

CITY OF CRAIG  
COUNCIL AGENDA  
FEBRUARY 4, 2016  
COUNCIL CHAMBERS 7:00 P.M

**ROLL CALL**

Mayor Dennis Watson, Hannah Bazinet, Greg Dahl, Jim See, Don Pierce, Mike Douville,  
Jan Trojan

**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.*

**HEARING FROM THE PUBLIC**

- Open for public comment
- Final Reading and Public Hearing of Ordinance 678, Local Option- Marijuana Establishments
- Resolution 16-02, POWCAC Transportation Priorities for 2016

**REPORTS FROM CITY OFFICIALS**

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

**READING OF CORRESPONDENCE**

- Craig Tribal Intent to Cancel Agreement
- Incorporation of Whale Pass as a Second Class City
- Request for Resolution of Support from Pacific Salmon Treaty Coalition

**CONSIDERATION OF RESOLUTIONS AND ORDINANCES**

- Ordinance 678, Local Option- Marijuana Establishments
- Resolution 16-02, POWCAC Transportation Priorities for 2016

**UNFINISHED BUSINESS**

CITY OF CRAIG  
COUNCIL AGENDA  
FEBRUARY 4, 2016  
COUNCIL CHAMBERS 7:00 P.M  
(Continued)

**NEW BUSINESS**

- Consider award of Port St. Nicholas king salmon cost recovery contract
- Update on Craig Aquatic Center Renovation Project
- Discussion on policy for use of webloft
- Award of Community Garden Expert Contract (POW Health Network grant funded)
- Award of Firehall/EMS Annex Building Construction Contract
- Reappointment of Planning Commissioner

**ADJOURNMENT**

**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: January 28, 2016  
RE: Options for Ordinance 678 – Second Reading

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Following the council's January 21 meeting, staff drafted a number of variations to Section 5.10.045 of Ordinance No. 678. Each option is presented below, with an explanation following.

**Option 1**

***5.10.045 Prohibition on Sale of Marijuana Edibles, Concentrates, and Other Products***

*No licensed retail marijuana store may sell, offer for sale, display, or possess any THC-bearing edible marijuana product, concentrate, inhalant, ointment, oil, or tincture within the city limits of Craig.*

This is the current language in the draft ordinance. It prohibits any transactions involving THC-bearing marijuana for uses other than smoking.

**Option 2**

**~~5.10.045 Prohibition on Sale of Marijuana Edibles, Concentrates, and Other Products~~**

~~No licensed retail marijuana store may sell, offer for sale, display, or possess any THC-bearing edible marijuana product, concentrate, inhalant, ointment, oil, or tincture within the city limits of Craig.~~

Option 2 simply deletes 5.10.045 entirely. Deleting the section permits the sale of any marijuana product, restricted only by state statute and regulation.

**Option 3**

**~~5.10.045 Prohibition on Sale of Marijuana Edibles, Concentrates, and Other Products~~**

~~No licensed retail marijuana store may sell, offer for sale, display, or possess any THC-bearing edible marijuana product, concentrate, inhalant, ointment, oil, or tincture within the city limits of Craig.~~

This option allows the sale of concentrates and other products, but prohibits the sale of edibles.

**Option 4**

**~~5.10.045 Prohibition on Sale of Marijuana Edibles, Concentrates and Other Products~~**

~~No licensed retail marijuana store may sell, offer for sale, display, or possess any THC-bearing edible marijuana product, concentrate, inhalant, ointment, oil, or tincture within the city limits of Craig.~~

Option 4 allows the sale of edibles, but prohibits the sale of all other non-smokeable products.

## **Option 5**

### ***5.10.045 ~~Prohibition on Sale~~ Limits on Packaged Quantities of Marijuana Edibles, Concentrates, and Other Products***

*No licensed retail marijuana store may sell, offer for sale, display, or possess any THC-bearing edible marijuana product, concentrate, inhalant, ointment, oil, or tincture in serving sizes exceeding 5 mg, and package sizes exceeding 50 mg of active THC within the city limits of Craig.*

Option 5 limits the packaging size of and total quantity THC in edibles, concentrates and other products.

## **Option 6**

### ***5.10.045 Limit on quantity sold.***

*A licensed retail marijuana store shall not sell marijuana or marijuana products containing more than 1,000 milligrams of THC in a single transaction.*

This option allows sale of all marijuana products but reduces the overall transaction limit. The current limit allowed by state regulation is 5,600 milligrams.

