

CITY OF CRAIG
COUNCIL AGENDA
September 5, 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 August 1, 2013

HEARING FROM THE PUBLIC

- Open for public comment

REPORTS FROM CITY OFFICIALS

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

READING OF CORRESPONDENCE

- APCM July Report
- APCM August Newsletter
- POW Coordinated Transit Plan
- POW Shooting Club
- Bokan Mine Info
- Craig Wave Runners Club
- Sales Tax History 2013

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

- Resolution 13-15, Harbor Rates Changes
- Resolution 13-17, Support for AK Energy Authority Grant- biomass boiler at Craig High School

UNFINISHED BUSINESS

- Funding from endowment fund to complete Tanner Crab and Elizabeth Court development
- Consider bid award for Craig Firehall replacement design

NEW BUSINESS

- Southeast State Forest
- Approval of elections staff
- Herbicide use on state roads
- Consider bid award for False Island Float Rehabilitation Project

ADJOURNMENT

CITY OF CRAIG
COUNCIL MEETING
THURSDAY August 1, 2013

ROLL CALL

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

Staff present: Amy Marshall, Librarian; Kassi Knock, City Clerk; Ron Macintosh, Public Works Director; Joyce Mason, Treasurer; Brian Templin, City Planner; Nicole Robison, Aquatic Manager; Daniel Nelson, Harbormaster; R.J. Ely, Police Chief; Chaundell Piburn, EMS Coordinator; Frank Lazo, Harbor.

Audience present: Kim Patotzka; Jan Storbakken; Beth Parsons; Carolyn Chapman; Faith Lazo; Pete Rice; Taylor Robison.

Mayor Watson and Council Members observed a moment of silence for Ed Head, Karen Howard, and Vicki Sleaseman.

CONSENT AGENDA

The consent agenda was presented, it contained:

- City Council Minutes of July 11, 2013

HEAD/DOUVILLE

moved to approve the consent agenda as written.
MOTION CARRIED

HEARING FROM THE PUBLIC

James Carle asked about the mandatory meter installation for the trailer park and what type of meter someone without a meter would get. Jon explained the trailer parks are already metered, and the residential meters to be installed should be the same at all households.

Carolyn Chapman wanted to speak on the sewer billing process. The water rates should be billed by what each person uses. The sewer billing is difficult to figure out, which is a base rate of 28.00/unit of the physical structure, and hotels and B&B's aren't. Carolyn is in favor of raising the rates, but thinks it should be billed by what is used to be fair. Jon explained that the water is not per unit, but sewer is. There is quite a bit more debt in the wastewater department than in the water department. The rates are structured as they are to help pay off some of the debt in the departments. Joyce has done the calculations to just charge for what is exactly used without the base rate, and it would bring the charges up to 5 or 6 times what they are currently.

Kim Patotska- Agrees with Carolyn, and had spoken to Jon about the rates. Kim is concerned about the raise this will mean for his tenants. Kim believes the City should be cutting costs elsewhere, as the water/sewer rates are difficult on the residents of Craig.

Jim See explained the base rate on water and wastewater charges makes it possible to keep up operations in the wastewater/water departments. These enterprise funds have to, by law, pay for themselves.

Wanda Rice expressed that she has been on the City Council roughly 15 years. These types of issues have never been approached by the public. Wanda would like for the public to note that as elected officials the Council has to make decisions based on the best interest of the public. Wanda has not had one person approach and discuss this subject with her, yet it has been on the agenda for months. Wanda would like for the public to note the agendas and please come discuss the items they are interested in so that the City Council can make a decision based on the best interest of the general public.

James Carle asked what the cost of the water/wastewater plants are for operations, distribution and such. Jon answered projected expenses for the current fiscal year for wastewater is \$287,000 and water \$281,500.

Frank Lazo is the owner of one of the oldest places in Craig, which is also unmetered. Frank asked if the rate is different between residential and commercial because he is in a commercial zone. Joyce explained, there is no difference between zones.

The rates are based on units on a meter, not on the number of occupants in one unit. City staff decided to treat everyone the same in terms of base rates and units.

James asked if there is any way to increase rates for the buildings like Silver Bay to offset the cost for the residential homes. Jon explained that it has to be decided what is best for the community, with the input from the community and presenting the ideas to the Council.

REPORTS FROM CITY OFFICIALS

Mayor- Nothing to report

Administrator- Provided a written report.

Treasurer- Finishing up year-end business, and getting ready for the audit.

Aquatic Manager- Provided a written report.

City Clerk- Provided a written report.

City Planner- Provided a written report.

EMS Coordinator- Provided a written report.

Harbormaster- Seiners are in the harbors, last month only hauled about six boats. Ice house is working great, delivered over 100 tons of ice. New harbor assistant is working out very well. Michelle has a six month review coming up. Fixing water pedestals and changing breakers.

Kim asked why there is nowhere for the Trolling Fleet to lay their poles and work on their gear. Mayor Watson commented that the spaces in the harbor are getting used for moorage. It is something Daniel will look in to.

Police Chief- Left on a call.

Public Works- Construction happening around town, Silver Bay is keeping up with production and keeping the water plant busy.

Parks and Rec- Cancelled the swap meet this week, started soccer this month with Joe Burke and Trampus Conatser, Martha Wood will begin opening the youth center this summer and will continue through the school year. Thanks to Frank and Mike for helping with the greasy pole. Victoria has been ill lately, so is not quite ready to be back to full time work yet.

Library- Provided a written report.

READING OF CORRESPONDENCE

EMS Concerns moved to Unfinished Business

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

Ordinance 655, FY13 Supplemental Operating Budget

PIERCE/RICE moved to adopt Ordinance 655, Supplemental Operating Budget FY13.
MOTION CARRIED

Ordinance 656 Modifying Section 15.44.140 Meter installation mandatory

HEAD/RICE moved to adopt Ordinance 656, Modifying Section 15.44.140 Meter installation mandatory.

Jim asked how long the public has to pay off the meter charges. Joyce would like to have a timeline of a year. Greg suggested usage plus 10%. Kim Patotzka would like to see a break for people paying with cash.

PIERCE/RICE amended the motion to include a 10% discount on meters for those paying in cash up-front.
AMENDMENT CARRIED
MOTION CARRIED

Resolution 13-15, Harbor Rates Changes

HEAD/PIERCE motion to approve Resolution 13-15, Harbor Rates Changes.

Jon would like to have the council discuss what the council wishes to change in the rates and bring back a finished version to the next regular meeting. The Council will address this Resolution at the next meeting.

HEAD/PIERCE withdrew motion and second.

Resolution 13-16, Water Meter Installation

PIERCE/HEAD moved to approve Resolution 13-16 Water Meter Installation.
MOTION CARRIED.

UNFINISHED BUSINESS

Final Approval of POWHA agreement

PIERCE/RICE moved to approve the Port St. Nicholas hatchery FY14 agreement.
MOTION CARRIED.

EMS CONCERNS

Jim See was not happy with the way Klawock handled the EMS Concerns. Chaundell noted that because Craig EMS is only providing a transport it is different than what is referenced in State Statute. Taylor Robison commented that the cost is so much different between the Craig EMS and Klawock EMS; the public should be able to choose which service to utilize. Jim mentioned that Craig EMS will respond when called.

NEW BUSINESS

Transaction Fees for Credit Card use for Sales Tax remittance

Joyce requested this item to be on the agenda because businesses around Craig are paying sales tax with their credit card. This poses a problem as the City is charged every time a card is run, for a percentage of the sum. The Council decided to have a resolution brought back stating that unless paying by check or cash, the payee will assume the transaction fee when paying sales tax with a credit card.

Consider new design for Main Street

R&M Engineering came up with a few options for the new design of Main Street. Both options will work for the City. Otis feels there are serious deficiencies in the designs, and until they are corrected, he doesn't feel comfortable proceeding with either one. Jim walked the area today, and based on the square footage of the lots that drain to Otis's property, the water from those properties will drain to his lot. Otis explained some of the discrepancies between the design that are a concern to him. The paving on this road will not be completed this year. Jon and Otis will work on coming to an agreement over the winter.

ADJOURNMENT

HEAD/RICE:

Moved to adjourn at 8:42 p.m. MOTION CARRIED

APPROVED _____

MAYOR DENNIS WATSON

ATTEST _____
KASSI KNOCK, CITY CLERK

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Jon Bolling, City Administrator
Date: August 30, 2013
RE: September Staff Report

1. POW Vocational/Technical Facility

There is little new information to report on this project. Construction is underway on the project, and will continue well into 2014.

The advisory committee working on the project will meet again after the City of Klawock considers a proposal to set up a non-profit corporation to operate the facility. Once a governance structure is in place then other steps can be taken to pin down operating revenues and expenses for the facility.

2. Street Paving Project

Work continues on Phase III of the project. AIC, the project contractor, is contractually bound to complete all work on the project by August 31, 2013.

3. Wood Drying Project

Staff at Viking Lumber continues work on the project, albeit at a slower pace than in the spring due to other demands at the mill. I spoke with Bryce Dahlstrom recently about the project, and Bryce tells me that he has a new employee whose job it is to concentrate on installation of the wood drying equipment and completion of the steel building that will house the equipment. The first lease payment from Viking Lumber to the city is due in September. The annual lease payment totals about \$24,000.

4. Chinook Salmon Mitigation Grants

The city continues to wait for a for grant agreements from the State of Alaska for two Chinook Salmon Mitigation Fund grants: one to expand the ice storage area at the Craig Public Ice House; and the other to replace the float at the boat launch ramp at the JT Brown Industrial Park. Staff at the State of Alaska report that the grant agreements will be in the mail to the city within the next week.

Ice House

While the city was awarded the maximum amount of funding allowed under the grant, set at \$120,000, the current rough cost estimate puts the project price well above the grant award for the project. Staff is working on finding additional funds. I will prepare financing options for the council to consider before soliciting bids for the work.

Launch Ramp

This project is out to bid. The council will consider award of the bid at its September 5 meeting.

5. Mines on POW

On Sunday, July 29 representatives from Heatherdale Resources held a meeting here in Craig to update the public on the status of the mine prospect at Niblack. In short, the company is looking for a partner to provide funding and expertise to complete additional exploration and then develop the prospect into a producing mine. My understanding is that there is no exploration happening at the site this summer.

For its part Ucore, which operates the rare earth element site at Dotson Ridge near Bokan Mountain, continues to test methods of extracting target elements from the core samples the company has taken from its prospect. Company representatives still talk about a mine where the tailings are returned to the underground shafts from which they are removed. This approach would mean that the site would host both mine production and milling.

Neither company has stated precisely when they intend to file applications with the State of Alaska for mine production.

6. Sales Tax Receipts

Sales tax receipts for the last quarter of the city's 2013 fiscal year ran about \$45,000 ahead of the same quarter in the prior year. For Fiscal Year 2013, actual sales tax receipts were about \$15,000 ahead of Fiscal Year 2012, and about \$80,000 more than budgeted. With all the activity in Craig and on POW this summer, I hope for a strong start to the 2014 fiscal year for the quarter running between July 1 and September 30.

7. POWCAC

POWCAC continues to follow up the borough study with discussions on important details for borough formation, including the July meeting discussion that I reported on to the council in last month's staff report. The group also worked recently on improving telephone and internet services to the communities on the north end of the island at the July meeting in Whale Pass. POWCAC also provided comments to the US Forest Service on the TLMP Five-Year review project. POWCAC meets again September 24 here in Craig.

8. Harbor Expansion Project at Craig Cannery Property

City Planner Brian Templin will update the council on this project in his staff report.

9. North Fork Lake Dam Project

City staff discovered recently that the Alaska Dam Safety Office in the Department of Natural Resources had not reviewed and approved the final design drawings for the project. When construction drawings were subsequently submitted to the office, staff there voiced such significant concerns regarding the design that city staff has put the construction phase of the project on hold until DNR's concerns are addressed. Given that the city has already awarded a contract for the work, with work required to be completed this year, city staff notified the contractor of the delay. I do not know yet what a modified design will look like, but given the comments of the DNR staff so far the volume of concrete in the dam may have to double or triple. Given that concrete is far and away the single largest expense item of the work, a design acceptable to DNR may be more than what the city is able to pay to construct. All of this puts the project in jeopardy. I will continue to work with DNR staff and the city's project engineer to come to a conclusion about if and how to proceed with the project.

10. Design and Construction of Harbor Shop

The steel building is on order. Harbormaster Daniel Nelson has a projected budget to erect and finish the building, which will be used to house the boat haul out trailer, jackstands, blocking and other equipment. The project will be completed using funding provided through a \$25,000 capital budget grant from the Alaska Legislature.

11. Public Safety Building Engineering and Design

On Friday, August 30 city staff will hear presentations from the two architectural firms that submitted proposals for the work. City Planner Brian Templin will prepare a report for the council to consider awarding the design work at the council's September 5 meeting. The project is funded by a \$100,000 grant from the Alaska Legislature.

12. Craig Public Works Heavy Equipment

Staff will present the council with options for use of the balance of this grant-funded project. About \$490,000 remains in the grant after the city council authorized purchase of a new backhoe last year.

13. Water & Wastewater Planning and Inspection

Public Works Director Ron McIntosh is overseeing implementation of this \$250,000 legislative grant-funded project. Improvements to the city's supervisory control and data acquisition (SCADA) system are already underway. Also in process is inspection of the city's gravity sewer mains as the city prepares to select an engineering company to rewrite the city's water and wastewater master plan documents. City staff have posted public notices soliciting proposals to update the plans and will bring a recommendation for award of the work to the city council this fall.

14. Aquatic Center Upgrades

City staff is awaiting a grant agreement, totaling approximately \$123,000, from the State of Alaska for repairs and upgrades to the Craig Aquatic Center. Once the grant agreement is in hand, staff intends to solicit proposals from qualified engineering/architectural firms to identify and design improvements needed at the aquatic center.

We already know that among the needed improvements are major repairs to or replacement of the building's roof, the systems that heat water for the pools, and the large air handler for the building, and the electronic control systems for the building. At the same time the city should consider other changes to the building, including expanding the fitness room, providing suitable office space for staff, and added storage areas. I have told Aquatic Center Manager Nicole Robison to collect input from pool users as to improved or additional services the public would like to see offered there.

Once the needed upgrades and improvements are identified it is likely that the estimated cost to install them will be substantial. At council direction, staff can develop funding alternatives for the needed upgrades at the pool. Those options are likely to include going to the voters for approval to authorize issuance of new general obligation bonds.

15. Leave Accrual Policy

I still intend to propose a change to the city's policy on accrual of annual leave. Currently employees receive a lump sum of annual leave each year on the anniversary of their employment with the city, based on how many years an employee has been in the city's employ. I would like to change the policy so that employees accrue the leave over the course of a year, rather than at one time. Doing so will make it easier for the department heads to manage time off for their staff. In addition, it will also end the

practice of employees timing their department from city employment to coincide with their anniversary date in order to maximize their annual leave payment at the time of their resignation. I will prepare draft language for this change and share it with city staff before bringing it to the council.

16. Travel Schedule

September 16-19: Sitka for Southeast Conference annual meeting.

September-December: Two trips to Juneau.

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

August 25, 2013

To: Mayor and City Council

From: Kassi Knock, City Clerk

Re: Staff Report

Elections- Judging by the Declaration of Candidacies I have received, it looks like we will have someone running for every seat that is open this year. All Election Judge Positions are filled, upon Council approval and I am readying materials for absentee voting. I have only called Kim a handful of times and our Local Government Specialist even less, which means so far things are going well (knock on wood). Looking forward to a smooth Election Day!

Sales Tax- This is an ongoing project Jon and Joyce have asked me to look in to. I am researching other communities sales tax ordinances to see what could be beneficial for ours, and what has worked best in communities close to our size within Alaska. This project has been great for me, as sales tax is not something I am regularly involved in aside from paying it! There are a lot of great ideas communities utilize, and I am hoping to bring back some good suggestions to Jon, Joyce and the Council in the upcoming months.

Other miscellaneous projects include, False Island Float Rehab, Minutes, Creating a functional filing system within my office, Safety Meetings, Travel arrangements, City Cemetery updates, City Website updates, and others. If you have any questions or comments please stop by or call the office, I am happy to help.

Kassi Knock

CITY OF CRAIG MEMORANDUM

To: Craig Mayor and City Council
From: Brian Templin, City Planner
Date: August 30, 2013
RE: Planning Department Staff Report

1. Firehall Replacement. The RFP for design/architectural services was advertised and two proposals were submitted by the deadline. A committee is scheduled to meet August 30th to hear presentations from both proposers and to score proposals. There is an action item on the agenda for the September 5th meeting for approval of the selected proposal.
2. Water/Wastewater Master Planning. The RFP for engineering services to complete new water and wastewater master plans is currently being advertised. A pre-submittal meeting is scheduled for September 5th at city hall. Bids are due on September 20th. Staff intends to bring an action item to the council at the September 19th or October 3rd council meeting for approval.
3. Tanner Crab/Salmonberry Subdivision. Work is going along well on the project. All materials and supplies needed to complete the project have arrived and are ready. We are working with the contractor to schedule him back to complete the work. A revised budget to complete the project with the contractor doing all work has been prepared and an action item is on the agenda for the meeting on September 5th to allocate funds from the city's endowment fund to complete the project. Repayment of the funds to the endowment fund will be the first priority after the land sale. We are on track to complete the project in time to conduct a land sale this winter. The intent of the land sale is still to provide lots for residential construction encouraging local purchase and development of homes for local residents. I will have a proposal on the method of sale and some options to encourage local purchase at one of the October council meetings. All work should be completed and appraisals in hand at that point so we will be ready to proceed with a land sale in November/December of this year. This will allow us to transfer property prior to the property tax cutoff of January 1st and will allow for purchasers to start work on lots in the spring of 2014.

