURY NOTES 0.250% Due 11-30-13	100.00	150,006	100.06	150,094	1.66	375	94	0.17
40,000	US TREASURY NOTES 1.250% Due 10-31-15	98.51	39,405	102.48	40,991	0.45	500	167	0.32
150,000	US TREASURY NOTES 0.625% Due 08-31-17	99.79	149,684	99.87	149,800	1.66	937	3	0.66
100,000	US TREASURY NOTES 3.750% Due 11-15-18	106.48	106,480	115.79	115,789	1.28	3,750	1,098	0.91
100,000	US TREASURY NOTES 3.500% Due 05-15-20	104.04	104,039	115.34	115,344	1.28	3,500	1,025	1.27
250,000	US TREASURY NOTES 1.625% Due 11-15-22	98.79	246,982	97.92	244,805	2.71	4,062	1,190	1.86
	Accrued Interest				3,628	0.04			
			896,530		920,440	10.19		3,628	
AGENCIES									
50,000	FHLB US GOVT AGENCY 5.250% Due 06-18-14	100.80	50,401	106.55	53,273	0.59	2,625	532	0.22
100,000	FHLMC 3.750% Due 03-27-19	101.41	101,410	114.95	114,947	1.27	3,750	1,604	1.19
	Accrued Interest				2,136	0.02			
			151,811		170,357	1.89		2,136	
FNMA & FHLMC									
24,402	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26	104.56	25,516	106.29	25,937	0.29	976	81	1.63
	Accrued Interest				81	0.00			
			25,516		26,018	0.29		81	
ASSET-BACKED SECURITIES									
100,000	GE CAPITAL CREDIT CARD MASTER NOTE 3.800% Due 11-15-17	107.25	107,250	105.62	105,615	1.17	3,800	169	0.50
	Accrued Interest				169	0.00			
			107,250		105,784	1.17		169	
COMMERCIAL MORTGAGE-BACKED SECURITIES									
86,748	WACHOVIA BK COML MTG TR 4.925% Due 08-01-41	95.78	83,088	101.39	87,953	0.97	4,272	356	1.54
10,977	FRN - BANC AMER COML MTG TR 2007-5 5.434% Due 02-10-51	100.55	11,037	99.92	10,968	0.12	596	50	4.65

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
CITY OF CRAIG
February 28, 2013

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
	Accrued Interest				406	0.00			
			94,125		99,327	1.10		406	
CORPORATE BONDS									
100,000	CATERPILLAR FINANCIAL 6.125% Due 02-17-14	100.12	100,125	105.49	105,489	1.17	6,125	238	0.44
50,000	TOYOTA MOTOR CREDIT CORP 1.000% Due 02-17-15	100.85	50,423	100.86	50,432	0.56	500	19	0.56
100,000	JP MORGAN CHASE & CO 4.750% Due 03-01-15	97.18	97,176	107.51	107,514	1.19	4,750	2,375	0.96
100,000	HSBC FINANCE CORP 5.500% Due 01-19-16	100.21	100,206	111.47	111,471	1.23	5,500	642	1.44
50,000	BRITISH COLUMBIA PROV OF 2.100% Due 05-18-16	99.98	49,990	104.85	52,425	0.58	1,050	300	0.58
50,000	BANK AMER CORP 5.625% Due 10-14-16	107.18	53,592	112.97	56,487	0.63	2,812	1,070	1.91
50,000	CONOCOPHILLIPS CANADA 5.625% Due 10-15-16	117.91	58,955	116.68	58,340	0.65	2,812	1,062	0.94
50,000	STATOIL ASA 3.125% Due 08-17-17	107.07	53,533	108.40	54,199	0.60	1,562	61	1.19
100,000	UNITED PARCEL SERVICE 5.500% Due 01-15-18	121.23	121,230	119.71	119,711	1.32	5,500	703	1.32
100,000	WACHOVIA CORP GLOBAL MEDIUM 5.750% Due 02-01-18	99.57	99,572	119.34	119,336	1.32	5,750	479	1.65
75,000	UNITED HEALTH GROUP INC 6.000% Due 02-15-18	121.46	91,093	121.36	91,017	1.01	4,500	200	1.52
75,000	GENERAL ELECTRIC CAP CORP. 5.625% Due 05-01-18	88.27	66,205	118.58	88,932	0.98	4,219	1,406	1.84
100,000	GOLDMAN SACHS GROUP INC. 7.500% Due 02-15-19	116.51	116,514	126.43	126,435	1.40	7,500	333	2.67
100,000	VERIZON COMMUNICATIONS 6.350% Due 04-01-19	125.02	125,020	123.90	123,903	1.37	6,350	2,646	2.14
	Accrued Interest				11,536	0.13			
			1,183,636		1,277,227	14.13		11,536	
DOMESTIC LARGE CAP EQUITY FUNDS/ETF									
25,825	SPDR S&P 500 ETF TRUST	137.86	3,560,274	151.61	3,915,328	43.33	NA		
DOMESTIC MID CAP EQUITY FUNDS/ETF									
5,496	ISHARES S&P MIDCAP 400	69.71	383,101	110.03	604,725	6.69	NA		
INTERNATIONAL FUNDS/ETF									
27,627	VANGUARD MSCI EAFE ETF	37.73	1,042,293	36.16	998,992	11.06	NA		

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
CITY OF CRAIG
February 28, 2013