In considering regulations on the type of marijuana products for sale in Craig, the council should first settle on what it hopes to accomplish through local regulation. If it does not so much matter to the council what types of marijuana products are available for sale in Craig, or the level of THC concentration in those products, then the council should simply choose Option 2, which deletes section 5.10.045 and allows state statutes and regulations to set those limits. If the council believes that the state limits are too permissive, then it should set a standard using one of the other options above, or a variation to one of those options.

Based on the many studies, magazine articles, and videos I have seen in researching this issue over the past 15 months, it is apparent to me that taking cannabis can alleviate symptoms caused by various diseases. This seems especially true for the variations of the plant that contain low THC but high concentrations of other cannabinoids. At the same time, I have not seen reports from laboratory experiments showing that cannabis is a cure for anything. Much of that range of media publications also show that THC-bearing cannabis is also at least mildly addictive for some of those that use it; it inhibits cognitive function, especially in the young if it is consumed regularly, and manifests adverse side effects even as it delivers relief for some targeted symptoms. Among the topics of discussions that the council has had on this matter is an interest to make available in retail stores the beneficial elements of cannabis to those with a medical need. The council should keep in mind that the more it permits the use of marijuana for those that find relief from it due to one medical condition or another, the more it will also lead the deleterious effects that marijuana has on Craig residents. As marijuana becomes more available in stores, the community will see it more frequently in homes, workplaces, and in our schools. Consumption, and all that goes with it, will increase.

In the city's advisory vote last fall, the public advised that it did not want Craig to be home to the cultivation, manufacture, or testing of marijuana products. Given that vote, and the reporting provided by the sources noted above, the potential for abuse from marijuana concentrates containing high dosages of THC presents the greatest health risk to the public, and is the marijuana product least compliant with the outcome of the advisory election. I think it is

important during future discussions to neither discount the symptom relief that marijuana products can provide to those who are sick, nor to discount the obvious abuse of marijuana that is a matter of public record for the sake of the relatively few people who use it medically. If the council concurs with this assessment, an option for it to consider, call it option 7, is below.

**Option 7**

***5.10.045 Limits on Packaged Quantities of Marijuana Edibles, Concentrates, and Other Products***

*A. No licensed retail marijuana store may sell, offer for sale, display, or possess any THC-bearing edible marijuana product, concentrate, inhalant, ointment, oil, or tincture in serving sizes exceeding 5 mg, and package sizes exceeding 50 mg of active THC.*

*B. A licensed retail marijuana store shall not sell marijuana or marijuana products containing more than 500 milligrams of THC in a single transaction.*

In the end the council, through discussions between its members, will need to settle on language as to 5.10.045.

**Recommendation**

That the council settle on an outcome it wants to achieve through regulation of marijuana, and adopt a variation of 5.10.045 that meets that outcome. Then approve Ordinance No. 678 at second reading.

**CITY OF CRAIG  
ORDINANCE NO. 678**

**ADDING SECTION 5.10 TO THE CRAIG MUNICIPAL CODE PROVIDING FOR THE  
REGULATION OF COMMERCIAL RETAIL SALE, COMMERCIAL CULTIVATION,  
COMMERCIAL MANUFACTURE AND PROCESSING, AND COMMERCIAL  
TESTING OF MARIJUANA AND MARIJUANA PRODUCTS, AND ESTABLISHING A  
PENALTY FOR VIOLATION; AND ADDING SECTION 9.91 TO THE CRAIG  
MUNICIPAL CODE PROHIBITING PRODUCTION OF MARIJUANA  
CONCENTRATES**

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

Section 1. Classification. This ordinance is of a general and permanent nature and the code sections adopted hereby shall become a part of the code of the City of Craig, Alaska.

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

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

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

**WHEREAS**, Ballot Measure 2 – An Act to Tax and Regulate the Production, Sale and Use of Marijuana, and codified as Alaska Statutes 17.38, providing for the legalization of marijuana, was approved by Alaska voters on November 4, 2014, and certified on November 28, 2014 by the State of Alaska, Division of Elections; and

**WHEREAS**, Alaska Statutes 17.38 was amended by statute by the Twenty Ninth Alaska Legislature with the adoption of House Bill 123; and,

**WHEREAS**, newly enacted AS 17.38.110(a) states “A local government may prohibit the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, or retail marijuana stores through the enactment of an ordinance or by a voter initiative”; and,

**WHEREAS**, newly enacted AS 17.38.110 (b) states “A local government may enact ordinances or regulations not in conflict with this chapter or with regulations enacted pursuant to this chapter, governing the time, place, manner and number of marijuana establishment operations”; and,

**WHEREAS**, the City of Craig held a municipal election on October 6, 2015 at which Craig voters cast ballots addressing advisory questions regarding regulation of the four commercial marijuana license types created by the adoption of Ballot Measure 2; and,