CITY OF CRAIG MEMORANDUM

To: Craig Mayor and City Council
From: Brian Templin, City Planner
Date: September 3, 2013
RE: Staff Report Addendum – Craig Cannery Harbor Project

Please include the following update to the Craig Cannery Harbor Project as part of the Planner's staff report for the September 5, 2013 City Council Meeting.

Craig Cannery Harbor Project. Staff continues to work with the US Army Corps of Engineers to complete the feasibility study on the harbor at the cannery site. The USACE has started environmental work at their office and intend to have field representatives doing additional bathymetry work and taking soil samples on site the week of September 9 – 13. We will be assisting the team by providing a boat.

Once the soil samples and bathymetric data are returned to the USACE the environmental section will send out letters coordinating the environmental review with other federal regulatory agencies for comments. At this point it appears that the project will very likely only require an environmental assessment rather than a full environmental impact statement. Much of this decision is based on comments from other agencies during the review. If the project only requires an environmental assessment this will help both time and overall cost of the study.

The USACE engineers will begin drafts of the new harbor footprint and produce construction cost estimates between October and November. At this point the USACE intends on providing information to the city at the beginning of 2014 regarding the proposed improvements, environmental concerns and a more definitive cost/benefit analysis.

CRAIG EMS DEPARTMENT



August 27, 2014

- ◇ We have been very busy with calls through the month of August. Next summer, I intend to cover a few weeks with on call positions. We are just too busy to ask Volunteers to leave work nearly every day of the month.
- ◇ I completed training in Sitka this month to be an EMT 1 instructor. The new regulations are increasing training hours to 180 hours for EMT 1 (from 120 hours)
- ◇ I am going to Haines Sept. 5 – 9 to participate in a region wide training/ exercise event.
- ◇ We were awarded roughly 20,000. 00 from a “ code blue” grant I applied for. We haven't received official documentation, but received a phone call from the region office that we were awarded everything we asked for.
- ◇ I would still like to look at building something to house both ambulances side by side for the winter. It is too hard to ask volunteers to go out of their way to pick up another vehicle, and then to clean it and take back . This is an additional half hour added to an hour/ hour and a half call. Its too much to ask when they have left work. I would like to build a small carport up at the old clinic or another piece of property that can later be sold or rented. I would like to do something this year to keep our vehicles in good condition and all the supplies. I completely gutted the #2 Ambulance this year. The supplies were a mess, and damp and the monitor wouldn't turn on due the dampness. New Ambulances are extremely expensive and cost anywhere from 125,000.00 and up. Its not something we can replace easily, and our #2 only has 14,000 miles on it. (1994 model) I would like to have them housed together so we can take one or the other on a call, keep them clean and keep them in the best running condition possible.
- ◇ We continue to have ETT classes on Monday nights
- ◇ We continue to have Run Reviews with Dr. Copass 2 -3 times per month
- ◇ We continue to have trainings two Wednesdays per month.

**CITY OF CRAIG
MEMORANDUM**



Date: August 26th, 2013
To: Honorable Dennis Watson, Craig City Council
Fr: RJ Ely, Police Chief
Re: Staff Report

RJ Ely

ACTIVITY

Activity from July 25th – August 26th, 2013. Dispatch Center took the following amount of calls for service:

Craig	1,096
Klawock	329
AST	5

DEPARTMENT OF MOTOR VEHICLES

DMV is staying busy, drop off service is working well, more and more citizens are utilizing this service. Due to recent changes with DMV Training, any new DMV Agent / Dispatcher will be required to attend 40 hours of training, in Anchorage. Dispatch Supervisor Linda Arrant will be retiring in a little over two years. I plan to have another employee trained and ready to replace Arrant, when she retires .

DISPATCHER(S)

Kathy Kelley is progressing well through training. She is approaching the end of training and I fully expect that she will be able to complete this training and begin solo shifts soon.

OFFICER(S)

Ofc. Peterson is nearing the end of his F.T.O. and should be working solo soon.

Still continuing to review officer applications and conducting background investigations. I've yet to find someone that I'm willing to make an offer to.

Klawock has hired a new officer, Jeffery Shawn Bailey. They are still advertising for another officer.

OTHER

Issue with Crime Star has been resolved, with no additional costs to the department or city.

With use of recently acquired drug funds, I was able to purchase a few new computers, starting the process of upgrading department to windows 7.

I had to travel out of town, for a recent death in the family. During my absence, Sgt. Medina was in charge.

Cases are still up, all staff are remaining busy, even as summer is coming towards an end.

Memo

To: Mr. Mayor, Craig City Council

From: Ron McIntosh, Public Works Director

CC: Jon Bolling, City Administrator

Date: September 5, 2013

Re: Public Works Council Report for September 5, 2013

Activities and status:

1. Sewer main camera inspection is currently under way.
2. On August 27th the water transmission line between town and the water tank ruptured leaking at a rate of 600 gallons per minute. Water service to town was disrupted approximately 4 hours while Public Works made the repair.
3. Water Treatment Plant operations continue to perform given the water main leak and the continued high demand from fish processing. Silver Bay had forecasted high usage to the end of the month.
4. August 31 represented the final contract period for AIC on the City of Craig paving project. The contract is substantially complete with final clean up and punch list items being addressed.

Final quantities are currently being verified and calculated for a cost summary for the Phase 3 Paving Contract.

5. The Sewer and Water Department had the SCADA equipment and programming updated and installed in the month of August. The system is working as it should and is equipped with technology much more advanced than the old system.

Public Works continues addressing day to day operations and issues and at any time you have specific issues, please feel free to contact me.

Thank you,

RCMc

Craig Recreation City Council Report, September, 2013

Dear Mayor Watson, Council Members: Don Pierce, Joni Kuntz, Mike Douville, Wanda Rice, Jim See and Greg Head.

I am working and trying to heal. I am getting my energy back but it is a slow process. I am back to nearly full time. I have an actual vacation planned in November to go to my exchange students graduation in Brazil, I will also be gone in December for medical and my daughter Stephanie's graduation from the U of Idaho. There are lots of activities to keep everyone happy.

Summer programs included regular open gyms for volleyball, -thanks Jose Cevera, parent tot time, skating-thanks Paula Price and Barb Moots, Karate, aerobics. Summer Soccer Program, met at the ballpark on Wednesday, at 6:00. And Saturdays at 6pm for Ages 4 and up for \$10 for the season. We used the Craig City Gym twice due to weather. Volunteer coaches were Joe Burke, Trampus and Trish Conatser. = **Youth/Rec Center** Activities continue. Amy is using the rec center for movies, legos and crafts. Shelby Beck and Paula Price put on a 2 day Spanish camp on July 24 and 25 from 10-3 for kids. We had a Swap meet this summer and have more scheduled. Salsa Dance workshop is scheduled to happen August 31st at 7pm in the City gym.

Upcoming events: Swap Meet on September 7th from noon to 4pm at the Craig City Gym. Gymnastics will start on the 14th of September, ages 4 and 5 at 2pm for a half hour class for \$5 each, 2:30 for intermediate students up to age 9 for a 40 minute class for \$7 and at 3:15 the advanced class 10 and up for \$7. We have lots of great equipment and some tumbling aids that are brand new! Thanks to our volunteer coach Julie McDonald! There will be 10 classes and a recital in this session.

Harvest Festival October 5th CMS Pit. A community event for children! Hours are 1:00 to 4:30 and offers SE Alaska style Hay rides! All preschool and elementary age children get a free hay ride and a free sugar pie pumpkin. Fundraising booths that benefit kids are welcome, sign up at Craig City Hall. \$10 each.

Craig Youth and Recreation Center is open to the Public! August 20 was the start. All area youth are welcome to join Americorp volunteer Martha Wood, she will offer crafts, cooking, food and recycle and upcycle activities with outdoor field trips and gym time. September the hours are 3 to 5:30 and Fridays 2 to 5:30 with Friday evenings 7 to 9pm. Families or Ages 8 to 18 welcome during the day and MS and up on Fridays. Children under 8 must be accompanied by an adult or older sibling. The Craig Youth/Recreation Center can be rented for birthday parties and other events for \$25 and hour, the Craig City Gym for \$15 and hour. Contact Craig City Hall for rentals, 826-3275. For Activities contact Craig Recreation 826-2575 or craigrec@aptalaska.net or look us up on Facebook Craig Recreation.

Art and Craig Bazaars are hosted by Craig Recreation. The Fall Bazaar will be Nov. 30th, Holiday Bazaar on Dec. 14th. Sign up at Craig City Hall. Spaces are \$20 each including a table and chair. Electricity is \$5 extra, premium spaces by bleacher are an extra \$5. Sign up at Craig City Hall.



August 6, 2013

sent via email

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

Dear Ms. Mason,

Enclosed is the July 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 \$9,502,015. Based upon the composition of the portfolio, the expected annual income, excluding dividends on equities, is \$84,470.

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", is positioned above the printed name.

Bert Wagnon
Senior Vice President

A handwritten signature in blue ink, appearing to read "Evan D. Rose", is positioned above the printed name.

Evan D. Rose
President and CEO

cc via email: Mr. Jon Bolling, City Administrator

Alaska Permanent Capital Management Co.
PORTFOLIO SUMMARY AND TARGET - NEW
CITY OF CRAIG
July 31, 2013

Asset Class & Target	Market Value	% Assets	Range
FIXED INCOME (34%)			
Fixed Income (34.0%)	2,735,156	28.8	20% to 45%
Subtotal:	2,735,156	28.8	
EQUITY (66%)			
Domestic Large Cap Equity (40.0%)	4,164,606	43.8	30% to 50%
Domestic Mid Cap Equity (6.0%)	676,118	7.1	0% to 10%
Int'l Equity (10.0%)	1,034,631	10.9	5% to 15%
Real Estate (10.0%)	891,504	9.4	5% to 15%
Subtotal:	6,766,860	71.2	
TOTAL PORTFOLIO	9,502,015	100	

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
CITY OF CRAIG
July 31, 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	100.01	100,012	1.05	125	42	0.05
150,000	US TREASURY NOTES 0.250% Due 11-30-13	100.00	150,006	100.06	150,094	1.58	375	64	0.06
40,000	US TREASURY NOTES 1.250% Due 10-31-15	98.51	39,405	101.95	40,781	0.43	500	126	0.38
175,000	US TREASURY NOTES 0.625% Due 07-15-16	100.11	175,185	100.09	175,150	1.84	1,094	51	0.60
150,000	US TREASURY NOTES 0.625% Due 08-31-17	99.79	149,684	98.19	147,292	1.55	937	392	1.08
100,000	US TREASURY NOTES 3.750% Due 11-15-18	106.48	106,480	111.59	111,594	1.17	3,750	795	1.46
100,000	US TREASURY NOTES 3.500% Due 05-15-20	104.04	104,039	110.19	110,188	1.16	3,500	742	1.89
200,000	US TREASURY NOTES 1.375% Due 05-31-20	98.88	197,766	96.15	192,296	2.02	2,750	466	1.98
50,000	US TREASURY NOTES 1.625% Due 11-15-22	98.79	49,396	92.56	46,281	0.49	812	172	2.53
	Accrued Interest				2,849	0.03			
			1,071,894		1,076,539	11.33		2,849	
AGENCIES									
50,000	FHLB US GOVT AGENCY 5.250% Due 06-18-14	100.80	50,401	104.51	52,254	0.55	2,625	314	0.13
100,000	FHLMC 3.750% Due 03-27-19	101.41	101,410	109.84	109,844	1.16	3,750	1,292	1.90
	Accrued Interest				1,605	0.02			
			151,811		163,703	1.72		1,605	
FNMA & FHLMC									
19,571	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26	104.56	20,464	105.45	20,637	0.22	783	65	2.04
	Accrued Interest				65	0.00			
			20,464		20,702	0.22		65	
ASSET-BACKED SECURITIES									
100,000	GE CAPITAL CREDIT CARD MASTER NOTE 3.800% Due 11-15-17	107.25	107,250	104.01	104,005	1.09	3,800	169	0.68
	Accrued Interest				169	0.00			
			107,250		104,174	1.10		169	

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
CITY OF CRAIG
July 31, 2013

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
COMMERCIAL MORTGAGE-BACKED SECURITIES									
9,394	WACHOVIA BK COML MTG TR 4.925% Due 08-01-41	95.78	8,998	100.69	9,459	0.10	463	39	1.64
5,057	FRN - BANC AMER COML MTG TR 2007-5 5.434% Due 02-10-51 Accrued Interest	100.55	5,085	99.87	5,050	0.05	275	23	4.76
			14,083		14,571	0.15		61	
CORPORATE BONDS									
100,000	CATERPILLAR FINANCIAL 6.125% Due 02-17-14	100.12	100,125	103.09	103,092	1.08	6,125	2,790	0.43
50,000	TOYOTA MOTOR CREDIT CORP 1.000% Due 02-17-15	100.85	50,423	100.81	50,405	0.53	500	228	0.47
100,000	JP MORGAN CHASE & CO 4.750% Due 03-01-15	97.18	97,176	105.82	105,820	1.11	4,750	1,979	1.03
100,000	HSBC FINANCE CORP 5.500% Due 01-19-16	100.21	100,206	109.82	109,822	1.16	5,500	183	1.43
50,000	BRITISH COLUMBIA PROV OF 2.100% Due 05-18-16	99.98	49,990	103.76	51,880	0.55	1,050	213	0.74
50,000	BANK AMER CORP 5.625% Due 10-14-16	107.18	53,592	111.43	55,714	0.59	2,812	836	1.93
50,000	CONOCOPHILLIPS CANADA 5.625% Due 10-15-16	117.91	58,955	114.35	57,174	0.60	2,812	828	1.06
50,000	STATOIL ASA 3.125% Due 08-17-17	107.07	53,533	106.29	53,145	0.56	1,562	712	1.51
100,000	UNITED PARCEL SERVICE 5.500% Due 01-15-18	121.23	121,230	115.17	115,174	1.21	5,500	244	1.93
100,000	WACHOVIA CORP GLOBAL MEDIUM 5.750% Due 02-01-18	99.57	99,572	115.74	115,738	1.22	5,750	2,875	2.07
75,000	UNITED HEALTH GROUP INC 6.000% Due 02-15-18	121.46	91,093	117.42	88,062	0.93	4,500	2,075	1.97
75,000	GENERAL ELECTRIC CAP CORP. 5.625% Due 05-01-18	88.27	66,205	114.93	86,201	0.91	4,219	1,055	2.29
100,000	GOLDMAN SACHS GROUP INC. 7.500% Due 02-15-19	116.51	116,514	120.66	120,663	1.27	7,500	3,458	3.38
100,000	VERIZON COMMUNICATIONS 6.350% Due 04-01-19 Accrued Interest	125.02	125,020	118.90	118,898	1.25	6,350	2,117	2.73
			1,183,636		1,251,383	13.17		19,593	
DOMESTIC LARGE CAP EQUITY FUNDS/ETF									
24,685	SPDR S&P 500 ETF TRUST	137.86	3,403,111	168.71	4,164,606	43.83	NA		

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
CITY OF CRAIG
July 31, 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>
DOMESTIC MID CAP EQUITY FUNDS/ETF									
5,496	ISHARES S&P MIDCAP 400	69.71	383,101	123.02	676,118	7.12	NA		
INTERNATIONAL FUNDS/ETF									
27,627	VANGUARD MSCI EAFE ETF	37.73	1,042,293	37.45	1,034,631	10.89	NA		
REAL ESTATE									
12,857	VANGUARD REIT ETF	56.44	725,700	69.34	891,504	9.38	NA		
CASH AND EQUIVALENTS									
	FEDERATED GOVERNMENT OBLIGATION		104,083		104,083	1.10			
TOTAL PORTFOLIO			8,207,426		9,502,015	100	84,470	24,344	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 07-01-13 To 07-31-13

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
U.S. TREASURY				
07-22-13	07-23-13	US TREASURY NOTES 0.625% Due 07-15-16	175,000	175,184.57
				175,184.57
INTEREST				
ASSET-BACKED SECURITIES				
07-15-13	07-15-13	GE CAPITAL CREDIT CARD MASTER NOTE 3.800% Due 11-15-17		316.67
CASH AND EQUIVALENTS				
07-01-13	07-01-13	FEDERATED GOVERNMENT OBLIGATION		0.90
COMMERCIAL MORTGAGE-BACKED SECURITIES				
07-01-13	07-09-13	FRN - BANC AMER COML MTG TR 2007-5 5.434% Due 02-10-51		22.90
07-17-13	07-17-13	WACHOVIA BK COML MTG TR 4.925% Due 08-01-41		330.62
				<u>353.52</u>
CORPORATE BONDS				
07-19-13	07-19-13	HSBC FINANCE CORP 5.500% Due 01-19-16		2,750.00
07-19-13	07-19-13	HSBC FINANCE CORP 5.500% Due 01-19-16		2,750.00
				<u>5,500.00</u>

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 07-01-13 To 07-31-13

Trade Date	Settle Date	Security	Quantity	Trade Amount
FNMA & FHLMC				
07-01-13	07-14-13	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26		67.89
				6,238.98
PRINCIPAL PAYDOWNS				
COMMERCIAL MORTGAGE-BACKED SECURITIES				
07-17-13	07-17-13	WACHOVIA BK COML MTG TR 4.925% Due 08-01-41	71,160.92	71,160.92
FNMA & FHLMC				
07-01-13	07-14-13	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26	794.45	794.45
				71,955.37
PURCHASED ACCRUED INTEREST				
U.S. TREASURY				
07-22-13	07-23-13	US TREASURY NOTES 0.625% Due 07-15-16		23.78
				23.78
SALES, MATURITIES, AND CALLS				
U.S. TREASURY				
07-03-13	07-05-13	US TREASURY NOTES 1.625% Due 11-15-22	100,000	93,296.88
				93,296.88
SOLD ACCRUED INTEREST				
U.S. TREASURY				
07-03-13	07-05-13	US TREASURY NOTES 1.625% Due 11-15-22		225.20
				225.20

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 07-01-13 To 07-31-13

Trade Date	Settle Date	Security	Quantity	Trade Amount
WITHDRAW				
CASH AND EQUIVALENTS				
07-01-13	07-01-13	FEDERATED GOVERNMENT OBLIGATION		300.00
07-02-13	07-02-13	DIVIDEND ACCRUAL		2,441.53
07-31-13	07-31-13	DIVIDEND ACCRUAL		20,713.68
				23,455.21
				23,455.21

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
CITY OF CRAIG
From 07-01-13 Through 07-31-13

Date	Quantity	Security	Avg. Cost Basis	Proceeds	Gain Or Loss
07-01-13	794.45	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26	830.70	794.45	-36.25
07-03-13	100,000	US TREASURY NOTES 1.625% Due 11-15-22	98,792.97	93,296.88	-5,496.09
07-17-13	71,160.92	WACHOVIA BK COML MTG TR 4.925% Due 08-01-41	68,158.82	71,160.92	3,002.10
TOTAL GAINS					3,002.10
TOTAL LOSSES					-5,532.33
			167,782.48	165,252.25	-2,530.23

Alaska Permanent Capital Management Co.