<u>Quantity</u>	<u>Security</u>	<u>Average Cost</u>	<u>Total Average Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>Pct. Assets</u>	<u>Annual Income</u>	<u>Accrued Interest</u>	<u>Yield to Maturity</u>
REAL ESTATE									
12,857	VANGUARD REIT ETF	56.44	725,700	69.09	888,290	9.83	NA		
CASH AND EQUIVALENTS									
	CASH PAYABLE		-225,002		-225,002	-2.49	NA		
	FEDERATED GOVERNMENT OBLIGATION		254,609		254,609	2.82			
			29,607		29,607	0.33			
TOTAL PORTFOLIO			8,199,842		9,036,096	100	88,201	17,956	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 02-01-13 To 02-28-13

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
DOMESTIC LARGE CAP EQUITY FUNDS/ETF				
02-26-13	03-01-13	SPDR S&P 500 ETF TRUST	1,509.0000	225,002.01
U.S. TREASURY				
02-21-13	02-22-13	US TREASURY NOTES 1.625% Due 11-15-22	125,000	121,621.09
				346,623.10
INTEREST				
ASSET-BACKED SECURITIES				
02-15-13	02-15-13	GE CAPITAL CREDIT CARD MASTER NOTE 3.800% Due 11-15-17		316.67
CASH AND EQUIVALENTS				
02-01-13	02-01-13	FEDERATED GOVERNMENT OBLIGATION		1.28
COMMERCIAL MORTGAGE-BACKED SECURITIES				
02-01-13	02-09-13	FRN - BANC AMER COML MTG TR 2007-5 5.434% Due 02-10-51		49.71
02-01-13	02-14-13	WACHOVIA BK COML MTG TR 4.925% Due 08-01-41		361.80
				<u>411.51</u>
CORPORATE BONDS				
02-01-13	02-01-13	WACHOVIA CORP GLOBAL MEDIUM 5.750% Due 02-01-18		2,875.00

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 02-01-13 To 02-28-13

Trade Date	Settle Date	Security	Quantity	Trade Amount
02-15-13	02-15-13	GOLDMAN SACHS GROUP INC. 7.500% Due 02-15-19		3,750.00
02-15-13	02-15-13	UNITED HEALTH GROUP INC 6.000% Due 02-15-18		2,250.00
02-17-13	02-17-13	CATERPILLAR FINANCIAL 6.125% Due 02-17-14		3,062.50
02-17-13	02-17-13	STATOIL ASA 3.125% Due 08-17-17		781.25
02-17-13	02-17-13	TOYOTA MOTOR CREDIT CORP 1.000% Due 02-17-15		250.00
				12,968.75
FNMA & FHLMC				
02-01-13	02-14-13	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26		84.64
U.S. TREASURY				
02-28-13	02-28-13	US TREASURY NOTES 0.625% Due 08-31-17		468.75
				14,251.60
PRINCIPAL PAYDOWNS				
COMMERCIAL MORTGAGE-BACKED SECURITIES				
02-01-13	02-14-13	WACHOVIA BK COML MTG TR 4.925% Due 08-01-41	1,407.00	1,407.00
FNMA & FHLMC				
02-01-13	02-14-13	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26	988.16	988.16
				2,395.16

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 02-01-13 To 02-28-13

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASED ACCRUED INTEREST				
U.S. TREASURY				
02-21-13	02-22-13	US TREASURY NOTES 1.625% Due 11-15-22		555.51
				555.51
SALES, MATURITIES, AND CALLS				
U.S. TREASURY				
02-25-13	02-26-13	US TREASURY NOTES 0.250% Due 11-30-13	150,000	150,093.75
				150,093.75
SOLD ACCRUED INTEREST				
U.S. TREASURY				
02-25-13	02-26-13	US TREASURY NOTES 0.250% Due 11-30-13		90.66
				90.66

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
CITY OF CRAIG
From 02-01-13 Through 02-28-13

Date	Quantity	Security	Avg. Cost Basis	Proceeds	Gain Or Loss
02-01-13	1,407.00	WACHOVIA BK COML MTG TR 4.925% Due 08-01-41	1,347.64	1,407.00	59.36
02-01-13	988.16	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26	1,033.24	988.16	-45.08
02-25-13	150,000	US TREASURY NOTES 0.250% Due 11-30-13	150,005.86	150,093.75	87.89
TOTAL GAINS					147.25
TOTAL LOSSES					-45.08
			152,386.75	152,488.91	102.16

Alaska Permanent Capital Management Co.

CASH LEDGER

CITY OF CRAIG

From 02-01-13 To 02-28-13

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
CASH PAYABLE					
02-01-13			Beginning Balance		0.00
02-26-13	03-01-13	wd	Purchase	SPDR S&P 500 ETF TRUST	-225,002.01
02-28-13			Ending Balance		-225,002.01
FEDERATED GOVERNMENT OBLIGATION					
02-01-13			Beginning Balance		209,954.86
02-01-13	02-01-13	dp	Interest	WACHOVIA CORP GLOBAL MEDIUM 5.750% Due 02-01-18	2,875.00
02-01-13	02-09-13	dp	Interest	FRN - BANC AMER COML MTG TR 2007-5 5.434% Due 02-10-51	49.71
02-01-13	02-14-13	dp	Interest	WACHOVIA BK COML MTG TR 4.925% Due 08-01-41	361.80
02-01-13	02-14-13	dp	Paydown	WACHOVIA BK COML MTG TR 4.925% Due 08-01-41	1,407.00
02-01-13	02-14-13	dp	Interest	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26	84.64
02-01-13	02-14-13	dp	Paydown	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26	988.16
02-01-13	02-01-13	dp	Interest	FEDERATED GOVERNMENT OBLIGATION	1.28
02-15-13	02-15-13	dp	Interest	GOLDMAN SACHS GROUP INC. 7.500% Due 02-15-19	3,750.00
02-15-13	02-15-13	dp	Interest	UNITED HEALTH GROUP INC 6.000% Due 02-15-18	2,250.00

Alaska Permanent Capital Management Co.

CASH LEDGER

CITY OF CRAIG

From 02-01-13 To 02-28-13

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
02-15-13	02-15-13	dp	Interest	GE CAPITAL CREDIT CARD MASTER NOTE 3.800% Due 11-15-17	316.67
02-17-13	02-17-13	dp	Interest	CATERPILLAR FINANCIAL 6.125% Due 02-17-14	3,062.50
02-17-13	02-17-13	dp	Interest	STATOIL ASA 3.125% Due 08-17-17	781.25
02-17-13	02-17-13	dp	Interest	TOYOTA MOTOR CREDIT CORP 1.000% Due 02-17-15	250.00
02-21-13	02-22-13	wd	Purchase	US TREASURY NOTES 1.625% Due 11-15-22	-121,621.09
02-21-13	02-22-13	wd	Accrued Interest	US TREASURY NOTES 1.625% Due 11-15-22	-555.51
02-25-13	02-26-13	dp	Sale	US TREASURY NOTES 0.250% Due 11-30-13	150,093.75
02-25-13	02-26-13	dp	Accrued Interest	US TREASURY NOTES 0.250% Due 11-30-13	90.66
02-28-13	02-28-13	dp	Interest	US TREASURY NOTES 0.625% Due 08-31-17	468.75
02-28-13			Ending Balance		254,609.43



MONTHLY PERSPECTIVES

ECONOMY & MARKETS

Mixed market returns in February

The S&P 500 gained +1.4% last month and is up +6.5% year to date. It and many of the other U.S. indices are flirting with all-time highs. However, the overseas markets have struggled. The EAFE index of stocks in developed countries was off -1% while emerging market equities saw a -1.3% decline in February.

Fourth quarter corporate earnings have been impressive with S&P 500 company profits up +8% year over year. And the takeover game is beginning to heat up – consider Heinz and Dell for example.

Bonds continued their range bound ways in February with the 10 year Treasury trading at just under 2%. The total return for the Barclays Aggregate bond index was +0.5% last month, but it is down -0.2% year to date.

Gold has sold off over \$100 this year bringing the precious metal to only \$1,565 an ounce. Commodities, per the Dow Jones-UBS Commodities Index, are down about -8% over the past twelve months.

The U.S. economy has hit a bit of a soft patch recently probably owing to the payroll tax hike and higher gasoline prices (up 48 cents a gallon year to date). The first revision of 2012 fourth-quarter GDP growth showed that the economy rose +0.1%, versus the -0.1% originally reported. That still leaves 2012 growth around +2%, one half the average seen in previous cycles. The Bloomberg consensus forecast for economic growth this year is a tepid +1.8%.

The Federal Reserve shocked the markets when it released minutes showing considerable worry about the exit strategy for its QE bond buying program. It may be that they begin to “taper off” the \$85 billion of monthly purchases late this summer. But it remains quite likely that they will keep short term rates close to zero through 2014. All of this may mean a bear steepening of the yield curve as the year marches on.

The sequester kicked in as expected and may weigh on the U.S. markets. It’s \$85 billion of cuts or just over 2% of the budget. Since Federal spending has doubled in

10 years, it’s hard to get too excited about a 2% cut. Our fiscal soap opera continues, but the sky is not falling.

In testimony before congress Fed Chairman Bernanke said “a substantial portion of the recent progress in lowering the deficit has been concentrated in near-term budget changes, which...could create a headwind for the economic recovery.” That’s true and most analysts would prefer a backend loaded deal that comes to grips with our long run budget and entitlement problems. It looks like that ain’t gonna happen anytime soon.

It’s Baaack...

The inconclusive nature of the Italian elections brought the euro crisis back front and center again. Comedian Beppe Grillo’s Five Star party got 26% of the vote and former Prime Minister Silvio Berlusconi, received 30%. The adult in the room, Bersani, is trying to form a minority government, but that would be inherently unstable. I am shocked, shocked, I tell you. Italy: unstable and chaotic? Say it ain’t so.

Italy has Europe’s third largest economy, has contracted for six quarters in a row, and is sporting an unemployment rate of 11.2%. It has seen its unit labor costs go way up relative to Germany and so it isn’t competitive (many in the periphery of Europe aren’t). While its deficit is low, the country has a high debt burden of 120% of GDP. Like many in Europe the Italians are tired of austerity. Let’s blame someone – I know, the Germans!

It is going to be a long road back for Europe, full of twists and turns. The ECB has helped by easing financial conditions and taken “tail risk” off the table, for now. We remain skeptical, but acknowledge that equity valuations are cheap across the pond.