CASH LEDGER

CITY OF CRAIG

From 07-01-13 To 07-31-13

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
DIVIDEND ACCRUAL					
07-01-13			Beginning Balance		23,155.21
07-02-13	07-02-13	wd	Transfer to	FEDERATED GOVERNMENT OBLIGATION	-2,441.53
07-31-13	07-31-13	wd	Transfer to	FEDERATED GOVERNMENT OBLIGATION	-20,713.68
07-31-13			Ending Balance		0.00
FEDERATED GOVERNMENT OBLIGATION					
07-01-13			Beginning Balance		84,719.64
07-01-13	07-01-13	dp	Interest	FEDERATED GOVERNMENT OBLIGATION	0.90
07-01-13	07-01-13	wd	Withdrawal	from Portfolio	-300.00
07-01-13	07-09-13	dp	Interest	FRN - BANC AMER COML MTG TR 2007-5 5.434% Due 02-10-51	22.90
07-01-13	07-14-13	dp	Interest	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26	67.89
07-01-13	07-14-13	dp	Paydown	FHLMC 4.00% POOL G14203 4.000% Due 04-01-26	794.45
07-02-13	07-02-13	dp	Transfer from	DIVIDEND ACCRUAL	2,441.53
07-03-13	07-05-13	dp	Sale	US TREASURY NOTES 1.625% Due 11-15-22	93,296.88
07-03-13	07-05-13	dp	Accrued Interest	US TREASURY NOTES 1.625% Due 11-15-22	225.20
07-15-13	07-15-13	dp	Interest	GE CAPITAL CREDIT CARD MASTER NOTE 3.800% Due 11-15-17	316.67

Alaska Permanent Capital Management Co.

CASH LEDGER

CITY OF CRAIG

From 07-01-13 To 07-31-13

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
07-17-13	07-17-13	dp	Paydown	WACHOVIA BK COML MTG TR 4.925% Due 08-01-41	71,160.92
07-17-13	07-17-13	dp	Interest	WACHOVIA BK COML MTG TR 4.925% Due 08-01-41	330.62
07-19-13	07-19-13	dp	Interest	HSBC FINANCE CORP 5.500% Due 01-19-16	2,750.00
07-19-13	07-19-13	dp	Interest	HSBC FINANCE CORP 5.500% Due 01-19-16	2,750.00
07-22-13	07-23-13	wd	Purchase	US TREASURY NOTES 0.625% Due 07-15-16	-175,184.57
07-22-13	07-23-13	wd	Accrued Interest	US TREASURY NOTES 0.625% Due 07-15-16	-23.78
07-31-13	07-31-13	dp	Transfer from	DIVIDEND ACCRUAL	20,713.68
07-31-13			Ending Balance		104,082.93

MONTHLY PERSPECTIVES

ECONOMY & MARKETS

Aging Bull Turns Into Raging Bull

That's a fair description of the U.S. stock market. But it's not true overseas and certainly not in the bond market.

The S&P 500 was up +5.1% in July and +19.6% year to date. The EAFE index of overseas developed equity markets matched the U.S. last month jumping +5.3% on signs that Europe may be exiting recession and strength in Japan. EAFE is up +9.6% year to date. The Emerging Markets gained +1.1% in July but are off -8.6% so far this year as economic growth in many countries appears to be slowing.

Earnings for large companies in the U.S. have been soft with second quarter earnings up +3.9% year over year, but actually down if you exclude the banks. It looks like modest economic and employment growth, along with tepid inflation, is a goldilocks scenario for the markets; not too hot, not too cold - just right.

Bond yields seem to have reached equilibrium after the selloff in May/June. Ten year Treasuries ended July yielding 2.58%. The Barclays Aggregate Bond Index gained +0.1% in total return, but is down -2.3% year to date. Municipal yields rose further sending ratios above 100% of Treasuries. Flows out of municipal funds continued on the possible fallout from Detroit.

Motor City Runs Out of Gas

Detroit fell into Chapter 9 bankruptcy making it the biggest municipal default ever. The long slide of the auto industry and financial mismanagement were the main culprits. Years of corrupt politicians buying votes partly via generous wages and benefit packages for the municipal unions resulted in unsustainable budget deficits and \$18 billion in debt, half of which is unfunded pension and healthcare liabilities. The unemployment rate in the city is 16% and median income, at \$27,000, is about half the national average.

What has got the municipal markets attention has been the move to classify about \$1 billion in GO bonds as unsecured creditors along with everyone else. That is despite the pledge of the full faith and credit and

unlimited taxing power backing the bonds. I guess just like the GM bankruptcy everyone has to shoulder "their fair share," secured creditor or not; to heck with the rule of law.

What does this say about the creditworthiness of other GO bonds – which represent about 30% of the municipal market?

It is too soon to say. We can judge ability to pay based on criteria such as the economy, financials, debt levels, etc. but what of willingness to pay?

I am reminded of this exchange between J.P. Morgan and lawyer Samuel Untermyer when Morgan was hauled up before congress over 100 years ago.

Untermyer asked Morgan "Is not commercial credit based primarily upon money or property?"

Morgan: "No sir. The first thing is character."

Untermyer: "Before money or property?"

Morgan: **"Before money or property or anything else. Money cannot buy it...because a man I do not trust could not get money from me on all the bonds in Christendom."**

Now I understand that as a banker you can judge a loan applicant's character on past behavior and personal relationships. And you'll always have an ear to ground in the local community. But how do you do that in the vast municipal market?

APCM emphasizes high quality GO bonds and essential service revenue bonds the portfolios that it manages. The latter are less sensitive to the economic cycle and their revenue stream is more stable. They are often natural monopolies. We're talking about local water and sewer bonds, electric utilities, toll roads, and airport revenue bonds.

Right now tax free AAA rated municipals are yielding more than Treasuries. They are on sale and investors should have their buying shoes on. But stick to high quality.

Jeff Pantages, CFA
Chief Investment Officer



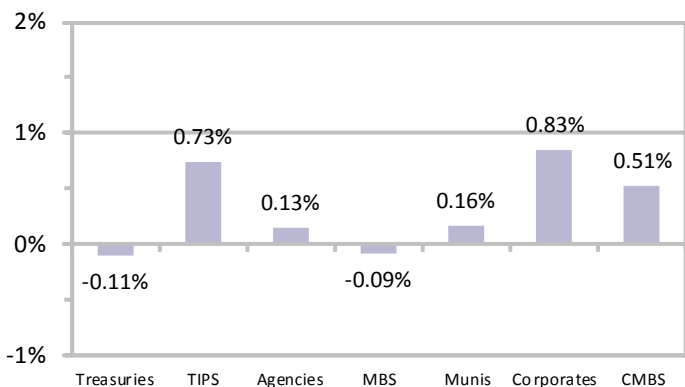
Bill Lierman, CFA
Portfolio Manager

■ The U.S. Aggregate Index returned a positive 0.14% last month. The Treasury yield curve steepened as the 2yr declined 5 basis points ending the month at 0.31% and the 30yr bond increased 14 basis points to 3.64%. Treasury auction data revealed weaker demand by foreigners.

■ Tips held their ground producing a positive 0.73%. The rise in energy over the last few weeks led investors to reevaluate

inflation expectations. Break-evens, a measure of inflation expectations, rose across the maturity spectrum between 13 and 20 basis points. In other words, TIPS outperformed nominal Treasuries last month.

July 2013 Bond Total Return



Data: Barclays

■ Commercial Mortgage Back Securities bounced back after two dismal months. CMBS returned 39 basis points excess return (vs treasuries).

■ Asset back securities returned a negative 0.19%. Credit cards performed the worst among the subsectors. The Senate passed a bill tying interest rates to the 10yr Treasury note auction on student loans issued after 2013.

■ Agency mortgages have become directionally correlated with Treasuries and returned a negative 0.09%. Mortgages are losing support as REITs started to sell and investors are not reinvesting their prepayments and interest.

■ High Grade Corporate bonds continued to see increasing demand from pension and insurers on the back up of yields. All three sub sectors finance, utility, and industrial outperformed treasuries by 1.14%, 1.54%, and 1.11%, respectively.

■ Municipals had a total return 0.16% even in the face of Detroit filing chapter 9 bankruptcy. Municipals provide good relative value as the muni-to-treasury ratios are above 100.

■ Equities continued to rally in July as QE tapering and China funding issues faded. The S&P 500 gained +5.1% and is up +19.6% YTD.

■ 80% of the S&P 500 index has reported Q2 earnings up +3.9% YOY but results would be negative if financials were excluded. Bank stocks gained as their earnings continued to improve. Bank of America added +13.5% and JP Morgan added +5.6%.

■ Mid and small caps further entrenched their gains over larger companies advancing over 6% for the month. Energy was the best mid cap sector, up +7.7% as earnings came in stronger than expected. All 10 small cap sectors were positive. Health care had the strongest performance, up +10.1%.

■ International equities of developed countries (EAFE) kept pace with the U.S. gaining +4.3%, but thanks to a weakening dollar, more positive in USD terms (+5.3%). Still subdued, but gradually improving economic data in Europe pushed equities up +5.5%. UK equities gained +6.6% while Japan traded slightly down losing -0.39%.

■ Emerging markets continued to lag developed markets finishing up +1.0%. Performance across the region was widely dispersed. South Africa was up +4.3% while Indonesia lost -4.3%. China's Shanghai index returned 0.7% as concerns remain over economic weakness.

■ REITs trailed the broader markets for a third consecutive month, gaining +1%. Investors have been focused on the move in interest rates and what impact it will have on the sector.

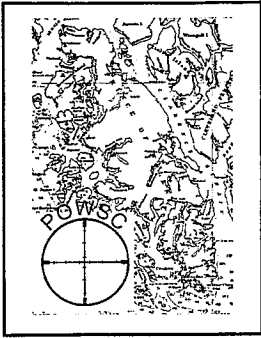
Total Return (%) as of July 31, 2013

	One Month	Three Month	Six Month	Twelve Month
Domestic Equities				
Large Cap S&P 500	5.1	6.1	13.7	25.0
Mid Cap S&P 400	6.2	6.6	13.5	33.0
Small Cap S&P 600	6.8	11.3	17.4	34.8
International Equities				
Developed MSCI EAFE	5.3	-0.9	4.1	23.5
Emerging MSCI Emerging Markets	1.0	-7.8	-9.9	2.0
Other				
Commercial Property S&P U.S. REIT	1.0	-6.8	3.6	8.2
Commodities DJ-UBS Commodity	1.4	-5.6	-11.4	-12.4
Fixed Income				
Total Bond Market Barclays Aggregate	0.1	-3.2	-1.6	-1.9
1-3 Yr U.S. Treasury/Agency Barclays 1-3 Gov	0.2	-0.1	0.2	0.3
Int'l Treasury Barclays Global Tsy ex-US	2.0	-4.0	-3.9	-1.6



Brandy Niclai, CFA
Portfolio Manager





POW Shooting Club

Prince of Wales Shooting Club
P.O. Box 974
Craig, Alaska
99921
Powshootingclub@gmail.com

8/13/2013

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

Dear Mr. Bolling,

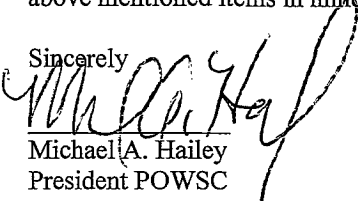
The executive committee of the Prince of Wales Shooting Club is writing to inquire if the City of Craig would help with the funding of a public shooting range. We have worked for the past several months, towards the establishment of a range. We have, up until this point, funded the startup from our own pockets. These expenses (See attachment) include, incorporating with the State of Alaska, filing for non-profit status, purchasing a business license, affiliating the club with the NRA, and assorted miscellaneous items such as establishing a bank account.

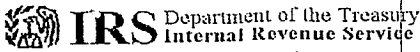
The following are some of the highlights of our progress and plans for the future:

- We have signed a 5 year lease with Shan Seet for a piece of property known as the Wolf Lake area. It is located approximately one mile east of the St. Nick River Bridge. Our initial plan is to build a 100yd. rifle range, a pistol range, and a shotgun area.
- We have commitments from the City of Craig PD, the Alaska State Troopers, and the Federal Law enforcement community to use the facility for their recurring qualifications. The POWSC range could replace the current range, and allow for rifle and shotgun courses of fire, rather than just pistol.
- We feel the range would be an exceptional place for the teaching of the Hunter Education Course, and other firearm safety courses.
- Through our affiliation with the NRA, safety related programs for all ages and competitive shooting sports could be offered.

It is our firm belief that the availability of a public range will discourage gun owners from shooting in unsafe areas such as open gravel pits, and private land. Citizens need a place where they can safely practice with their firearms, and we believe this range fills that need. The City of Craig's help in funding this project will make for a safer more secure community. With all of the above mentioned items in mind we would respectfully ask for any and all financial help the City of Craig could give.

Sincerely


Michael A. Hailey
President POWSC



Department of the Treasury
Internal Revenue Service

P.O. BOX 2508
CINCINNATI OH 45201

In reply refer to: 9999999999
Aug. 07, 2013 LTR 3367C S0
46-2857192 000000 00
00045333
BODC: TE

POW SHOOTING CLUB
C/O MIKE HAILEY
PO BOX 974
CRAIG AK 99921-0974



046487

Employer Identification Number: 46-2857192
Tax Form: 1024
Document Locator Number: 17053-207-32102-3
For assistance, call: 1-877-829-5500

Dear Applicant,

We received your application for exemption from Federal income tax and your user fee payment.

During the initial review process, applications for exemption are separated into three groups:

1. Those that can be processed immediately based on information submitted,
2. Those that need minor additional information to be resolved, and
3. Those that require additional development.

If your application falls in the first group or second group, you will receive your determination letter stating that you are exempt from Federal income tax or a request for information via phone, fax, or letter. If your application falls within the third group, you will be contacted when your application has been assigned to an Exempt Organizations specialist for technical review. You can expect to be contacted within approximately 90 days from the date of this notice.

IRS does not issue "tax exempt numbers" or "tax exempt certificates" for state or local sales or income taxes. If you need exemption from these taxes, contact your state or local tax offices.

General information about the application process and tax-exemption can be found by visiting our website, www.irs.gov/eo. If you are unable to locate the information needed, you may call our toll free number shown above Monday through Friday. When communicating with us, please refer to the employer identification number and document locator number shown above.

Sign up for Exempt Organizations' EO Update, a regular e-mail newsletter that highlights new information posted on the Charities pages of irs.gov. To subscribe, go to www.irs.gov/eo and click on "EO Newsletter."

Copy of 501C4 App

Form **8718**
(Rev. January 2010)
Department of the Treasury
Internal Revenue Service

**User Fee for Exempt Organization
Determination Letter Request**
▶ Attach this form to determination letter application.
(Form 8718 is NOT a determination letter application.)

OMB No. 1545-1798
For IRS Use Only
Control number _____
Amount paid _____
User fee screener _____

1 Name of organization _____ 2 Employer Identification Number _____

Caution. Do not attach Form 8718 to an application for a pension plan determination letter. Use Form 8717 instead.

3 Type of request Fee
a Initial request for a determination letter for:
◦ An exempt organization that has had annual gross receipts averaging not more than \$10,000 during the preceding 4 years or
◦ A new organization that anticipates gross receipts averaging not more than \$10,000 during its first 4 years ▶ \$400
Note. If you checked box 3a, you must complete the Certification below.

Certification
I certify that the annual gross receipts of POW shooting club
name of organization
have averaged (or are expected to average) not more than \$10,000 during the preceding 4 (or the first 4) years of operation.
Signature ▶ [Signature] Title ▶ President

b Initial request for a determination letter for:
◦ An exempt organization that has had annual gross receipts averaging more than \$10,000 during the preceding 4 years or
◦ A new organization that anticipates gross receipts averaging more than \$10,000 during its first 4 years . ▶ \$850
c Group exemption letters ▶ \$3,000

Instructions

The law requires payment of a user fee with each application for a determination letter. The user fees are listed on line 3 above. For more information, see Rev. Proc. 2009-8; 2009-1 I.R.B. 229, or latest annual update.

Check the box or boxes on line 3 for the type of application you are submitting. If you check box 3a, you must complete and sign the certification statement that appears under line 3a.

Attach to Form 8718 a check or money order payable to the "United States Treasury" for the full amount of the user fee. If you do not include the full amount, your application will be returned. Attach Form 8718 to your determination letter application.

Generally, the user fee will be refunded only if the Internal Revenue Service declines to issue a determination.