Jeff Pantages, CFA
Chief Investment Officer



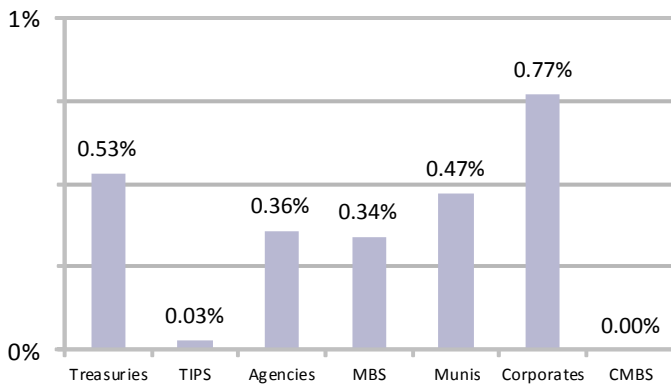
Bill Lierman, CFA
Portfolio Manager

■ Fixed income performed positively across sectors. The 10-year U.S. Treasury yield fell by 10 basis points (bps) in February. The drop was driven mainly by a decrease in the real yield, although inflation expectations declined slightly as well.

■ Fed Chairman Ben Bernanke made clear in his testimony to the Senate that the Fed remains highly accommodative. He acknowledged that there may be

some “frothiness” in certain assets classes, but the Fed considers the benefits of further quantitative easing to outweigh the costs of balance sheet expansion. We continue to expect current bond buying policy to remain in place into the fourth quarter.

February 2013 Bond Total Return



Data: Barclays

■ Agency and MBS performance remained highly correlated to Treasuries, as spreads stayed in a narrow range. Fannie and Freddie announced they will form a joint venture for securitizing home loans, starting steps to combining the two entities.

■ Longer-term technicals continue to point to a continued shortage of high quality credits. Corporates and ABS produced a positive +0.77% and +0.31%, respectively. We continue to think high quality corporates and ABS spreads have room to tighten in the year ahead.

■ New issue Commercial Mortgage Backed Securities continue to outpace issuance from 2012. Current and anticipated supply weighed on higher quality tranches as spreads widened. However, subordinated legacy bonds remain in demand.

■ Municipal prices were essentially unchanged in February. Due to wide quality spreads, the A and BBB credits continue to outperform the high grades. YTD returns from the A/BBB sectors have been double those from the AAA/AA sectors. Municipals continue to have headline risk as Detroit may be run by the State of Michigan and Illinois presented a 2014 budget that reflects the fiscal troubles of underfunded pensions.

■ The S&P 500 rose by just over +1% in February. The market pulled back from earlier gains on hawkish FOMC minutes. Equities remain more attractive than bonds. The S&P 500 dividend yield is greater than nominal Treasury yields.

■ Developed international markets lost -1.0% as uncertainty around Italian politics caused various European equity markets to fall. The Italian equity markets lost -8.7% on a very inconclusive election. The standout performer across the globe was Japan's Topix up nearly +4.0%. This was driven by a further decline in the value of the yen against the dollar, amid expectations that the Bank of Japan will loosen monetary policy even further.

■ Equities in emerging markets did not fare as well overall as those in developed markets in dollar terms, ending the month down -1.3%. Capital Economics notes: stock markets in emerging Europe (down nearly -5% on average) generally underperformed, while those in Asia ex Japan fared less badly (down around -1%). Emerging markets look attractively valued relative to developed markets. Relative valuation is trading at 7.1% discount to history.

■ International treasuries lost -2.2% on a stronger dollar and concerns over European politics. Moody's downgraded the UK's credit rating one notch to Aa1, with a stable outlook.

■ After a positive start in January, commodity prices fell back in February, leaving the asset class in slightly negative territory year to date. Gold is off -5% year to date and oil is roughly unchanged.

Total Return (%) as of February 28, 2013				
	One Month	Three Month	Six Month	Twelve Month
Domestic Equities				
Large Cap S&P 500	1.4	7.6	9.0	13.5
Mid Cap S&P 400	1.0	10.6	14.4	14.6
Small Cap S&P 600	1.4	10.8	12.2	14.7
International Equities				
Developed MSCI EAFE	-1.0	7.6	14.4	9.8
Emerging MSCI Emerging Markets	-1.3	5.0	12.1	0.3
Other				
Commercial Property S&P U.S. REIT	1.3	8.9	5.7	17.6
Commodities DJ-UBS Commodity	-4.1	-4.4	-6.4	-7.7
Fixed Income				
Total Bond Market Barclays Aggregate	0.5	-0.3	0.2	3.1
1-3 Yr U.S. Treasury/Agency Barclays 1-3 Gov	0.1	0.1	0.2	0.6
Int'l Treasury Barclays Global Tsy ex-US	-2.2	-2.9	-1.1	-0.2



Brandy Niclai, CFA
Portfolio Manager





Dignity • Care • Compassion

419 6th Street

Juneau, AK 99801

Telephone: 907.463.6100

Fax: 907.586.9018

www.ccsjuneau.org

March 11, 2013

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

RECEIVED

MAR 14 2013

**CITY OF CRAIG
CRAIG, ALASKA**

Dear Mr. Bolling,

I would like to request that \$6,790 be included in the City of Craig's FY14 budget for the Craig/Klawock Senior Program. The continued support from the City of Craig is essential to the senior program and will help make it possible for us to continue to provide high quality, responsive services to the Craig and Klawock senior citizens during the coming year.

At this time, on behalf of Southeast Senior Services, I would like to thank you and the City of Craig for your contribution of \$6,790 toward the FY 2013 operating budget for the Craig/Klawock Senior Program. This past year, your support helped make it possible for us to provide:

- 6,764 Home-delivered meals (619 more than last year)
- 3,560 Congregate meals (180 more than last year)
- 4,317 Rides (315 more than last year)

The nutritious meals, door-to-door transportation, homemaker services, shopping assistance and errands offered through the Senior Center help seniors stay healthy and remain in their homes. On behalf of the senior citizens of Craig and Klawock, thank you again for your continued generous support of the Senior Center. I welcome you to call me anytime at 463-6159 if you have questions or suggestions regarding our services.