Where To File

Send the determination letter application and Form 8718 to:

Internal Revenue Service
P.O. Box 12192
Covington, KY 41012-0192

Who Should File

Organizations applying for federal income tax exemption, other than Form 1023 filers. Organizations submitting Form 1023 should refer to the instructions in that application package.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. If you want your organization to be recognized as tax-exempt by the IRS, you are required to give us this information. We need it to determine whether the organization meets the legal requirements for tax-exempt status.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating

to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. The rules governing the confidentiality of Form 8718 are covered in section 6104.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is 5 minutes. If you have comments concerning the accuracy of this time estimate or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send this form to this address. Instead, see *Where To File* above.



Application for Recognition of Exemption Under Section 501(a)

OMB No. 1545-0057

If exempt status is approved,
 this application will be open
 for public inspection.

Read the instructions for each Part carefully. A User Fee must be attached to this application.
 If the required information and appropriate documents are not submitted along with Form 8718 (with payment
 of the appropriate user fee), the application may be returned to the organization.
Complete the Procedural Checklist on page 6 of the instructions.

Part I. Identification of Applicant (Must be completed by all applicants; also complete appropriate schedule.)
 Submit only the schedule that applies to your organization. Do not submit blank schedules.

Check the appropriate box below to indicate the section under which the organization is applying:

- a Section 501(c)(2)—Title holding corporations (Schedule A, page 7)
- b Section 501(c)(4)—Civic leagues, social welfare organizations (including certain war veterans' organizations), or local associations of employees (Schedule B, page 8)
- c Section 501(c)(5)—Labor, agricultural, or horticultural organizations (Schedule C, page 9)
- d Section 501(c)(6)—Business leagues, chambers of commerce, etc. (Schedule C, page 9)
- e Section 501(c)(7)—Social clubs (Schedule D, page 11)
- f Section 501(c)(8)—Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E, page 13)
- g Section 501(c)(9)—Voluntary employees' beneficiary associations (Parts I through IV and Schedule F, page 14)
- h Section 501(c)(10)—Domestic fraternal societies, orders, etc., not providing life, sick, accident, or other benefits (Schedule E, page 13)
- i Section 501(c)(12)—Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G, page 15)
- j Section 501(c)(13)—Cemeteries, crematoria, and like corporations (Schedule H, page 16)
- k Section 501(c)(15)—Mutual insurance companies or associations, other than life or marine (Schedule I, page 17)
- l Section 501(c)(17)—Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J, page 18)
- m Section 501(c)(19)—A post, organization, auxiliary unit, etc., of past or present members of the Armed Forces of the United States (Schedule K, page 19)
- n Section 501(c)(25)—Title holding corporations or trusts (Schedule A, page 7)

1a Full name of organization (as shown in organizing document) POW shooting club		2 Employer identification number (EIN) (if none, see Specific Instructions on page 2) 46-2857192
1b c/o Name (if applicable) Mike Hailey		3 Name and telephone number of person to be contacted if additional information is needed Mike Hailey email: Michael.A.Hailey@gmail.com (907) 826 5399
1c Address (number and street) P.O. Box 974	Room/Suite	
1d City, town or post office, state, and ZIP + 4 If you have a foreign address, see Specific Instructions for Part I, page 2. Craig, AK 99921-0974		
1e Web site address	4 Month the annual accounting period ends Oct	5 Date incorporated or formed 5-28-13

- 6 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? Yes No
 If "Yes," attach an explanation.
- 7 Has the organization filed Federal income tax returns or exempt organization information returns? Yes No
 If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.

- 8 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.
- a Corporation— Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also attach a copy of the bylaws.
 - b Trust— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
 - c Association— Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence that the organization was formed by adoption of the document by more than one person. Also include a copy of the bylaws.

If this is a corporation or an unincorporated association that has not yet adopted bylaws, check here

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization, and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

PLEASE SIGN HERE **Michael A. Hailey** **5/28/13**
(Date)

Part II. Activities and Operational Information (Must be completed by all applicants)

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

The primary purpose of this organization shall be, the encouragement of organized rifle, pistol, shotgun, and Archery among citizens of our local community, the furtherance of their knowledge of the safe and proper handling and care of all firearms, and the improvement of their marksmanship. It shall be our further object and purpose to help the development of those characteristics of honesty, good fellowship, and self discipline, team play and self reliance, which are the essentials of good sportsmanship and true patriotism.

- 2 List the organization's present and future sources of financial support, beginning with the largest source first.

Member Dues

Part II. Activities and Operational Information (continued)

3 Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.	b Annual compensation

4 If the organization is the outgrowth or continuation of any form of predecessor, state the name of each predecessor, the period during which it was in existence, and the reasons for its termination. Submit copies of all papers by which any transfer of assets was effected.

N/A

5 If the applicant organization is now, or plans to be, connected in any way with any other organization, describe the other organization and explain the relationship (e.g., financial support on a continuing basis; shared facilities or employees; same officers, directors, or trustees).

6 If the organization has capital stock issued and outstanding, state: (1) class or classes of the stock; (2) number and par value of the shares; (3) consideration for which they were issued; and (4) if any dividends have been paid or whether your organization's creating instrument authorizes dividend payments on any class of capital stock.

7 State the qualifications necessary for membership in the organization; the classes of membership (with the number of members in each class); and the voting rights and privileges received. If any group or class of persons is required to join, describe the requirement and explain the relationship between those members and members who join voluntarily. Submit copies of any membership solicitation material. Attach sample copies of all types of membership certificates issued.

U.S. CITIZEN

8 Explain how your organization's assets will be distributed on dissolution.

DONATED TO ANOTHER NONPROFIT OF ALASKA

Part II. Activities and Operational Information (continued)

- 9 Has the organization made or does it plan to make any distribution of its property or surplus funds to shareholders or members? Yes No
 If "Yes," state the full details, including: (1) amounts or value; (2) source of funds or property distributed or to be distributed; and (3) basis of, and authority for, distribution or planned distribution.

- 10 Does, or will, any part of your organization's receipts represent payments for services performed or to be performed? Yes No
 If "Yes," state in detail the amount received and the character of the services performed or to be performed.

- 11 Has the organization made, or does it plan to make, any payments to members or shareholders for services performed or to be performed? Yes No
 If "Yes," state in detail the amount paid, the character of the services, and to whom the payments have been, or will be, made.

- 12 Does the organization have any arrangement to provide insurance for members, their dependents, or others (including provisions for the payment of sick or death benefits, pensions, or annuities)? Yes No
 If "Yes," describe and explain the arrangement's eligibility rules and attach a sample copy of each plan document and each type of policy issued.

- 13 Is the organization under the supervisory jurisdiction of any public regulatory body, such as a social welfare agency, etc.? Yes No
 If "Yes," submit copies of all administrative opinions or court decisions regarding this supervision, as well as copies of applications or requests for the opinions or decisions.

- 14 Does the organization now lease or does it plan to lease any property? Yes No
 If "Yes," explain in detail. Include the amount of rent, a description of the property, and any relationship between the applicant organization and the other party. Also, attach a copy of any rental or lease agreement. (If the organization is a party, as a lessor, to multiple leases of rental real property under similar lease agreements, please attach a single representative copy of the leases.)

We hope to lease a piece of property for a shooting range.

- 15 Has the organization spent or does it plan to spend any money attempting to influence the selection, nomination, election, or appointment of any person to any Federal, state, or local public office or to an office in a political organization? Yes No
 If "Yes," explain in detail and list the amounts spent or to be spent in each case.

- 16 Does the organization publish pamphlets, brochures, newsletters, journals, or similar printed material? Yes No
 If "Yes," attach a recent copy of each.

Part III. Financial Data (Must be completed by all applicants)

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A. Statement of Revenue and Expenses

	(a) Current Tax Year				3 Prior Tax Years or Proposed Budget for Next 2 Years				(e) Total
	From To	(b)	(c)	(d)					
Revenue									
1	Gross dues and assessments of members								
2	Gross contributions, gifts, etc.								
3	Gross amounts derived from activities related to the organization's exempt purpose (attach schedule) (Include related cost of sales on line 9.)								
4	Gross amounts from unrelated business activities (attach schedule)								
5	Gain from sale of assets, excluding inventory items (attach schedule)								
6	Investment income (see page 3 of the instructions)								
7	Other revenue (attach schedule)								
8	Total revenue (add lines 1 through 7)								
Expenses									
9	Expenses attributable to activities related to the organization's exempt purposes								
10	Expenses attributable to unrelated business activities								
11	Contributions, gifts, grants, and similar amounts paid (attach schedule)								
12	Disbursements to or for the benefit of members (attach schedule)								
13	Compensation of officers, directors, and trustees (attach schedule)								
14	Other salaries and wages								
15	Interest								
16	Occupancy								
17	Depreciation and depletion								
18	Other expenses (attach schedule)								
19	Total expenses (add lines 9 through 18)								
20	Excess of revenue over expenses (line 8 minus line 19)								

B. Balance Sheet (at the end of the period shown)

		Current Tax Year as of	
Assets			
1	Cash	1	
2	Accounts receivable, net	2	
3	Inventories	3	
4	Bonds and notes receivable (attach schedule)	4	
5	Corporate stocks (attach schedule)	5	
6	Mortgage loans (attach schedule)	6	
7	Other investments (attach schedule)	7	
8	Depreciable and depletable assets (attach schedule)	8	
9	Land	9	
10	Other assets (attach schedule)	10	
11	Total assets	11	
Liabilities			
12	Accounts payable	12	
13	Contributions, gifts, grants, etc., payable	13	
14	Mortgages and notes payable (attach schedule)	14	
15	Other liabilities (attach schedule)	15	
16	Total liabilities	16	
Fund Balances or Net Assets			
17	Total fund balances or net assets	17	
18	Total liabilities and fund balances or net assets (add line 16 and line 17)	18	

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation

Schedule B

Organizations Described in Section 501(c)(4) (Civic leagues, social welfare organizations (including posts, councils, etc., of veterans' organizations not qualifying or applying for exemption under section 501(c)(19)) or local associations of employees.)

- 1 Has the Internal Revenue Service previously issued a ruling or determination letter recognizing the applicant organization (or any predecessor organization listed in question 4, Part II of the application) to be exempt under section 501(c)(3) and later revoked that recognition of exemption on the basis that the applicant organization (or its predecessor) was carrying on propoganda or otherwise attempting to influence legislation or on the basis that it engaged in political activity? Yes No

If "Yes," indicate the earliest tax year for which recognition of exemption under section 501(c)(3) was revoked and the IRS district office that issued the revocation.

- 2 Does the organization perform or plan to perform (for members, shareholders, or others) services, such as maintaining the common areas of a condominium; buying food or other items on a cooperative basis; or providing recreational facilities or transportation services, job placement, or other similar undertakings? Yes No

If "Yes," explain the activities in detail, including income realized and expenses incurred. Also, explain in detail the nature of the benefits to the general public from these activities. (If the answer to this question is explained in Part II of the application (pages 2, 3, and 4), enter the page and item number here.)

- 3 If the organization is claiming exemption as a homeowners' association, is access to any property or facilities it owns or maintains restricted in any way? Yes No

If "Yes," explain.

- 4 If the organization is claiming exemption as a local association of employees, state the name and address of each employer whose employees are eligible for membership in the association. If employees of more than one plant or office of the same employer are eligible for membership, give the address of each plant or office.

Date of this notice: 05-28-2013

Employer Identification Number:
46-2857192

Form: SS-4

Number of this notice: CP 575 E

POW SHOOTING CLUB
PO BOX 974
CRAIG, AK 99921

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

Thank you for applying for an Employer Identification Number (EIN). We assigned you EIN 46-2857192. This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it's very important that you use your EIN along with your complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information shown above isn't correct, please send us the correction using the attached tear-off stub.

Annual filing requirements

Most organizations with an EIN have an annual filing requirement, even if they engage in minimal or no activity.

A. If you are tax exempt, you may be required to file one of the following returns or notices:

- Form 990, Return of Organization Exempt From Income Tax
- Form 990-EZ, Short Form Return of Organization Exempt From Income Tax
- Form 990-PF, Return of Private Foundation
- Form 990-N, e-Postcard (available online only)

Additionally, you may be required to file your annual return electronically.

If an organization required to file a Form 990, Form 990-PF, Form 990-EZ, or Form 990-N does not do so for three consecutive years, its tax-exempt status is automatically revoked as of the due date of the third return or notice.

Please refer to www.irs.gov/990filing for the most current information on your filing requirements.

B. If you are not tax-exempt, you may be required to file one of the following returns:

- Form 1120, U.S. Corporation Income Tax Return
- Form 1041, U.S. Income Tax Return for Estates and Trusts
- Form 1065, U.S. Return of Partnership Income

Please refer to Publication 1635, Understanding Your EIN, for more information about which forms you may be required to file.

Proposed Expenses for POWSC 2014

Property Improvement			
Site Improvement			
	Machine Time	40 hours	\$9,000.00
	Operator Time	40 hours	\$1,700.00
	Rock Fill		\$3,300.00
	Lumber for formwork		\$350.00
	Lumber for Rifle Range Cover and benches		\$1,250.00
	Carpenter Time	120 hours	\$3,600.00
	Concrete		\$3,500.00
Range Items	Target Stands		\$1,000.00
	Targets		\$200.00
	PVC Pipe for Target Stands		\$125.00
	Locks		\$65.00
	Gate Installation		\$1,225.00
	Signage		\$750.00
	Purchase of Lockable Steel Container		\$2,200.00
Lease			\$0.00
Liability Insurance			\$572.00
P.O. Box rental			\$58.00
Business Lic.			\$0.00
NRA Safety Officer Training			
Bank Fees			\$126.00
IRS Fees			\$0.00
		Total	\$29,021.00

POWSC Expenses vs. Income						
1/1/2013 through 8/8/2013						
	Description	Memo	Amount			
INCOME						
Income: Donations						
	7/18/2013	Mike Hailey				\$150.00
	7/18/2013	Mike Zellhuber				\$150.00
	7/19/2013	Rick Seal				\$150.00
	4/17/2013	Mike Hailey				\$136.00
		Total				\$586.00
EXPENSES						
Bank Fees & Charges 7/31/2013						
		Service Charge				-\$10.50
Government Expenses: IRS Fees 7/19/2013						
		IRS				-\$400.00
Government Expenses: State Government Fees 5/30/2013						
		AK Dept. Of Commerce				-\$50.00
	7/19/2013	AK Dept. Of Commerce				-\$50.00
Range Expenses: NRA Fees 6/14/2013						
		NRA Clubs And Services				-\$36.00
		Total				-\$546.50
Balance						
						\$39.50

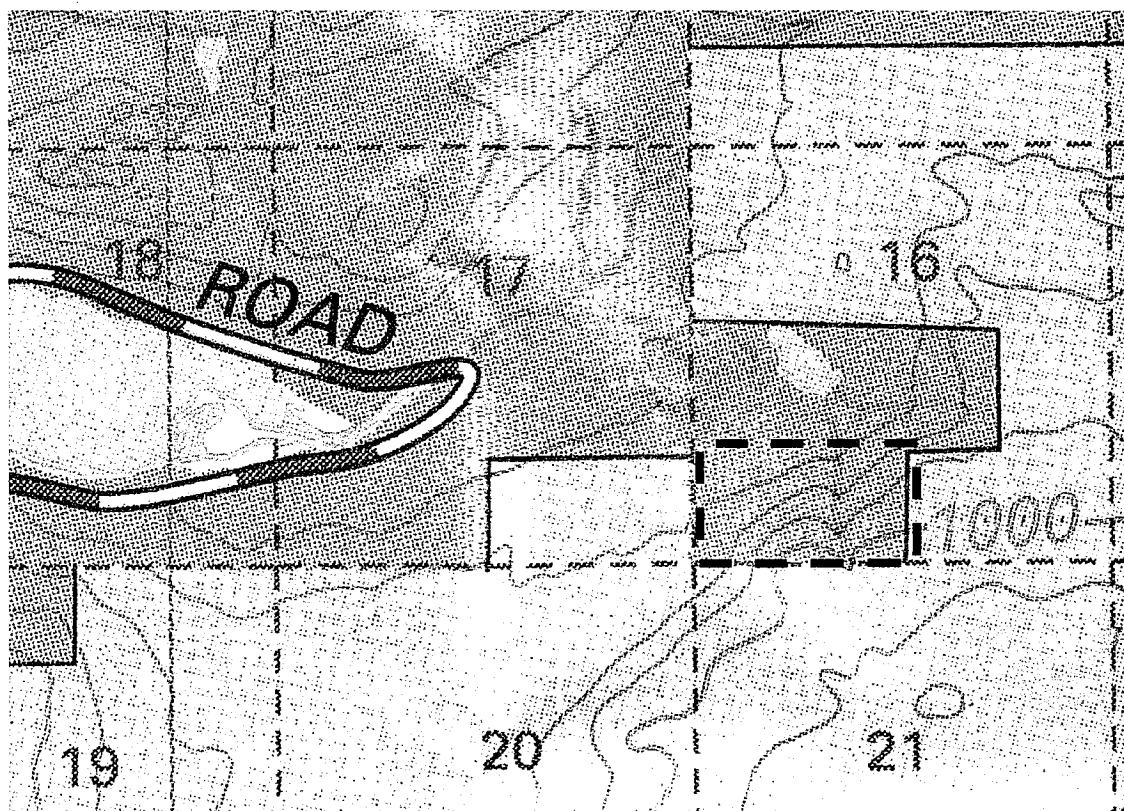
LEASE AGREEMENT

This lease agreement was entered into on 8/13/13 between Prince of Wales Shooting Club, a corporation organized under the laws of the State of Alaska, having its principal place of business at P.O. Box 974, Craig, Alaska, 99921, referred to as "lessee." and Shan Seet Inc., a corporation organized under the laws of the State of Alaska having its principal place of business at P.O. Box 690, Craig, Alaska, 99921, referred to as "lessor,"

SECTION ONE

DESCRIPTION OF PREMISES

Lessor leases to lessee the premises located at Wolf Lake Alaska and described more particularly as follows: The Southwest Corner of Section 16, Prince of Wales Island. This property is located South of the current Wolf Lake Road, and then is bordered on the east, west, and south by USFS property.