Cordially,

Doug Bridges
Regional Coordinator
Southeast Senior Services/Catholic Community Service



**CITY OF CRAIG
RESOLUTION 13-07**

A RESOLUTION AUTHORIZING CITY STAFF TO ISSUE AN ACCESS PERMIT TO SEAFOOD PRODUCERS COOPERATIVE FOR USE OF THE CRAIG CITY DOCK AS A FISH BUYING STATION IN 2013 AND 2014

WHEREAS, Seafood Producers Cooperative submitted a written request to the City of Craig on March 13, 2013 to use the City Dock as a fish buying station in 2013 and 2014; and,

WHEREAS, Section 16.04.020.B of the Craig Municipal Code provides for the Craig City Council to issue an access permit for a period of between one and two years for any purpose compatible with the land use classification or zoning of such lands, and on such terms for such use as the council determines; and,

NOW, THEREFORE, BE IT RESOLVED that the City of Craig hereby directs city staff to negotiate an access permit with Seafood Producers Cooperative to occupy City Dock for approximately four months in 2013, and for approximately four months in 2014.

Adopted this 21st day of March, 2013.

Mayor Dennis Watson

ATTEST _____
Kassi Knock, City Clerk

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: March 14, 2013
RE: Resolution 13-07: Request from Seafood Producers Cooperative for Two-Year Access Permit to use City Dock

Attached you will find Resolution 13-07. The resolution authorizes staff to issue a City of Craig access permit to Seafood Producers Cooperative to use the City Dock from the end of June to the beginning of September in 2013 and 2014.

As the council is aware, Seafood Producers Cooperative (SPC), based in Sitka, has operated a fish buying station at the City Dock for the past three summers. In each of the past three years, SPC occupied the dock under the terms of an access permit. Section 16.04.020 of the Craig Municipal Code authorizes staff to issue access permits without city council approval for non-destructive uses of city property, the duration of which is less than one year. However, the city council may issue an access permit for a period of up to two years if the council adopts a resolution authorizing issue of the permit.

SPC officials contacted me recently to ask if the organization can secure use of the City Dock for more than one year at a time. I explained that an access permit cannot be issued administratively for a period greater than one year, but that the city council may authorize a two-year use. I told SPC staff that if the company wanted more than one year's access to the City Dock, it would have to request a two-year access permit, or apply for a lease of the property. The company chose to request a two year access permit. The attached letter from SPC summarizes their proposed use of the dock.

A copy of the access permit issued to SPC in 2012 is attached. If the council approves Resolution 13-07, staff would likely write an access permit very similar to the one issued each of the past three years to SPC. As the company states in the attached letter, it would like city permission to install a hoist on the dock. City staff will work with SPC to determine if installation of a second hoist is practical at the dock, its proposed location, terms of use, and so on.

In my conversations with the Craig Harbormaster, SPC's use of the City Dock over the past three years, between the end of June and the first week of September, has not created a hardship or difficulty on the downtown waterfront. SPC is prompt with its utility, ice, and permit fee payments to the city for activities at the dock.

Recommendation

Approve Resolution 13-07.



SEAFOOD PRODUCERS COOPERATIVE

PRODUCERS, PROCESSORS & MARKETERS OF PREMIUM QUALITY SEAFOODS

Mr. Jon Boling
City of Craig Administrator

City of Craig Council / Assembly

Seafood Producers Cooperative

Request for a two-year easement access to operate off of the City of Craig Dock

March 13, 2013

First of all, I would like to thank Mr. Jon Boling, the Craig Harbor Master and the City of Craig Council, for supporting Seafood Producers Cooperative's salmon buying operation over the past 3 seasons. Our relationship with the City of Craig has been fundamental to successfully servicing our 35 resident members, as well as other cooperative owners who move into the area throughout the fishing season. Being able to provide fishermen the opportunity to deliver at a central location with established shore side support services continues to be our long term goal.

SPC would like to request a 2 year easement access for the City dock. A longer term lease will provide additional stability to achieve our business plan. In essence, we would like to move towards establishing a more permanent shore side unloading operation. The concept would be to develop additional support infrastructure, including residential employee staff and housing.

We do not anticipate a need for more area at this time. We would set up our operation around June 25th and vacate the dock around September 3-6th. This is consistent with our previous agreements. We have discussed the installation of a second hoist on the public dock which we are prepared to move forward on with your approval. The installation would be professionally engineered and certified prior to use. SPC will cover all costs. The intent would be to leave the hoist intact over the off season and be available for use at the City's discretion.

We appreciate your considering our request and look forward to working with you in the future. If you have any questions or need any additional information I can be reached through the following points of contact.

Sincerely,


Craig Shoemaker, Operations

Seafood Producers Cooperative
507 Katlian St.