SECTION TWO

TERM

The term of this lease agreement is 5 years, beginning on August 15, 2013, and terminating on August 15, 2018.

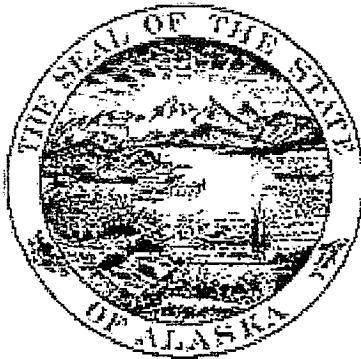
State of Alaska
Department of Commerce, Community and Economic Development
Corporations, Business and Professional Licensing

Certificate of Incorporation

The undersigned, as Commissioner of Commerce, Community and Economic Development of the State of Alaska, hereby certifies that a duly signed and verified filing pursuant to the provisions of Alaska Statutes has been received in this office and has been found to conform to law.

ACCORDINGLY, the undersigned, as Commissioner of Commerce, Community and Economic Development, and by virtue of the authority vested in me by law, hereby issues this certificate to

POW Shooting Club



IN TESTIMONY WHEREOF, I execute the certificate
and affix the Great Seal of the State of Alaska
effective May 28, 2013.

Susan K. Bell
Commissioner

Online Business Licensing

State of Alaska > Commerce > Business Licensing > Online Licensing > Confirmation Page

State of Alaska Department of Commerce, Community and Economic Development Division of Corporations, Business and Professional Licensing

Confirmation

Step 1 - Print and retain this page for your records.

This page may be used as proof of licensure until you receive your business license by mail.

Step 2 - Select the method to receive your license:

Print your license immediately online.

- OR -

Receive your license in the mail (mailed within 2 - 3 business days).

Step 3 - Proceed

[Business License Detail Page for License #992469](#)

Business License #992469 has been issued

Expiration Date: 12/31/2013

Business Name: PRINCE OF WALES SHOOTING CLUB

Line of Business: 71 - Arts, Entertainment and Recreation

Primary NAICS: 713990 - ALL OTHER AMUSEMENT AND RECREATION INDUSTRIES

Professional Lic #: not required

Owner Name: POW SHOOTING CLUB

Entity Number: 10013207

Payment Information

Receipt Number: 10222639

Receipt Date: 7/17/2013

Payor Name: MICHAEL A HAILEY

Payment Amount: \$50

Email Business Licensing

Contact Phone: (907) 465-2550

**BYLAWS OF THE PRINCE OF
WALES SHOOTING CLUB**

ARTICLE I - NAME

The name of this organization is PRINCE OF WALES SHOOTING CLUB.

ARTICLE II - PURPOSE

The object of this organization is the encouragement of organized rifle and pistol shooting among citizens of the United States resident in our community, with a view toward a better knowledge on the part of such citizens of the safe handling and proper care of firearms, as well as improved marksmanship. It is our further object and purpose to forward the development of those characteristics of honesty, good fellowship, self-discipline, team play and self-reliance which are the essentials of good sportsmanship and the foundation of true patriotism.

ARTICLE III - MEMBERSHIP

Any citizen of the United States over 18 years of age may become a member of the organization on payment of the usual annual dues.

ARTICLE IV - DUES

The annual dues of the organization shall be determined by the Executive Committee.

ARTICLE V - NRA AFFILIATION

The organization will maintain its affiliation with the National Rifle Association of America.

ARTICLE VI - MEETINGS

- (a) ANNUAL MEETING.** The annual meeting of the organization will be held not later than the last day of March.
- (b) REGULAR MEETINGS.** The regular business meeting of the organization shall be held in conjunction with the annual meeting.

(c) SPECIAL MEETING. A special meeting of the organization may be held at any time upon call of the President or upon the call of the Executive Committee, or upon demand in writing, stating the object of the proposed meeting, and signed by not less than 20% of the members entitled to vote.

(d) NOTICE OF MEETING. Written or printed notice stating the place, day, and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed not less than ten (10) days nor more than sixty (60) days before the date of the meeting by or at the direction of the President, Secretary, or the officer or other person(s) calling the meeting, to each member entitled to vote at such meeting. Such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his/her address as it appears on the records of the corporation, with postage thereon prepaid.

(e) QUORUM. Seven (7) of the members of the organization entitled to vote shall constitute a quorum at any meeting.

ARTICLE VII - OFFICERS

The officers of the organization shall be a President, Vice-President, Secretary, Treasurer and Executive Officer, who, acting together, constitute the Executive Committee. The President may direct that one person may act as both Secretary and Treasurer and will require a fifth person to sit on the Executive committee without title but with the same voting rights as the other four Executive Committee members. The Executive Committee is elected by a majority vote by ballot at the annual meeting of the organization. Officers hold office for one year or until their successors are elected. A vacancy on the Executive Committee will be filled by the President.

The affairs of the organization are managed by the Executive Committee, who will supervise the activities of the club. Meetings of the Executive Committee may be held at any time on the call of the President, and three (3) officers will constitute a quorum.

ARTICLE VIII - DUTIES OF OFFICERS

(a) PRESIDENT. The President shall preside at all meetings of the organization and of the Executive Committee. The President is a member ex-Officio of all regular and special committees. The President is the Chief Executive Officer of the organization and shall supervise the business affairs of the organization.

(b) VICE-PRESIDENT. The Vice-President shall perform the duties of the President upon the absence or request of the President.

(c) SECRETARY. The Secretary shall conduct all official correspondence pertaining to the organization. The Secretary shall notify the members of the Executive Committee of all meetings and shall notify all members of special and annual meetings, as required in ARTICLE VI. The Secretary shall keep a true record of all meetings of the Executive Committee and of the organization and have the custody of the books and papers of the club. All applications for membership in the club shall be made to the Secretary. The Secretary shall be responsible for the collection of all fees and dues and shall remit the same to the Treasurer, taking his proper receipt therefor.

(d) TREASURER. The Treasurer has charge of all funds of the organization and shall place the same in such bank or banks as may be approved by the Executive Committee. Such money may be withdrawn by check signed by the Treasurer or other member of the Executive Committee for the payment of bills that have been approved by the President or the Executive Committee, except that the treasurer may draw checks for national affiliation fees. The Treasurer shall keep an accurate account of all transactions and render a detailed report with vouchers at any meeting of the Executive Committee when requested and an annual report to the organization at its annual meeting.

(e) EXECUTIVE OFFICER. The Executive officer has charge of the ranges of the club, the printing of scorecards, the arranging of competitions, etc. The Executive Officer may not contract debts without the authorization of the President or the Executive Committee.

ARTICLE IX - EXPULSION OF MEMBERS

Any member whose conduct shall be decided, by majority vote of the Executive Committee, to have been injurious to the interest or welfare of the club shall forfeit membership and rights, but such vote shall not be taken without giving the offender two weeks notice of the charges and affording the member an opportunity to be heard. The member may appeal from a decision of the Executive Committee to the club at a special meeting called for that purpose, but it shall require a two-thirds vote of those present to reverse the committee's decision.

ARTICLE X - MATCH RULES

All competitions held by the club will be governed by procedures approved by the Executive Committee.

ARTICLE XI - AMENDMENTS

These by-laws may be altered, amended or repealed by the membership at the annual

meeting or any special meeting of the organization called by the Executive Committee. An amendment proposed by the Executive Committee will be voted on at a meeting noticed to the memberships under Article VI. Any amendment to these by-laws must be submitted to the National Rifle Association for its records.

ARTICLE XII - DISSOLUTION

Upon any dissolution of this corporation under the laws of the State of Alaska, all liabilities and obligations of the corporation shall be paid or provided for out of current and accumulated net income, if any, and then out of other assets of the corporation. Any current or accumulated net income remaining after payment of creditors shall be distributed to any organization(s) selected by the board of Directors which are qualified as exempt under Sec. 501 of the United States' Internal Revenue Code and regulations thereunder, as now exist or as may be hereafter amended. Any other remaining assets shall be distributed in a fair and equitable manner designed to advance the purposes for which this corporation was formed, as determined by the Board of Directors in their sole discretion. In no case shall any current or accumulated net income be distributed among natural persons who are members of the corporation, its officers, or directors.



News in Brief

"The Alaska Miner" welcomes information for inclusion in **News in Brief**.

Send news items to: *Alaska Miner*, 3305 Arctic Blvd., #105, Anchorage, Alaska 99503. **The DEADLINE for news items is the 5th day of the month.**

Bokan Mountain – Dotson Ridge Deposit – Ucore Rare Metals Inc. ("Ucore") reports the completion of further bulk scale ore beneficiation testing on material from the Bokan Mountain – Dotson Ridge rare earth deposit on Prince of Wales Island. A 20 tonne sample, collected from three locations within the Dotson Ridge deposit, was sent to TOMRA (formerly Commodas Ultrasort) of Wedel, Germany. The sample was processed by a large-scale x-ray transmission (XRT) ore sorter. Results show that 52% of the feed was rejected as waste, with a 96.3% recovery of rare earth oxides (REO), and a net increase in grade from a 0.77 wt. % REO feed to a 1.56 wt. % output. The current testing improves upon the results of previous ore sorting analysis on bulk samples of lesser size. In an announcement dated March 6, 2012, Ucore released the results of XRT sorting on three one-tonne samples collected from the trenches situated at separate locations within Dotson Ridge deposit. The 2012 work, also done by TOMRA, resulted in 46% rejection and 93% recovery of REO. These tests confirm the effectiveness of XRT at successively larger ore throughput volumes. The results also support Ucore's plan to construct a significantly smaller mill facility than would otherwise be required in the absence of an XRT sorting circuit at Bokan. The reduction in mill size will have a significant effect on the lowering of capital and operating costs associated with the mill facility, as set out in the Preliminary Economic Assessment

(PEA) on January 13, 2013. At present, a 30 tonne bulk sample collected from Dotson Ridge in December 2012 is being prepared for XRT sorting. The output of that sorting process, scheduled to take place within the next four weeks, will generate the final feed stock required by Ucore to conduct a comprehensive pilot plant for the Bokan – Dotson Ridge project. (Company press release, 6/25/13)

Nixon Fork – Fire River Gold Corp. reports that they have commenced the process of placing its Nixon Fork gold mine on care and maintenance. A core team will remain at the mine site to maintain the infrastructure. The Company is taking this action until a revised operating plan has been developed and market conditions improve. In the interim, the Board will run a strategic process and consider and evaluate all options with respect to the Nixon Fork property. (Company press release, 6/28/13)

Upper Kobuk Minerals Project – NovaCopper Inc. reports that it opened its 2013 UKMP Projects exploration field season on May 1st and operated all four diamond core drills throughout the month. The 2013 exploration program is focused on the Ruby Creek and South Reef zones of the Bornite Project and is aimed at expanding resources identified in the 2013 Bornite technical report released in February 2013. As of June 30, 2013, 6,441 meters of drilling has been completed representing approximately 86% of the planned 7,500-meter drill program. Drill results will be released in the fall. NovaCopper is also continuing to work on a new preliminary economic assessment study for an open pit scenario at the Arctic Deposit, which they expect to have completed during the summer of 2013. They are also continuing to

focus efforts on community relations and workforce development strategies, working closely with NANA on these efforts. On April 30, 2013, NovaCopper announced it had signed a Memorandum of Understanding with the Alaska Industrial Development Export Authority (AIDEA) to investigate the viability of permitting and constructing an industrial access road to the Ambler mining district and the UKMP Projects. (Company press release, 7/09/13)

Pyramid Deposit – Full Metal Minerals Ltd. ("Full Metal") has announced the Company has received and filed on SEDAR the independent NI 43-101

Continued on page 6

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WFS

Scott + The Craig Waverunner Swim Club
Nashold

Thank you for your generous donation, participation, and support of our swimmers!

Ashley

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MICAL
ELI
Eliana
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Madison
STUMPF
Rogan
Hanson
Mary the Wise and Bold
(MTHWB)

CITY OF CRAIG, ALASKA

SALES TAX HISTORY

DATE COLLECTED THROUGH	<u>09-30</u>	<u>12-31</u>	<u>03-31</u>	<u>06-30</u>	<u>TOTAL TAX COLLECTED</u>	
FY 2013						
SALES TAX	\$ 528,804.63	\$ 289,545.76	\$ 262,627.20	\$ 392,361.07	\$ 1,473,338.66	
DELINQUENT SALES TAX	\$ 22,182.35	\$ 3,225.00	\$ 5,190.70	\$ 5,905.60	\$ 36,503.65	
LIQUOR SALES TAX	\$ 38,474.00	\$ 26,715.00	\$ 21,738.26	\$ 31,121.67	\$ 118,048.93	
TOTAL	\$ 589,460.98	\$ 319,485.76	\$ 289,556.16	\$ 429,388.34	\$ 1,627,891.24	
FY 2012						
SALES TAX	\$ 565,475.51	\$ 315,069.55	\$ 255,615.23	\$ 344,938.52	\$ 1,481,098.81	
DELINQUENT SALES TAX	\$ 1,654.39	\$ 1,830.76	\$ 5,445.93	\$ 11,325.32	\$ 20,256.40	
LIQUOR SALES TAX	\$ 39,469.30	\$ 26,968.16	\$ 16,284.35	\$ 28,221.68	\$ 110,943.49	
TOTAL	\$ 606,599.20	\$ 343,868.47	\$ 277,345.51	\$ 384,485.52	\$ 1,612,298.70	
FY 2011						
SALES TAX	\$ 498,795.90	\$ 286,587.05	\$ 261,977.54	\$ 365,012.53	\$ 1,412,373.02	
DELINQUENT SALES TAX	\$ 673.25	\$ 416.01	\$ 3,120.09	\$ 22,094.69	\$ 26,304.04	
LIQUOR SALES TAX	\$ 39,293.91	\$ 26,861.08	\$ 20,837.61	\$ 28,844.89	\$ 115,837.49	
TOTAL	\$ 538,763.06	\$ 313,864.14	\$ 285,935.24	\$ 415,952.11	\$ 1,554,514.55	
FY 2010						
SALES TAX	\$ 487,345.50	\$ 282,245.01	\$ 219,584.80	\$ 338,148.53	\$ 1,327,323.84	
DELINQUENT SALES TAX	\$ 3,847.15	\$ 4,021.68	\$ 790.58	\$ 8,614.13	\$ 17,273.54	
LIQUOR SALES TAX	\$ 41,266.89	\$ 26,361.22	\$ 21,386.92	\$ 30,410.95	\$ 119,425.98	
TOTAL	\$ 532,459.54	\$ 312,627.91	\$ 241,762.30	\$ 377,173.61	\$ 1,464,023.36	
FY 2009						
SALES TAX	\$ 567,263.25	\$ 302,248.23	\$ 234,614.94	\$ 344,095.79	\$ 1,448,222.21	
DELINQUENT SALES TAX	\$ 1,708.93	\$ 890.24	\$ 974.49	\$ 349.06	\$ 3,922.72	
LIQUOR SALES TAX	\$ 38,804.23	\$ 16,659.78	\$ 19,801.91	\$ 30,125.26	\$ 105,391.18	
TOTAL	\$ 607,776.41	\$ 319,798.25	\$ 255,391.34	\$ 374,570.11	\$ 1,557,536.11	
FY 2008						
SALES TAX	\$ 505,034.12	\$ 287,806.87	\$ 276,838.85	\$ 424,532.48	\$ 1,494,212.32	
DELINQUENT SALES TAX	\$ 2,849.97	\$ 6,698.39	\$ 3,179.42	\$ 2,667.93	\$ 15,395.71	
LIQUOR SALES TAX	\$ 34,685.39	\$ 20,652.38	\$ 16,414.22	\$ 28,400.56	\$ 100,152.55	
TOTAL	\$ 542,569.48	\$ 315,157.64	\$ 296,432.49	\$ 455,600.97	\$ 1,609,760.58	
FY 2007						
SALES TAX	\$ 473,422.89	\$ 286,758.32	\$ 223,479.08	\$ 339,000.23	\$ 1,322,660.52	
DELINQUENT SALES TAX	\$ 16,891.89	\$ 5,878.90	\$ 2,207.46	\$ 2,425.30	\$ 27,403.55	
LIQUOR SALES TAX	\$ 33,966.33	\$ 22,541.63	\$ 15,889.50	\$ 22,907.97	\$ 95,305.43	
TOTAL	\$ 524,281.11	\$ 315,178.85	\$ 241,576.04	\$ 364,333.50	\$ 1,445,369.50	-1.32%
FY 2006						
SALES TAX	\$ 469,002.46	\$ 277,578.91	\$ 228,904.34	\$ 334,626.18	\$ 1,310,111.89	
DELINQUENT SALES TAX	\$ 7,966.38	\$ 27,943.81	\$ 9,741.03	\$ 14,541.15	\$ 60,192.37	
LIQUOR SALES TAX	\$ 32,604.57	\$ 21,188.71	\$ 15,802.81	\$ 24,824.93	\$ 94,421.02	
TOTAL	\$ 509,573.41	\$ 326,711.43	\$ 254,448.18	\$ 373,992.26	\$ 1,464,725.28	3.62%

	Retail Sales Tax	Utility Sales Tax	AR Sales Tax	Invoiced Del	Total	
FY 2008						
July - Sept 07	490,967.28	8,730.58	5,336.26	2,849.97	507,884.09	
Oct - Dec 07	279,170.49	7,274.29	1,362.09	6,698.39	294,505.26	
Jan - Mar 08	268,815.84	7,153.32	869.69	3,179.42	280,018.27	
Apr - June 08	415,271.63	7,424.94	1,835.91	2,667.93	427,200.41	1,509,608.03
FY 2009						
July - Sept 08	549,277.91	8,753.91	9,231.43	1,708.93	568,972.18	
Oct - Dec 08	292,915.92	7,727.14	1,605.17	0.00	302,248.23	
Jan - Mar 09	224,162.79	7,942.39	2,509.76	0.00	234,614.94	
Apr - June 09	333,659.42	7,570.77	2,865.61	349.06	344,444.86	1,450,280.21
FY 2010						
July - Sept 09	474,164.61	9,208.31	4,357.43	3,541.00	491,271.35	
Oct - Dec 09	283,990.07	7,600.86	4,778.16		296,369.09	
Jan - Mar 10	235,638.48	7,636.44	1,038.76		244,313.68	
Apr - June 10	338,919.26	7,783.86	2,740.36		349,443.48	1,381,397.60
FY 2011						
July - Sept 10	498,632.79	9,693.85	3,291.96	198.00	511,816.60	
Oct - Dec 10	287,571.61	8,305.01	5,028.31		300,904.93	
Jan - Mar 11	261,977.54	8,492.69	4,887.35	1,384.10	276,741.68	
Apr - June 11	362,874.99	8,444.59	1,826.68		373,146.26	1,462,609.47
FY 2012						
July - Sept 11	567,129.90	9,735.17	3,994.06		580,859.13	
Oct - Dec 11	316,900.31	8,171.38	4,988.85		330,060.54	
Jan - Mar 12	261,061.16	7,890.75	9,248.39		278,200.30	
Apr - June 12	356,263.84	8,089.03	6,199.48		370,552.35	1,559,672.32
		33,886.33				
FY 2013						
July - Sept 12	550,986.98	9,355.74	7,982.12		568,324.84	
Oct - Dec 12	292,770.76	7,875.41	12,385.43		313,031.60	
Jan - Mar 13	267,817.90	8,131.47	3,670.51		279,619.88	
Apr - June 13	398,266.67	8,289.10	7,651.76		414,207.53	1,575,183.85

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: August 30, 2013
RE: Resolution 13-15

Attached you will find Resolution 13-15. The resolution sets rates at the Craig Harbor Department.