Sitka, Alaska 99835

Phone 907-747-5811

Fax 907-737-3206

Mobile 907-738-4214

Email craigs-spcak@gci.net

**CITY OF CRAIG
ACCESS PERMIT**

The City of Craig (hereafter "city"), through authority granted to it under 16.04.020 of the Craig Municipal Code, hereby grants an access permit to Seafood Producers Coop, whose address is 507 Katlian St., Sitka, AK 99835, (hereafter "permittee") for the use of a portion of the City Dock and adjacent tidelands of the Tidelands Addition to USS 1430 (hereafter "the property") for use as an area to receive and transport seafood, to park vessels, vehicles and equipment directly related to the transportation of seafood received at the property, subject to the following conditions:

1. Permit Purpose. That this permit is valid for the use of the property for purchasing, offloading, prepping and shipping seafood and for parking vessels, vehicles and equipment directly related to the transportation of seafood received at the property. No other use may be made of the property without prior approval from the city.

2. Site Contamination Prohibited; Environmental Compliance Required. (a) Any violation, at the site of the property, by permittee, or by a third party present upon the land with permittee's permission, of an environmental statute or regulation of the city, state or federal governments shall be grounds for immediate termination of the permit by the city, at the city's sole discretion. By entering into the permit, the permittee agrees not to make any claim for monetary damages against the city for permit cancellation pursuant to this subsection.

(b) The permittee shall at all times manage permittee's activities upon the property, and the activities of third parties present with permittee's permission, so as to positively prevent any and all contamination of the property which would violate any statute or regulation, which could subject the city to enforcement action by a state or federal agency, or which could subject the city to statutory or common law liability, diminish the value of the land, or cause city expenditures for response costs caused by a hazardous substances release.

(c) By entering into the permit, the permittee agrees to defend and indemnify the city from and against any and all claims by third parties (including governmental entities and industry pollution-based claims) brought against city by reason of activities on the property during the effective period of the permit.

(d) By entering into the permit, the permittee agrees to reimburse the city for any and all expenses reasonably incurred by the city (including any response or site cleanup costs) because of activities on the property during the effective period of the permit.

3. Site Cleanup. Permittee agrees that she is individually responsible for removing all waste products and other items placed by them, or resulting from their activities, from the property. Removal will be completed no later than sixty days after the expiration of

this permit, or 60 days of notice by the city that the permit is being terminated as described in item 4 below. All fixtures and equipment of whatsoever nature, that permittee shall have installed upon the property, whether permanently affixed or otherwise, shall continue to be the property of the permittee and may be removed by them at the expiration or termination of this permit or of any renewal thereof; and at their own expense, permittee shall repair any injury to the property resulting from such removal. Such disposal must be done in compliance with State of Alaska and local regulations, and as directed by city staff. Failure to do so will subject permittee to expenses incurred by City as disclosed in item 2(d) above.

4. Permit Termination. Permittee agrees that the city reserves the right to terminate this permit for any reason. If the city exercises this option the permittee will be notified by certified mail sent to the address above, or by hand service of the notice to terminate the permit. The permit will be terminated 30 days from the receipt of the letter, date of the hand service, or the date the letter is returned to the city if delivery is not accepted by the permittee. This permit will also be terminated if permittee violates or fails to maintain any condition of this permit; or if payment is not made as prescribed in section 9 of this permit.

5. Hold Harmless. Permittee agrees to hold harmless, indemnify and defend City against any and all claims for damage, injury, or wrongful death which may be brought or asserted by Permittee, its agents, or third parties resulting from Permittee's use or occupancy of the property.

6. Site Maintenance. Permittee agrees to maintain the permittee's use area and storage area in clean and good condition. This includes removal of waste products resulting from carving, unused raw materials and any other waste generated by permittee's activities on the property during the effective period of the permit.

7. Non-Exclusive Use of Site. Permittee acknowledges that the City Dock is used by the general public for access to a public ramp and float at the dock. Permittee agrees to maintain public vehicle and foot access to the ramp and float at all times. City reserves the right to use the remainder of the property or allow third party use of the remainder of the property.

Permittee agrees to make the public use crane on the property available to the general public at such times as permittee's activities allow for public access to the dock face.

8. Access, Parking and Interference. Permittee will access the property, park vehicles and conduct activities in a manner which shall not interfere with clear access to the remainder of the property by the city, leaseholders, permit holders or other parties authorized by the city.

9. Utilities. Services provided under this permit do not include utility services. Permittee must secure at its own cost any utility service it needs at the property, including but not limited to water and electric utilities. Permittee agrees to transfer existing electric

meter accounts at the property to its name for the duration of the permit.

10. Payment and Effective Period. In consideration for this permit, permittee agrees to pay to the city \$6,076.50 for the period June 25, 2012 to September 10, 2012 and \$275.00 per week thereafter, based on the schedule of values below.

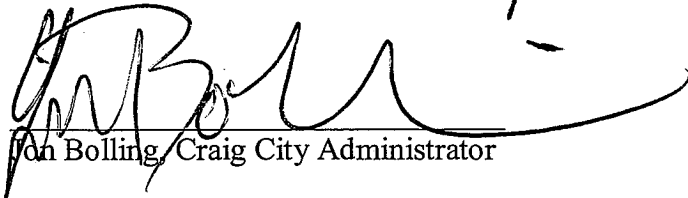
	Value/ sq.ft	Area	Lease Rate	Annual	Fraction of Year	Pro-rated Cost
Tidelands	\$1.50	9,036	8.00%	\$1,084.32	21.00%	\$227.71
City Dock	\$50.00	5,075	8.00%	\$20,300.00	21.00%	\$4,253.00
City Dock Warehouse	\$60.00	1,474	8.00%	\$7,075.20	21.00%	\$1,485.79
Use of Crane						\$100.00
Access Permit Fee:						\$6,076.50

Payment is due in full prior to June 25, 2012. Weekly payments for use between September 10, 2012 and December 31, 2012 shall be made at the beginning of each week.