Missing from the attachment to the resolution are a two items.

1. Rate/policy regarding smaller vessels tied to larger vessels. In the past the practice in the harbor has been to allow a larger vessel paying moorage to tie off a smaller vessel, typically a skiff, without an additional charge. However this practice has never been formalized into the department's rate structure. The Craig Harbor Advisory Committee recommended assessing a per foot fee for the smaller vessels.
2. Allocation of a boat launch permit to holders of permanent moorage. There is some thought that holders of permanent moorage should also receive a boat launch ramp permit with that moorage payment. To properly implement this practice the council should amend the rate schedule to include this benefit.

Recommendation

That the council adopt Resolution 13-15, after setting rates for the two items noted above.

**CITY OF CRAIG
RESOLUTION 13-15**

AMENDING HARBOR RATES

WHEREAS, the City of Craig owns, operates, and maintains various harbor facilities and equipment; and

WHEREAS, the Harbor Department is an Enterprise Fund department within the City of Craig, and must raise revenues to cover its operational costs; and

WHEREAS, Harbor Department rates are set by the Craig City Council; and,

WHEREAS, the Craig Harbor Advisory Committee has considered and passed a motion in support of the proposed rate changes.

THEREFORE BE IT RESOLVED THAT the City of Craig council approves the harbor service rates as shown in Attachment A to this resolution, effective August 1, 2013.

APPROVED _____

MAYOR DENNIS WATSON

ATTEST _____
KASSI KNOCK, CITY CLERK

City of Craig Harbor Use Fee Schedule

Attachment A

Resolution 13-15
September 5, 2013

Boat Trailer Rental	1st Day	\$50.00
Boat Trailer Rental	2nd & thereafter	\$25.00
Grid Use	per day	\$15.00
Pressure Washer - Gas (Rental Only)	per day	\$75.00
Pressure Washer - Gas	per hour	\$35.00
Pressure Washer - Electric	per hour	\$30.00
Vessel Assist by harbor crew	per hour	\$100.00
Wash Down		\$10.00
Tarp Sale		\$95.00
Boat Yard Cleanup	per hour	\$50.00
Pump Out Boat w Manpower	per hour	\$75.00
Pump Rental	per Day	\$35.00
Outside Storage	per month	\$25.00
Container Rental	per month	\$50.00
Freezer Van Rental -35' included electricity	per month	\$35.00
Regular Van - 25'	per month	\$25.00
Boat and trailer storage - up to 25'	per month	\$10.00
Boat and trailer storage - 25' and up'	per month	\$20.00
Annual boat launch ramp permit	Per year	\$25.00
Boat launch ramp use fee	Per launch	\$5.00
Haul out	per foot	\$10.00
One Night Storage on Boat Haul out Trailer		\$35.00
Boat Storage up to 56 days	per foot per day	\$0.18
Boat Storage after 56 days	per foot per day	\$0.29
Boat Storage after one year	per foot per day	\$0.58
Freezer Storage at Ice House	per week	\$10.00
Freezer Storage at Ice House	per month	\$30.00
Freezer Storage at Ice House	per six month	\$120.00
Crane Usage	per 1/2 hour	\$15.00
Crane Usage	per hour	\$30.00
Wharfage Fee to off load product		
First 20,000 lbs.	0.005	\$100.00
2nd 20,000	0.0025	\$50.00
Over 40,000 lbs.	0.001925	\$77.00
Ice Sales	Per Resolution 04-10	
Live-aboard fee	per month	\$50.00
Daily transient moorage rates per Boat length	per foot	\$0.50
One Month Rate	per foot	\$4.00
Three Month Rate	per foot	\$7.60
Six Month Rate	per foot	\$10.50
One Year Rate	per foot	\$15.75
One Year Permanent Rate	per foot	\$15.75

Harbor Use Fee Schedule

Resolution 13-15

September 5, 2013

Transient Electrical Power

20 amp 120v	1st 15 days of the month	\$5.00
20 amp 120v	2nd 15 days of month	\$3.00
30 amp 120v	1st 15 days of the month	\$8.00
30 amp 120v	2nd 15 days of month	\$5.00
50 amp single phase	1st 15 days of the month	\$10.00
50 amp single phase	2nd 15 days of month	\$7.00
50 amp 3 phase		\$30.00
100 amp 3 phase		\$50.00

**CITY OF CRAIG
MEMORANDUM**

To: Mayor and City Council
From: Brian Templin, City Planner
Date: August 29, 2013
RE: Resolution 13-17 – Resolution of Support for an Application for Funding for a Biomass Boiler at the Craig High School

The Craig City School District and city staff are currently working on a grant application to the Alaska Energy Authority under the Alaska Renewable Energy Grant Program. This grant will fund construction, purchase and installation of a biomass (wood chip) boiler installation at the Craig High School.

If approved for funding this project will save the district \$55,000 - \$60,000 per year in heating costs for the high school. A feasibility report was prepared for the school district by Robert Deering, Biomass Program Manager for the USDA Forest Service, Tongass National Forest. The feasibility report shows that this would be a highly beneficial project and should be competitive for this grant program.

The attached resolution supports the application.

Recommendation: Approve Resolution 13-17.

**CITY OF CRAIG
RESOLUTION 13-17**

**SUPPORTING AN APPLICATION TO THE ALASKA ENERGY AUTHORITY FOR
FUNDING FOR A BIOMASS BOILER SYSTEM FOR THE CRAIG HIGH SCHOOL
UNDER THE ALASKA RENEWABLE ENERGY PROGRAM**

WHEREAS, the Craig City School District is a municipal school district organized under Alaska Statute to serve the students of the City of Craig; and

WHEREAS, the Craig City School District operates the 52,200 square foot Craig High School and currently heats that facility using expensive diesel fuel; and

WHEREAS, the Craig City School District currently operates a biomass boiler system to heat the Craig Elementary and Craig Middle Schools; and

WHEREAS, the City of Craig is in an area with high fuel costs and an abundance of woody biomass; and

WHEREAS, the City of Craig operates a biomass fueled boiler and has an established contract with Viking Lumber to provide biomass fuel; and

WHEREAS, a biomass fueled boiler will result in significant cost savings to the Craig City School District and support the goal of renewable energy; and

WHEREAS, this project is eligible for funding under the Alaska Renewable Energy Program as administered by the Alaska Energy Authority.

NOW THEREFORE, BE IT RESOLVED, the City of Craig hereby supports an application for funding for a biomass fueled boiler system to be installed at the Craig High School using funds from the Alaska Renewable Energy Fund.

APPROVED _____, 2013.

Dennis Watson, Mayor

ATTEST _____
Kassi Knock, City Clerk

CITY OF CRAIG MEMORANDUM

To: Mayor and City Council
From: Brian Templin, City Planner
Date: August 29, 2013
RE: Use of Endowment Funds to Complete Development of Tanner Crab Court and Salmonberry Subdivision Land Sale

As the council is aware we are currently working to develop road and utilities for lots at Tanner Crab Court and Salmonberry Subdivision for a land sale this winter. When bids were received for the road and utility work it was determined that there were insufficient funds available in the city's land development fund to complete the project by contract. As a cost saving measure it was determined that public works could do some of the work at Salmonberry Subdivision to complete the project.

At a recent council meeting a council member stated that it would be better to draw sufficient funds from the city's endowment fund to complete the development and then reimburse the endowment with proceeds from the land sale. In order to complete utilities and road (by using the current contractor), appraisal and installation of electric/phone will require an estimated additional \$165,000 - \$200,000.

This land sale will result in a total of 13 city lots being sold. Proceeds from the land sale would first be used to reimburse the city's endowment fund for the full amount withdrawn for the project and the remainder of the sale proceeds would be placed back into the land development fund. Any funds remaining at the conclusion of the development project will be immediately returned to the endowment fund. Rough estimates of the sale value are between \$600,000 - \$750,000 depending on the final appraised value and the actual sale values of the lots. After the endowment fund is reimbursed out of the land sales an additional \$400,000 - \$550,000 should be returned to the land development fund – depending on final sale values.

Completion of this project will allow the city to proceed with the development and resulting sale prior to winter which would allow prospective buyers to begin construction in the spring of 2014. This will result in additional property tax values, additional local housing. Staff will continue to work on the format of the land sale and will present a proposal at a future council meeting.

Due to restrictions on the use of the city's endowment funds it takes a full council vote to make funds available for other uses.

Recommendation: Move to allocate \$200,000 from the city's endowment fund to the land development fund for use to complete the Tanner Crab Court and Salmonberry Subdivision improvements and land sale. Proceeds from the land sale will be returned to the endowment fund to reimburse all funds borrowed from the fund and the remainder of the proceeds will be placed in the city's land development fund.

CITY OF CRAIG MEMORANDUM

To: Mayor and City Council
From: Brian Templin, City Planner
Date: August 29, 2013
RE: Craig Firehall Replacement Design

As the council is aware the city received a legislative grant for \$100,000 for design and engineering of a new firehall in Craig. The only expenses against the grant to date are the costs of advertising the request for proposals in the Anchorage, Juneau and Ketchikan newspapers. The new firehall would replace the existing one and would accommodate all fire and EMS vehicles and apparatus. A committee consisting of the Craig Police Chief, Craig Volunteer Fire Chief, EMS Coordinator, EMS Squad Captain and City Planner convened to draft a concept and evaluate potential locations. After a number of meetings by the committee and public hearing with the planning commission the old COHO site (Tract P, USS 2327) was selected as the site of the new firehall.

A request for proposals was advertised in July and August with proposals due to the city on August 20, 2013. The city received two proposals – Jensen Yorba Lott from Juneau and Welsh Whitely Inc. from Ketchikan. Both proposals were received on time and were complete. The estimated budget for both proposals exceeds what the city currently has funded for the project.

Both proposers are scheduled to present their proposals and answer questions to the committee on August 30, 2013. The committee members present will stay after the presentations and score the proposals to select a firm. One of the questions to the proposers will be for ways to consider reducing the cost of the work to meet the current funding.

A memo will be sent to council members after a proposer is selected with a recommendation for approval at the council meeting on September 5th. The memo will include a recommendation to negotiate a scope of work and budget not to exceed the available funding.

**CITY OF CRAIG
MEMORANDUM**

To: Mayor and Craig City Council
From: Brian Templin, City Planner
Date: September 3, 2013
RE: Firehall Design RFP

A memo was included in the packets that were sent out last week regarding the Firehall Design. Staff met with representatives from both design firms that submitted proposals to hear presentations and ask questions. After the presentations were complete staff scored the proposals and determined Jensen Yorba Lott (JYL) as the successful proposer.

JYL's estimated budget for work was \$133,500. The city has approximately \$90,000-\$95,000 in grant funds to complete the work. I will be talking to JYL this week about ideas to get a complete design within the available city funds and pending approval by the council to negotiate a contract with JYL we will negotiate a final budget that meets the city's needs.

If we are not able to negotiate an agreeable scope of work and contract with JYL then we will consider the second proposer, Welsh-Whitely Inc. and attempt to negotiate an agreeable scope of work within the budgeted amount.

If an agreement cannot be reached with either firm then we will reconsider our scope of work and re-advertise the project.

Recommendation: Approve, by motion, for staff to negotiate a contract with Jensen Yorba Lott to provide design and engineering services for the new Craig firehall. If an agreement with Jensen Yorba Lot cannot be reached then staff may negotiate with Welsh-Whitely to complete the work. Contract amount not to exceed \$90,000.

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: August 30, 2013
RE: Southeast State Forest Proposal

Attached is a draft letter to the Alaska Congressional Delegation supporting establishment of a two million acre State Forest in Southeast Alaska, made up from lands now part of the Tongass National Forest.

Governor Parnell initiated action on this topic recently after publication of the report from his Timber Task Force. In short, the proposal is that the US Government transfer ownership of two million acres of the Tongass National Forest to the State of Alaska. Alaska would then presumably manage some or all of the acreage for sustainable production of timber to supply area sawmills.

The proposed transfer requires Congressional approval by legislation and the letter asks the Alaska delegation to begin the legislative process.

This item is on the council's agenda to solicit council member comments on the City of Craig sending a similar letter to the Alaska delegation supporting the governor's effort. Please take some time to read the letter and provide comments during this agenda item at the September 5 meeting.

Congressman Don Young
211 Rayburn Building
Washington, DC 20515

Senator Lisa Murkowski
709 Hart Building
Washington, DC 20510

Senator Mark Begich
825C Hart Building
Washington, DC 20510

Dear (Congressman Don Young, Senator Murkowski, Senator Begich – a separate letter to each)

Our communities, our State and our timber industry have all been working tirelessly since the early 1990s to restore an adequate supply of timber in Southeast Alaska.

The federal government manages about 95% of the land in Southeast Alaska, so that is where the bulk of our timber supply must come from. In our efforts to secure a timber supply we have participated in several Tongass Land Management Plan revisions, amendments and reviews and many of us tried for six year, to collaborate with the Forest Service and a large group of environmental organizations. Notwithstanding this decades long effort, the timber supply from the Tongass has remained at about 10% of the pre-1990 level and we have lost all but one mid-size mill.

The State of Alaska has two small State Forests in the region which together comprise only 2% of the land in Southeast and that 2% was restricted by the Statehood Act to community development lands, not commercial timberlands. Yet the State has managed these two forests well to provide interim timber to help keep our mill alive. But the current State Forests are just not enough to replace the federal timber we have lost.

We support Governor Parnell's effort to acquire two million acres of the Tongass for the creation of a State Forest in the region that will provide the timber our communities need on a sustainable basis.

Please help us in this endeavor by enacting legislation that will transfer two million acres of Tongass timberland to the State. This transfer can occur without impacting congressionally designated wilderness, monuments and LUD-2 lands and it will affect less than 12% of the Tongass National Forest.

Sincerely

CC Governor Parnell

August 10, 2013
To: Mayor and City Council
From: Kassi Knock, City Clerk
Re: Election Staff

I am submitting the following people to be appointed as election workers for the 2013 Municipal and REAA Elections:

Primary:

Karen Coffey
Carolyn Gardner
Sarah Altland

Alternates:

Judy O'Conner
Kassi Knock

Recommendation: Vote to appoint K. Coffey, C. Gardner, S. Altland and alternates Judy O'Conner and Kassi Knock as 2013 election judges for the City of Craig

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: August 30, 2013
RE: Herbicide and Pesticide Use on State Highways

Attached are several documents, including correspondence and legislation, regarding the Alaska Department of Transportation and Public Facilities use of pesticides and herbicides along highways in Alaska, particularly Southeast Alaska. Mayor Watson asked for this item to be placed on the agenda for council discussion as to the City of Craig supporting the positions of the Petersburg Borough, Skagway Borough, and Haines Borough, all of which oppose the use of plant and pest control sprays along state-owned and operated highways.

Those communities' objections center around the potential impact of the use of herbicides and pesticides on water quality. The communities also want to ensure that they are notified prior to the application of the herbicides and pesticides on state roads within their boundaries. The Department of Transportation favors the use of the herbicides and pesticides as a cost effective method of controlling brush along the miles of highway for which it has maintenance responsibility.

Please review the attached documentation in preparation for a council discussion on the city taking a formal position on the use of herbicides and pesticides along state highways in Craig and on Prince of Wales Island.

HOUSE BILL NO. 201

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-EIGHTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES GARA, Kerttula, Tarr

Introduced: 4/8/13

Referred: House Special Committee on Fisheries, Resources

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the application of non-aerial pesticides and broadcast chemicals**
2 **near fish habitat or water for human consumption, and in public places."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1.** AS 46.03.320(c) is amended to read:

5 (c) A person may not apply a pesticide or broadcast chemical in a public place
6 unless licensed by the department or otherwise authorized under a regulation of the
7 department. The department shall by regulation provide for reasonable public
8 notification **and time for public comment**, including written notice posted on the
9 application site, when pesticides and broadcast chemicals are applied in a public place.

10 In this subsection, "public place" means

11 (1) common areas of an apartment building or other multi-family
12 dwelling;

13 (2) that portion of a government office or facility to which access is
14 not ordinarily restricted to employees; [AND]

1 (3) plazas, parks, and public sports fields; and

2 (4) transportation rights-of-way.

3 * **Sec. 2.** AS 46.03.320 is amended by adding new subsections to read:

4 (e) A non-aerial pesticide or broadcast chemical may not be applied by a
5 public agency under the jurisdiction of the state or used in a state project or program
6 within 150 feet of anadromous or resident fish habitat or within 600 feet of a public or
7 private water source that may be used for human consumption unless licensed by the
8 department under this subsection. The department may not license the use of a non-
9 aerial pesticide or broadcast chemical within 150 feet of anadromous or resident fish
10 habitat or within 600 feet of a public or private water source that may be used for
11 human consumption unless the public is provided with an opportunity for public
12 comment and unless reasonable public notice is given, including written notice posted
13 at the application site, including points of public access, for at least 30 days prior to
14 the commencement of the spray operation, and the department finds that the pesticide
15 or broadcast chemical use will not harm anadromous or resident fish or an anadromous
16 or resident fish habitat and will not harm a public or private water source that may be
17 used for human consumption. The required period for public notice or public hearing
18 may be shortened if the department determines that there is an imminent danger to
19 public health or an emergency that threatens a natural resource of the state that could
20 be prevented or mitigated by the prompt application of a pesticide or broadcast
21 chemical.

22 (f) A non-aerial pesticide or broadcast chemical may not be applied in a public
23 place without posting a written notice at the application site. The notice must be
24 conspicuously posted at each point of customary access to each public place or each
25 portion of each public place and must be at least 8 1/2 by 11 inches and be reasonably
26 designed to remain legible for the longer of 24 hours after the application or the time
27 when entering the application area is safe according to the product label. In this
28 subsection, "public place" means

29 (1) common areas of an apartment building or other multi-family
30 dwelling;

31 (2) that portion of a government office or facility to which access is

- 1 not ordinarily restricted to employees;
- 2 (3) plazas, parks, and public sports fields; and
- 3 (4) transportation rights-of-way.

ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA

Rebecca Colvin
Solid Waste and Pesticide Program
Division of Environmental Health
Department of Environmental Conservation
555 Cordova St.
Anchorage, AK 99501

July 16, 2012

Re: Supplemental Comment On Pesticide Regulations: Combatting Invasive Species

Dear Ms. Colvin:

I forgot to include this in my prior correspondence on the proposed pesticide application changes. The Department already possesses emergency powers to waive public comment when an emergency exists, including one of an environmental nature. That seems to cover cases where there is an immediate need to combat invasive plant species, which has been the case in the past. If you feel that regulation needs to be broadened, then you should do so for invasive species issues – though it could likely be done with an abbreviated public comment period, and an abbreviated period allowing for quick action afterwards, and I'd ask that you look for ways to allow public comment if possible even in those situations.

But the regulations as proposed are far too broad. They allow, when there is no emergency, a ban on public comments in many unjustified circumstances, such as:

- Spraying on stream banks, that can then leach toxins into fishing streams and lakes
- Spraying uphill of groundwater and residential or other water well supplies
- Spraying in areas the state doesn't realize children frequent, even if it is just children of one or a few families.

Generally, broad restrictions on the public's right to have input into government decisions are a bad idea. As written the current regulations are too broad, and too stifling of public comment.

Thank you for considering this additional comment.

Sincerely,

A handwritten signature in black ink, appearing to read "Les Gara".

Representative Les Gara

ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA

Rebecca Colvin
Solid Waste and Pesticide Program
Division of Environmental Health
Department of Environmental Conservation
555 Cordova St.
Anchorage, AK 99501
Rebecca.colvin@alaska.gov

July 14, 2012

RE: changes to state pesticide permitting regulations, and extension of comment period

Dear Ms. Colvin:

I am writing to express grave concerns about the Alaska Department of Environmental Conservation's (ADEC) proposal to amend the regulations under Title 18, Chapter 90 of the Alaska Administrative Code related to the use of pesticides. As the representative of many constituents who regularly use state lands and Alaska's waterways, as well as being an avid fisherman myself who enjoys Alaska's natural resources, I am very concerned about the potential impacts of the proposed regulation changes.

A primary area of concern is ADEC's proposal to remove the requirement for public participation for spraying that is not aerial-based, directly on water, or on private land. Currently, the public is invited to comment on individual permits. This leaves Alaskans without a voice on pesticide use that can endanger children, kill fish, and otherwise harm the public and our resources.

If the proposed regulations are enacted as proposed, there would be no requirement for public participation in the decision of whether or not to use pesticides because individual permits would no longer be required (with the above exceptions), and there would be no public hearing or opportunity to submit comments or appeal decisions. The public would only be *informed* of decisions to spray, without having had any opportunity to comment. But for the above exceptions, there would not even be a requirement that written notice be posted at the application site.

ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA

I believe Alaskans should have a right to comment on important state issues. Elimination of a public commenting process by a state agency is always cause for concern, and when the public process pertains to human health and safety, the action is particularly disconcerting. Without a requirement for individual permits, there would be no requirement for applicator agencies to submit applications, and as a result, no requirement for ADEC to accept public comment, evaluate, establish mitigating measures, or authorize, by permit or otherwise, specific spraying proposals. As a result there would be no opportunity for the public to inform ADEC or an applicator agency of places used by the public that should fall within no-spray zones.

While the development of an Integrated Pest Management plan (IPM) would seem to alleviate the need for the application, award, and notification of individual permits, the IPM itself would not even be subject to a public process. The IPM would contain several useful items, including preventive methods used, monitoring of the presence of pests, thresholds for allowable pest presence, etc., but the public would have no input as to whether waterways and right-of-ways that they access would be sprayed, and if sprayed, what kind of chemicals would be used. And, while the applicator agency would be required to post the IPM on "the department's" website, ADEC is not required to review or approve the IPM. While an Integrated Pest Management plan might effectively eradicate pests, its requirements seem woefully inadequate in terms of addressing risks to human health and the environment.

State lands are public lands, which the public owns and uses. Often the public must use state lands and right of ways to access private land and recreational areas, and under the proposed regulations, the public would potentially be exposed involuntarily to toxic chemicals. Since the public owns state lands, it maintains a fundamental right to participate in agency decisions regarding how its lands are to be used. The mission of the Alaska Department of Environmental Conservation is to conserve, improve, and protect Alaska's natural resources and environment to enhance the health, safety, economic and social well-being of Alaskans. ADEC should not be reducing or eliminating its role in the decisions of whether or not to spray on state lands and what chemicals should or should not be allowed to be used. If anything, it should be enhancing its roles in order to fulfill its duty to protect human health. The Alaskan public has been very clear in the past that it does not want the spraying of pesticides to become standard operating procedure, thus pesticide spraying should absolutely remain part of the public process.

ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA

It is also my understanding, based on the proposed components of the IPM in the regulatory changes, that there would not be requirements:

- To identify water bodies or private water wells or other private water sources located in close proximity to a spray area.
- To identify and describe the type of pesticide and formulation to be used.
- To analyze soil types and drainage characteristics in the treatment area.
- That mandate review by other agencies, such as the Department of Fish and Game.
- That impose no-spray buffers to water bodies or private wells or other private water sources.
- That require ADEC to control or regulate the types and toxicities of pesticides being used.

I strongly urge you to reconsider the proposed regulations, maintain a public commenting process, and ensure that human health will be protected.

I also respectfully request that you consider a sixty day extension of the current public comment period, currently running from May 22 to August 2, in regards to how pesticides and toxics in Alaska are regulated. Summer is a busy time for most Alaskans, including fishermen and tourist-related workers, and this issue is obviously an important public health issue.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Les Gara", followed by a horizontal line.

Representative Les Gara



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of Transportation and
Public Facilities

TRANSPORTATION MANAGEMENT & SECURITY
Office of the Commissioner

3132 Channel Drive
P.O. Box 112500
Juneau, AK 99811-2500
Main: 907.465-3904
Fax: 907.586-8365
Web: dot.state.ak.us

July 9, 2013

Vice Mayor, Susan Flint
Petersburg Borough
P.O. Box 329
Petersburg, Alaska 99833

RE: Response to Herbicide and Pesticide applications in the Petersburg Borough

Dear Vice Mayor Flint:

Thank you for your letter addressing Petersburg Borough concerns regarding the Alaska Department of Environmental Conservation (DEC) rulemaking on the use of pesticides and the Alaska Department of Transportation & Public Facilities (DOT&PF) possible use of pesticides within the Petersburg Borough. Commissioner Kemp has asked that I provide a direct response to you as I am the DOT&PF Statewide Maintenance Engineer and oversee the department's pest and vegetation management programs.

The department is willing to work with you and discuss any plans for the application prior to any use within borough boundaries. While your concerns are understandable, the Integrated Pest Management plan process (outlined in detail below) provides for public notification. DOT&PF's goal of pest management with the least possible hazard to people, property and the environment, by the most economical means, addresses the concerns of your borough and, consequently, should remove the need for the borough to consider the adoption of any special ordinance about the use of herbicides within your jurisdiction.

DOT&PF oversees 254 airports, 11 ferries serving 35 communities, 5,619 miles of highway and 720 public facilities throughout the state of Alaska. The department is focusing on the safest, efficient and most cost effective management of its right-of-way and, in turn, is developing guidelines for Vegetation Control within department right-of-way. The new guidelines will establish maintenance and operations intentions to assure citizens safety while operating in the department's right-of-way and see that DOT&PF right-of-way receives continued and scheduled vegetation control to the extent feasible by the allowable budget.

DOT&PF has recently posted an Integrated Pest Management (IPM) plan with the DEC, which will be internally known as the DOT&PF Integrated Vegetation Management Program (IVMP). IVMP is an effective and environmentally sensitive approach to pest/vegetation management that

relies on a combination of common-sense practices. IVMPs use current, comprehensive information on the life cycles of pests and their interaction with the environment. This information, in combination with available pest control methods, is used to manage pest damage by the most economical means, and with the least possible hazard to people, property, and the environment.

The new regulation requires that prior to herbicide application the following notification requirements must be met:

- Notification will be provided to ADEC, as required under 18 AAC 90.640(a)(6), not later than 15 days before each proposed application, including multiple application projects, as defined within 18 AAC 90.640(d).
- Two consecutive public notices for planned herbicide applications will be published in a newspaper of general circulation in the affected area, no later than 30 days before the date of scheduled single or multiple application projects as required by 18 AAC 90.640(b).

This notice will include:

- The location of the application
- The complete name and EPA registration number of the herbicide(s)
- The target pests
- The method of application
- For multiple application projects, the approximate number of applications to be made
- How the public can receive more information about the proposed application

Effective vegetation management reduces the risk of functional or structural failure which may contribute to crashes, injury, or disruption to travel. Effective vegetation management will help limit physical obstruction or restricted visibility and can reduce the severity of run-off-road crashes.

DOT&PF objectives in vegetation management within its road system right-of-ways are in accordance with the Guidelines for Vegetation Management, 1st Edition, by the American Association of State Highway and Transportation Officials (AASHTO). These guidelines define three roadside management zones (Zones 1, 2, and 3) from the edge of pavement to improve sight distances, maintain access, protect structures, and reduce wildlife strikes.

The use of herbicide application is expected to significantly improve DOT&PF's ability to manage vegetation upon its road right-of-ways, airports, and facilities. While herbicides are expected to be a useful tool in managing vegetation, we are all citizens who also care about Alaska's environment; herbicide application must be done in an environmentally responsible manner.

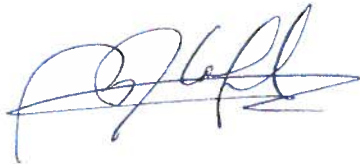
In selecting herbicides suitable for DOT&PF use, consideration will be given to habitat conditions in and adjacent to DOT&PF lands. Aquatic habitats, such as wetlands, streams and roadside conveyances, are common upon DOT&PF lands. The boundaries of these aquatic habitats can often only be determined by trained environmental professionals. These aquatic habitats often are hydrologically connected via surface flow to salmon-bearing streams and rivers.

A federal lawsuit in Washington State necessitated environmental reviews of some herbicides and their impact on federally listed salmon species under the Endangered Species Act (ESA). This environmental review has resulted in a list of which herbicides that require a no-spray buffer zone around salmon-bearing streams. While this list was developed to address ESA-listed salmon species in Washington State, DOT&PF will select herbicides that either do not require no-spray buffer zones around salmon-bearing streams or were not included as part of the lawsuit.

Additionally, the climactic conditions throughout the state result in unique soil conditions which can impede the breakdown of some types of herbicides. Given these environmental conditions, DOT&PF has selected broad spectrum herbicides approved by the U.S. Environmental Protection Agency (EPA) for use in aquatic conditions. Those herbicides containing active ingredients which have been shown to have a long residence time within Alaskan soils, such as trifluralin and chlorsulfuron, will be avoided.

Please see the DEC web site (<http://dec.alaska.gov/eh/pest/pe.htm>) or the DOT&PF Maintenance & Operations web site (<http://www.dot.state.ak.us/stwdmno/>) to view the IVMP. If you have any additional concerns regarding the IVMP, please feel free to contact me directly at your convenience.

Sincerely,

A handwritten signature in blue ink, appearing to read 'M. Coffey', with a long horizontal flourish extending to the right.

Michael J. Coffey
Chief, Statewide Maintenance and Operations
Office of the Commissioner

cc: Commissioner Patrick J. Kemp, P.E.



Municipality of Skagway

GATEWAY TO THE KLONDIKE

P.O. BOX 415 SKAGWAY, ALASKA 99840

(PHONE) 907-983-2297 – Fax 907-983-2151

WWW.SKAGWAY.ORG

July 19, 2013

Patrick J. Kemp, Commissioner
Dept. of Transportation & Public Facilities
State of Alaska
P.O. Box 112506
Juneau, AK 99811

RE: ADOT&PF Herbicide Use in the Skagway Borough

The Municipality of Skagway opposes the use of herbicides and pesticides as a maintenance tool for vegetation control measures on Alaska Dept. of Transportation & Public Facilities (ADOT&PF) owned or leased lands and facilities within the Skagway Borough.

About 27% of the land in the Skagway Borough is State-owned and managed; this land includes State Street, Dyea Road and the local airport, all of which are significantly utilized by local residents and seasonal visitors and represent the bulk of the main transportation corridors within the Borough. The care and maintenance of these areas is integral to the viability of the community, and this maintenance has the potential to affect not only Skagway's quality of life, but also the health of its citizens and natural surroundings.

State Street runs through the middle of the Skagway townsite, with residential homes and local businesses bordering it along its entire length. The Dyea Road provides access not only to more residential areas, but also to remote, natural recreational areas that are highly valued by locals. The airport in Skagway is closely bordered on the west side by the Skagway River, and on the east by residential areas.

ADOT&PF's Integrated Vegetation Management Plan of June 2013 specifies that the agency intends to begin using herbicide as a vegetation control tool to "provide improved maintenance service and public safety in a more cost-effective manner." The Municipality of Skagway maintains that the use of herbicides for the maintenance of vegetation has the potential to negatively affect the health and safety of the public as well as the natural environment, at a cost that may be unquantifiable.

The ADOT&PF's vegetation management plan lists alternative preventative and mechanical methods of vegetation maintenance that include mowing, brush cutting, hydro-axing and

burning. The Municipality of Skagway asks that these alternative methods are solely used in the maintenance of vegetation in the Skagway Borough, as they are highly preferable for maintaining the quality of life and health of the borough's citizens and natural surroundings and for substantially reducing possible negative effects known to be caused by the use of herbicides.

Sincerely,

A handwritten signature in black ink that reads "Stan Selmer". The signature is written in a cursive style with a large, prominent initial "S".

Stan Selmer
Borough Mayor



HAINES BOROUGH, ALASKA

P.O. BOX 1209 • HAINES, ALASKA 99827

Administration 907.766.2231 • (fax) 907.766.2716

Tourism 907.766.2234 • (fax) 907.766.3155

Police Dept. 907.766.2121 • (fax) 907.766.2128

Fire Dept. 907.766.2155 • (fax) 907.766.3373

June 25, 2013

Pat Kemp, Commissioner
Alaska Department of Transportation
PO Box 112506
Juneau, AK 99811

Re: Herbicide and Pesticide use in the Haines Borough

The Alaska Department of Environmental Conservation's decision earlier this year to eliminate the public review process and permitting requirements for using chemicals on state lands deeply concerns the Haines Borough. At a minimum, the Haines Borough requests that DEC reinstate a public review process, including right of appeal, for the potential use of herbicides and pesticides within the borough.

Most of the Haines Borough roadways lie adjacent to, or cross anadromous streams and salmon habitat. The Haines Highway passes through the world class Alaska Chilkat Bald Eagle Preserve, home to the largest gathering of Bald Eagles. Spraying herbicides and pesticides has the potential to harm the environment, fish, wildlife, and human health. Healthy salmon returns for commercial, sport and subsistence fisheries provide major economic benefit to Southeast Alaskans. There is a wealth of scientific literature that links pesticide and herbicide contamination with salmon mortality as well as non-lethal impacts that result in lowered survival rates. Many salmon spawn in waterways adjacent to Haines' roadways. The commercial value of the Lynn Canal salmon fishery ranges from \$1 million to \$3.4 million annually.