11. Compliance with Directions from Harbormaster. Permittee will comply with all directives issued by the Craig Harbormaster.

12. Expiration Date. This permit expires December 31, 2012, unless sooner terminated by City or Permittee.

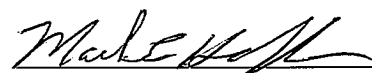
Approved this 25 day of July, 2012.



Jon Bolling, Craig City Administrator

Permittee's Acknowledgment:

I accept the conditions of this Access Permit.



Authorized Representative
Seafood Producers Coop (SPC)

7-25-12
Date

Memo

To: Mr. Mayor and the Craig City Council

From: Ron McIntosh, Public Works Director

CC: Jon Bolling, City Administrator

Date: March 15, 2013

Re: 2013 Clean Up Week; Carson Dorn Inc. Agreement

Please note the attached agreement from Carson Dorn, Inc., the firm we have used in the past years to handle the hazardous waste for our community Clean Up Week. The Agreement and fee structure are similar to years past and the funding is included in the current Budget.

The proposed date for the Household Hazardous Waste Materials collection is Saturday, May 11th 2013. This would make Monday May 6th through Saturday May 11th, the City Clean Up Week.

RECOMMENDATION

To approve the Agreement for the collection and handling of the materials gathered during the City Clean Up Week.

AGREEMENT

This AGREEMENT, dated this 1st day of March, 2013, 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 11, 2013 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 11, 2013.
- 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 \$3,250 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 \$1,725. Collection of any drums and cartons over this limit will require approval by the City's representative listed below. 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 2013 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:

Jon Bolling, City Manager
Ron McIntosh, 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: _____
Thomas G. Carson, Principal

By: _____

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: March 15, 2013
RE: Consider Authorization of Electrical Work at Port St. Nicholas Hatchery Facility

POW Hatchery Association staff has apparently found that some of the wiring in the king salmon hatchery building adjacent to the city's water treatment plant at Port St. Nicholas is in need of repair. Hatchery staff solicited a review of the wiring from two electricians and developed a list of wiring work needed at the facility.

Estimates to complete the work have ranged from a few thousand dollars to more than \$9,000. I have worked with Daniel Goodness at the POW Hatchery Association to prioritize the list of needed work. That list is attached. Also attached is an e-mail string summarizing the work.

POWHA would like the city to pay the cost of the electrical tasks related to the hatchery building. POWHA plans other electrical work at the site, but has plans to pay for that work itself. The city still holds several thousand dollars from the old king salmon derby program before the hatchery assumed management of the derby. If the council approves use of city funds for the electrical work, staff would draw the funds from the king salmon account.

At this point I have authorized Thomas and Sons Electric LLC to begin work on the facility, so long as the cost does not exceed \$3,000. A council motion is needed to authorize the completion of the entire list of items on the list prepared by the electrician.

Recommendation

That the city council authorize the appropriation of the funds necessary to complete electrical work at the king salmon hatchery building at Port St. Nicholas.

Thomas and Sons Electric, llc

PO Box 955, Craig, AK 99921

Ph.# (907)401-1883

Revised Proposal

PO Box 955 Craig, AK 99921

Ph: 907/401-1883

BONDED.LICENSED.INSURED

Quoted by: Don Thomas

Ph: 907/401-1883

Proposal Date:	3/12/2013			Projected start:	Pending
Customer:	City of Craig			Job Name:	Port Saint Nick Hatchery
Address:	PO Box 725			Job Address:	
City/Zip:	Craig, AK 99921			City:	Craig
Contact:	John Bolling			Utility:	AP&T
Phone#:	826-3275			Transformer #	
FAX #:				Power Req:	120 volt
RE:					

Scope:	Repairs
---------------	---------

Item	DESCRIPTION
1*	Most of the electrical system is not grounded properly. (nec 250.4[A][B]) Repairs needed as follows: Add a grounding conductor to all boxes via existing conduit. Install a grounding wire to an electrode thru irreversible connections (crimp coupling)
2	Bottom of electrical panel is damaged from poor installation resulting in several irregular holes. Repairs needed as follows: Add a new plate to bottom of panel to ensure proper conduit attachment
3	Several boxes and conduit are not supported. Repairs needed as follows: Install conduit straps according to N.E.C. Also, add means of support for boxes
4	Several exterior boxes are not properly installed with exterior covers resulting in damaged hardware Repairs needed as follows: Remove improper boxes and covers and replace with weather proof type
5	Install a light above service door in accordance with NEC
6	Improper wire methods were used in Electrical Panel Repairs needed as follows: Install correct color code for "Hot", "Neutral" and "Ground" wires
7	N/A
8	Install solenoid for valve
9	Add support system for 2 transformers
10	There are flexible conduits to Oxygen Generators that is not installed correctly.e Repairs need as follows: Circuits are to be installed from over head with 6'+ of flexible provisions
*	Phase A is unbalance to Ground on this 3 Phase system: "A"=112 v, "B"=119 v and "C"=121 v. Please note that all 3 Phases should balance within 3% according to the NEC. Industry standard is even less. This system is out of balance 7.5%. Impedence are at dangerous levels that could result in personal injury.

Budget as follows:	Labor:	90 hrs.	85.00 per hr.	\$	5,650.00
	Material:			\$	1,500.00
	Total:			\$	7,150.00

Please Note: All repairs recommended are in accordance to the 2011 NFPA 70 National Electric Code.