Pesticide and herbicide use near residences and areas that our citizens use for gathering food, medicinal substances, or craft materials is inherently dangerous. Use within watersheds that provide drinking water for communities or individuals also poses serious threats. Pesticides and herbicides contain toxic chemicals which rapidly disperse in our local rainforest environment. They have been linked with numerous environmentally caused cancers and may have additional detrimental effects that are presently unknown.

Article 10 of the State Constitution clearly provides broad powers to local governments. **Home Rule** local governments enjoy even broader powers. Article 10, Section 11 of


Alaska's Constitution provides that: "A home rule borough or city may exercise all legislative powers not prohibited by law or by charter. Adoption of a Home Rule charter promotes maximum local self-government to the greatest extent possible."

In the past, the community of Haines has opposed the spraying of toxic herbicides or pesticides along borough roadways and on public lands. The Haines Borough continues to strongly oppose the use of herbicides and pesticides on roadways and public lands in the borough.

Protecting our residents and the environment from potential damage caused by using toxic chemicals along roadways in the Chilkat and Chilkoot watersheds and within the Alaska Chilkat Bald Eagle Preserve are of utmost importance to the Haines Borough.

Thank you for your consideration of this matter.

Sincerely,


Stephanie Scott
Mayor, Haines Borough

Cc: Senator Bert Stedman
Representative Jonathan Kreiss-Tomkins
Representative Les Gara
Al Clough, Assistant Commissioner
Matt Boron, DOT, Haines



June 17, 2013

Commissioner Patrick J. Kemp,
Department of Transportation & Public Facilities
PO Box 112500
3132 Channel Drive
Juneau, Alaska 99811-2500

Re: Herbicide and Pesticide applications in the Petersburg Borough

Dear Commissioner Kemp;

The Petersburg Borough has learned that earlier this spring, regulations were adopted that would allow state agencies to apply herbicides and pesticides on state property and rights of way without obtaining a permit from the Department of Environmental Conservation and without public review. The Petersburg Borough is very concerned that this action denies our citizens the right to participate in the decision-making process and jeopardizes our community. The broad application of herbicides and pesticides can and does affect drinking water, aquatic habitat, and impacts traditional food gathering areas. In addition, this process exposes our children and pets to harmful, possibly carcinogenic, toxins.

These regulations were adopted despite widespread public opposition across the state. The people of Alaska collectively own our public water supply, our fish and our wildlife resources. We strongly feel that we should have a voice regarding if and when there are any plans which might negatively impact those resources within our area. The 30-day notification requirement prior to application that was adopted, allows for no public input. This falls way short of providing our citizens a voice.

Alaska markets our wild salmon to the world by touting our pristine waters. Applying toxic chemicals to the upland habitat would certainly make that a questionable claim. Spraying our uplands could negatively impact productivity of local salmon streams. Even the small tributaries are important fish rearing habitat. Also, many out-the-road residents rely on surface run-off and small streams for their drinking water. Many of our residents gather berries, fiddlehead ferns, and other traditional foods along roadways in our area. If herbicides and pesticides are applied, there is simply no way to protect against contamination. This is particularly true in our island rain forest ecosystem where anything applied to the land is rapidly washed into adjacent waterways and eventually into salt water by the rain.

You may recall that several years ago the Department of Transportation announced plans to spray herbicides to control plant growth along Mitkof Highway. The people of

Borough Administration
PO Box 329, Petersburg, AK 99833 – Phone (907) 772-4519 Fax (907)772-3759
www.ci.petersburg.ak.us

Petersburg expressed strong opposition and that program was stopped before it got started. Some were opposed to the visual impact, but most were more concerned that toxic residue would contaminate residential runoff-based water supplies and run into aquatic habitats and impact fish productivity. Those concerns have not changed. ADOT went back to mowing the roadsides and, although that method is more labor intensive, it has kept the vegetation down and kept toxic chemicals out of the island's water supplies and waterways.

Article 10 of the State Constitution clearly provides broad powers to local governments. **Home Rule** local governments enjoy even broader powers. Article 10, Section 11 of Alaska's Constitution provides that: "A home rule borough or city may exercise all legislative powers not prohibited by law or by charter. Adoption of a Home Rule charter promotes maximum local self-government to the greatest extent possible."

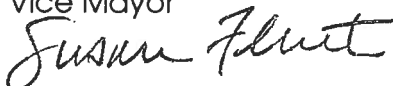
Given that language in the constitution, it certainly seems that the Borough, not the state, should be making the decision on whether or not it is important to protect our primary industry and protect the residents of the borough from toxic contamination. We feel strongly the large-scale application of herbicides and pesticides should not be allowed within our Borough. This is the best way to protect our citizens and the waterways of our community.

The Borough hopes that it does not have to consider the adoption of an ordinance and land use restrictions that will ban the large-scale application of herbicides and pesticides within Borough boundaries. At the very least any plans to apply herbicides or pesticides should require a public review process and approval by the Assembly before application could occur.

We would appreciate your immediate attention to this issue.

Sincerely,

Susan Flint
Vice Mayor



Distribution

KFSK Radio
Petersburg Pilot
Senator Dennis Egan (email)
Representative Beth Kerttula (email)

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: August 30, 2013
RE: Consider Bid Award for False Island Float Rehabilitation Project

City staff is set to open bids on Tuesday, September 3 for the project to replace the boat launch berthing float and fish cleaning float at the JT Brown Marine Industrial Park. The project includes salvaging the existing floats and piling, and installation of new floats, some new piling, and new fish cleaning tables. The project is funded with dollars from the Chinook Salmon Mitigation Infrastructure fund and with program funds from the Alaska Department of Fish and Game. The engineer's estimate of the project cost is between \$400,000 and \$500,000.

A drawing of the proposed improvement is attached for your review. Also attached is a copy of the bid schedule that the bidders will submit with their bid documents.

Upon completion of Tuesday's bid opening, staff will compile the bid results and prepare a memorandum of those results for the council's September 5 meeting, for consideration of award to the apparent low bidder. I plan to distribute those results via e-mail to the council late in the day on September 3.

In the meantime, feel free to contact me with any questions.

SECTION 00310 - BID SCHEDULE

BASE BID

Pay Item No.	Pay Item Description	Pay Unit	Approximate Quantity	Unit Price		Amount	
				Dollars	Cents	Dollars	Cents
1505.1	Mobilization	LS	All Req'd				
2060.1	Demolition and Disposal	LS	All Req'd				
2702.1	Construction Surveying	LS	All Req'd				
2894.1	Supply Floatation Billet	EA	4				
2894.2	Install Floatation Billet	EA	4				
2895.1	8'x180' Timber Boarding Float	LS	All Req'd				
2895.2	12'x60' Fish Cleaning Float	LS	All Req'd				
2896.1	Furnish and Install 16" dia. x .500" thick Steel Pipe Pile	EA	2				
2896.2	Salvage and Install 12.75" dia. x .500" thick Steel Pipe Pile	EA	5				
2896.3	Supply 12.75" dia. x .500" thick Steel Pipe Pile	LF	40				
2896.4	Steel Pipe Pile Splice	EA	3				
2897.1	Float Transition Plate	LS	All Req'd				
2898.1	Fish Cleaning Tables	LS	All Req'd				
2899.1	Life Ring Cabinet	LS	All Req'd				
2899.2	Fire Extinguisher Cabinet	LS	All Req'd				
3305.1	Concrete Abutment	LS	All Req'd				
3305.2	Concrete Support Planks	LS	All Req'd				

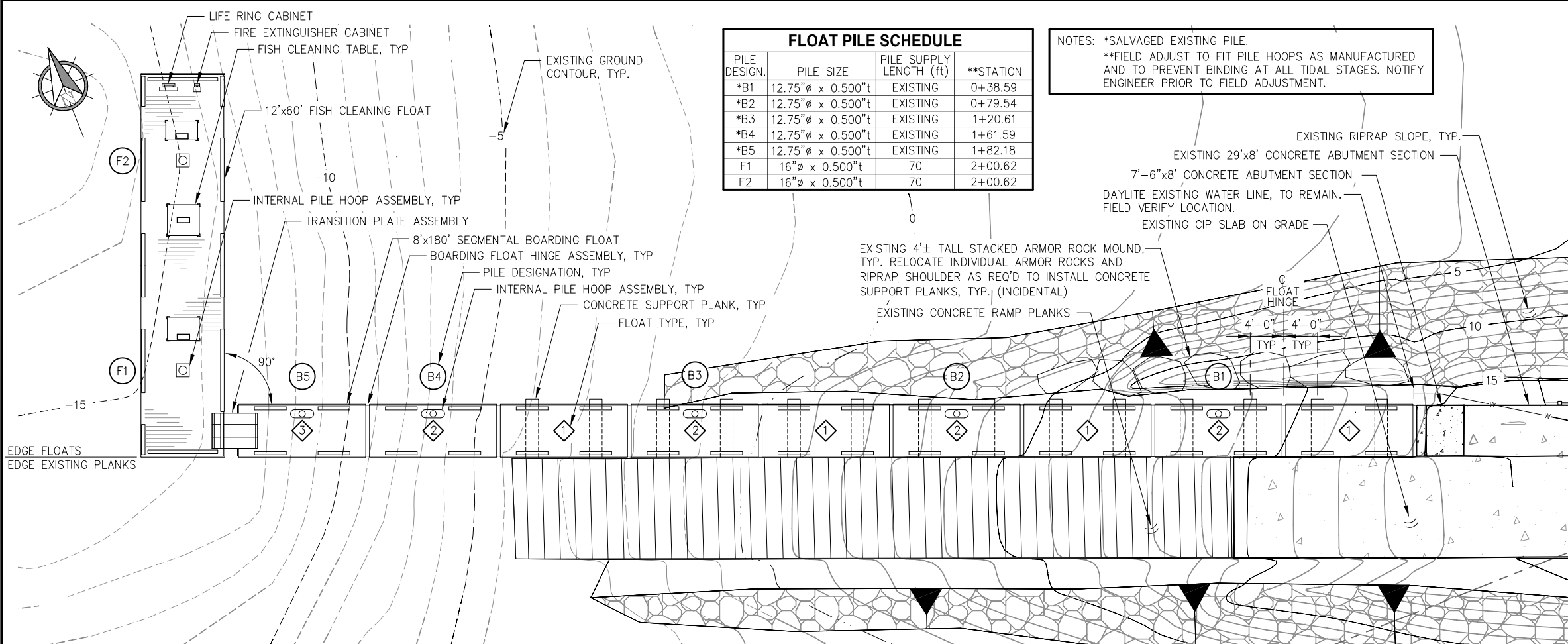
TOTAL BASE BID AMOUNT IN FIGURES: \$ _____

TOTAL BASE BID AMOUNT IN WORDS: _____

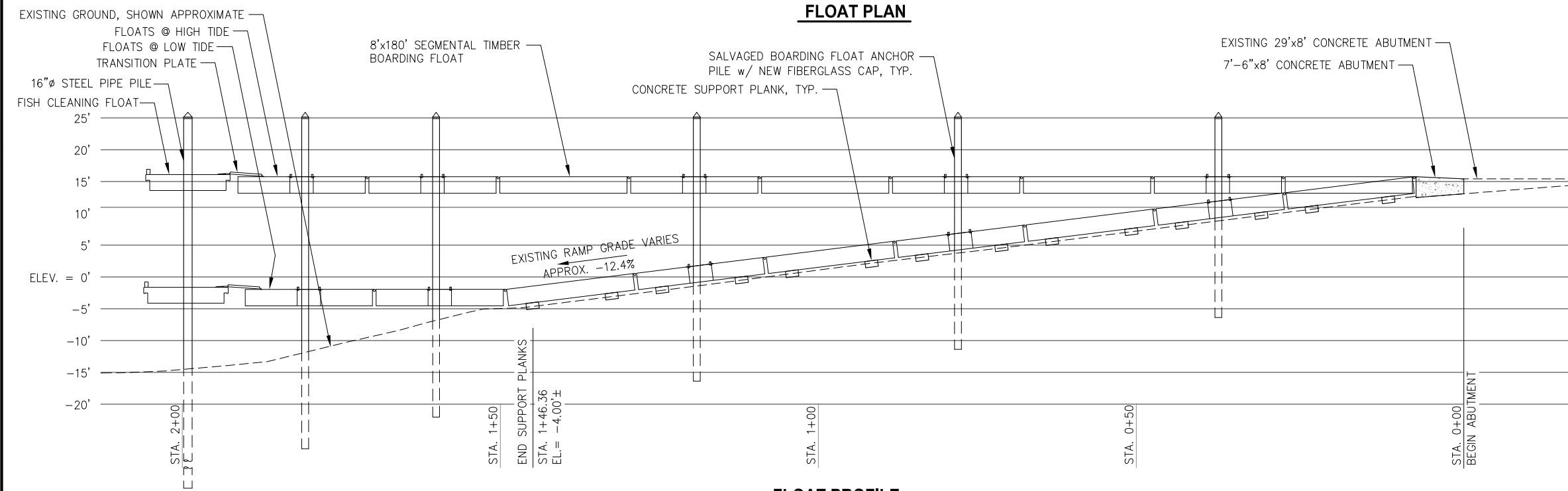
COMPANY NAME: _____

FLOAT PILE SCHEDULE			
PILE DESIGN.	PILE SIZE	PILE SUPPLY LENGTH (ft)	**STATION
*B1	12.75"Ø x 0.500"t	EXISTING	0+38.59
*B2	12.75"Ø x 0.500"t	EXISTING	0+79.54
*B3	12.75"Ø x 0.500"t	EXISTING	1+20.61
*B4	12.75"Ø x 0.500"t	EXISTING	1+61.59
*B5	12.75"Ø x 0.500"t	EXISTING	1+82.18
F1	16"Ø x 0.500"t	70	2+00.62
F2	16"Ø x 0.500"t	70	2+00.62

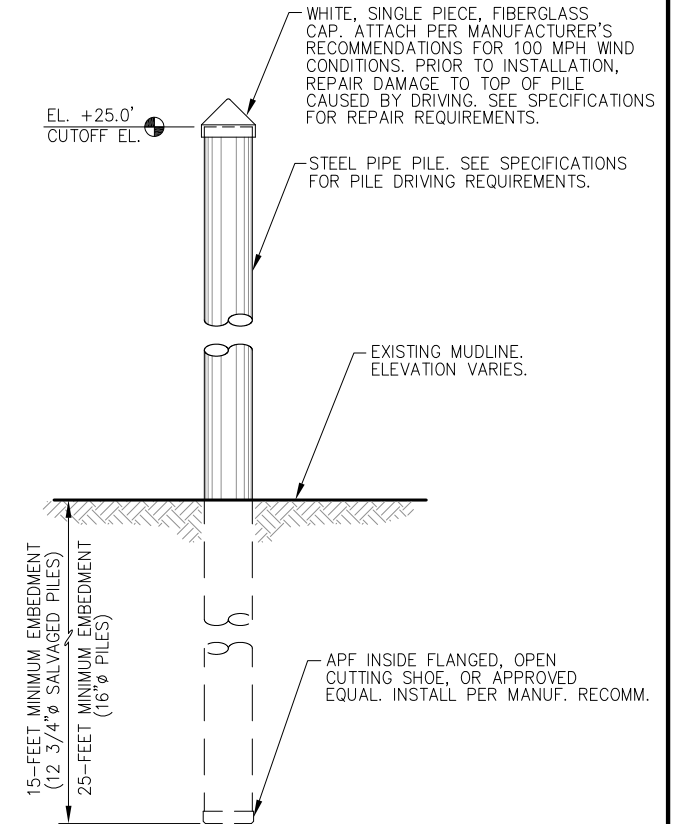
NOTES: *SALVAGED EXISTING PILE.
 **FIELD ADJUST TO FIT PILE HOOPS AS MANUFACTURED AND TO PREVENT BINDING AT ALL TIDAL STAGES. NOTIFY ENGINEER PRIOR TO FIELD ADJUSTMENT.



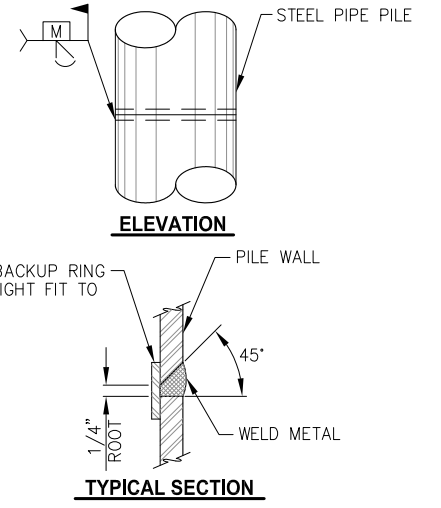
FLOAT PLAN



FLOAT PROFILE



TYPICAL STEEL FLOAT MOORING PILE



TYPICAL PILE SPLICE WELD
(TYPICAL FOR ALL PIPE PILE SPLICES)

REVISIONS					
REV.	DATE	DESCRIPTION	DWN.	CKD.	APP.

PND ENGINEERS, INC.
 9360 Glacier Highway Suite 100
 Juneau, Alaska 99801
 Phone: 907-586-2093
 Fax: 907-586-2099
 www.pndengineers.com

DESIGN: BMI CHECKED: CRS SCALE: SCALE IN FEET
 DRAWN: BMI APPROVED: CRS 0 10 20 FT.



CITY OF CRAIG, ALASKA
FALSE ISLAND BOAT LAUNCH FLOAT REHABILITATION

SHEET TITLE: **FLOAT PLAN AND PROFILE AND PILE DETAILS**

PN&D PROJECT NO.: 122034.02 DWG. FILE: 2.01.DWG

2.01
 SHEET 5 OF 18

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