Authorized By:

From: [Donald Thomas](#)
To: [Jon Bolling](#);
Subject: Re: Port Saint Nick Hatchery / Electrical Inspection
Date: Tuesday, March 12, 2013 4:35:13 PM
Attachments: [PSNHatchery.xlsx](#)

Hello,

I can start in a week or so. The list seems reasonable.

The budget of the mobile home circuit is 2,500.00 (item #7). There is quite a bit of work and material required due to the location of the rv. The adjusted budget should reflect this deleted item. PWAHA will be paying for this item.

Please review the adjusted budget. However, when I reach \$3000.00 I will call you.

Thank You,

Don Thomas
Thomas and Son's Electric, llc
Cell (907)401-1883

From: Jon Bolling <jbolling@aptalaska.net>
To: 'Donald Thomas' <tselectricak@yahoo.com>
Cc: 'Mike Douville' <myrnamike@hotmail.com>; 'Daniel Goodness' <dgoodness@hotmail.com>; 'Ron McIntosh' <publicworks@craigak.com>
Sent: Tuesday, March 12, 2013 8:19 AM
Subject: RE: Port Saint Nick Hatchery / Electrical Inspection

Hello Don.

Please see Dan Goodness' prioritized list below. When can you begin work at the Port St. Nicholas hatchery facility?

I will need to know once the materials and labor costs reach \$3,000. Will you contact me when that happens?

Thanks,

Jon Bolling
Craig City Administrator
826-3275

From: Daniel Goodness [mailto:dgoodness@hotmail.com]
Sent: Monday, March 11, 2013 4:12 PM
To: Jon Bolling
Cc: Mike Douville
Subject: RE: Port Saint Nick Hatchery / Electrical Inspection

Hi, Jon, and thanks for your reply. I will do my best to prioritize the list. I have to agree, what Don told me is that he estimates the project may cost less, as long as he doesn't run into unforeseen problems.

I have compared Sam's list with the one Don made, and Don's Item #7 is one thing that Sam didn't mention. That's because adding the 30 amp circuit at the rear of the building is something I asked Don to do, to provide power for the trailer. This happened after Sam did his inspection last fall.

- 1) What I see as the highest priority involves the high voltage "appliances" in the Mechanical Room, the two transformers. Getting them off the floor, and tied into the breaker panel properly, seems like the first thing to do.
- 2) Installing ground wires in all conduits where there are no ground wires, but where 3 prong receptacles exist....this seems like the next high priority.
- 3) At this point, perhaps balancing the phases (I don't know what this involves...) is very important.
- 4) Perhaps Don's Item #4 (Remove improper boxes and covers and replace with weatherproof type) is next?

I would think that at this point, anything else that the electrician deems necessary, for the facility to comply with code, would naturally follow. Performing Items 1-4 would allow staff to use extension cords safely, and turn lighting on and off safely.

The last thing I'd like for Don to do is wire in the trailer, which POWHA can pay for separately. So, how does that look? Would you say that Don can start on the high priority items soon?

Thanks, Dan

PS The fry will need to be ponded within about two weeks. At that point, there must be full time employee(s) working on the site, 7 days a week. I continue to hesitate to hire anyone for the full-time position until the facility is deemed safe by the electricians.

Daniel F. Goodness, Manager
Prince of Wales Hatchery Association
PO Box 554
Craig, Alaska 99921

Phone: (907) 755-2231
Fax: (907) 755-2440

From: jbolling@aptalaska.net
To: dgoodness@hotmail.com
CC: myrnamike@hotmail.com
Subject: RE: Port Saint Nick Hatchery / Electrical Inspection
Date: Mon, 11 Mar 2013 15:38:56 -0800
Hi Dan.

I compared the list of tasks in the attachment from Don Thomas to the list below that you got received from Sam Peters, to try to match up the two. It looks like Don has covered items 1, 3, 5, 6, and 7 from Sam's list, but it's not clear to me that Don's list covers all the items that Sam brought up. It could be that Don's items capture all of Sam's, but again, I can't tell.

Sam's off-the-cuff estimate of about \$2,500 to complete the projects is much less than Don's \$9,650 estimate. Don did tell me that his estimate could be quite high if the labor portion does not take him as long as he thinks it might. Given this uncertainty, perhaps we should prioritize what we need done, and have Don work on the higher priority items first. Can you prioritize the list of tasks so we can have Don start on the most important items?

Jon

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Jon Bolling, City Administrator
Date: March 15, 2013
RE: Proposed Executive Session at March 21, 2013 Meeting

The council's March 21, 2013 agenda includes an executive session to discuss Phase III of the city's street improvement project.

Section 44.62.310 of Alaska Statutes allows for elected bodies, like city councils, to meet in closed session for a limited range of reasons. They include:

1. matters, the immediate knowledge of which would clearly have an adverse effect upon the finances of the public entity;
2. subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion;
3. matters which by law, municipal charter, or ordinance are required to be confidential;
4. matters involving consideration of government records that by law are not subject to public disclosure.

For the purposes of the council's March 21 meeting, item No. 1, above applies to the topic for the executive session.

A motion and vote during the open portion of the meeting is necessary to move into executive session.

Recommendation

That the city council move into executive session using the following motion:

I move to enter executive session to discuss contractual issues related to the City of Craig Phase III Street Improvement Project, the immediate knowledge of which would clearly have an adverse effect upon the finances of the public entity