**WHEREAS**, voters advised at the October 6, 2015 municipal election that two commercial marijuana license types be prohibited in the City of Craig, and one commercial license type be permitted; and,

**WHEREAS**, Craig voters cast an equal amount of “yes” and “no” ballots on the fourth license type; and,

**WHEREAS**, media reports, peer reviewed studies and other research demonstrates that use of marijuana can have long-term detrimental effects on adults and youth alike; and,

**WHEREAS**, regulations adopted by the Alaska Marijuana Control Board, with authority derived from statutory language in Ballot Measure 2, require warning labels be placed on packaging containing marijuana and marijuana products that promulgate the deleterious effects of marijuana use; and,

**WHEREAS**, THC-bearing marijuana edibles, concentrates, and extractions pose a public health hazard meriting prohibition of their production, transport, and sale in Craig; and,

**WHEREAS**, in adopting this ordinance, it is neither the City of Craig’s intent nor desire to regulate, restrict, or prohibit licensed marijuana establishments outside the municipal boundaries of the City of Craig; and,

**WHEREAS**, the City of Craig exercises its authority under Alaska Statutes 29.25, AS 29.35, AS 29.40, and other relevant statutes; and AS 17.38.110(a) and (b) to prohibit and regulate commercial marijuana, by adding a new section to the Craig Municipal Code, Section 05.10, as follows:

5.10 Marijuana Establishments

5.10.010 Local Regulatory Authority

5.10.020 Marijuana Establishments Prohibited.

5.10.025 Registration Required

5.10.030 Limits on Number of Marijuana Establishments

5.10.035 Hours of Operation

5.10.040 Identification requirement to prevent sale to person under 21

5.10.045 Prohibition on Sale of Marijuana Edibles, Concentrates, and Extractions

5.10.050 Production of Marijuana Concentrates Prohibited

5.10.055 Prohibition on On-Site Consumption of Marijuana

5.10.060 Enforcement and Inspection

5.10.800 Definitions

5.10.900 Penalties for Violation

**5.10.010 Local Regulatory Authority**

A. The Craig City Council shall be the local regulating authority responsible for processing applications submitted for a registration to operate a marijuana establishment within the boundaries of the local government under AS 17.38.110(c).

B. Complete copies of applications required by the Marijuana Control Board for new licenses, license renewals, changes of ownership, and transfer of licenses shall be submitted by the license applicant to the Craig City Clerk on or before the same day that applications are submitted to the Marijuana Control Board. The City Clerk will provide for city council and city staff review of the application and comment to the Marijuana Control Board within the time limits set by the board.

C. License applications shall be reviewed by the Craig Building Official to ensure compliance with local zoning code, distances from facilities provided for in 3 AAC 306.010(a), and related municipal ordinances. The Craig Building Official will forward comments on each application to the city clerk for city council review.

D. License applications shall be reviewed by the Craig Police Department and comments will be sent to the city clerk for city council review.

#### **5.10.020 Marijuana Establishments Prohibited.**

Commercial marijuana cultivation, commercial marijuana manufacturing, and commercial marijuana testing facilities, as defined, licensed, or regulated by the Alaska Marijuana Control Board, are prohibited.

#### **5.10.025 Registration Required**

A. All marijuana establishments shall be registered with the city as required by Craig Municipal Code 3.08.170, and be compliant with the Title 18 of the Craig Municipal Code. A registration may be issued only when:

1. a valid license has been issued by the Alaska Marijuana Control Board; and,
2. the Craig Building Official certifies that the proposed marijuana establishment complies with Title 18 of the Craig Municipal Code.

#### **5.10.030 Limits on Number of Marijuana Establishments**

A. There shall be a limit on the number of licensed retail marijuana stores located within the municipal boundaries of the City of Craig as follows:

1. No more than two licensed retail marijuana stores.

#### **5.10.035 Hours of Operation**

A licensed retail marijuana store may not conduct any business on, or allow any consumer to access, the retail marijuana store's licensed premises between the hours of 3:00 a.m. and 8:00 a.m. each day.

#### **5.10.040 Identification requirement to prevent sale to person under 21.**

A. A licensed retail marijuana store shall refuse entry into the licensed premises to any person failing to produce a form of valid photo identification showing that person is 21 years of age or older. A valid form of identification includes:

1. an unexpired, unaltered passport;
2. an unexpired, unaltered driver's license; instruction permit, or identification card of any state or territory of the United States, the District of Columbia, or a province of Canada;
3. an identification card issued by a federal or state agency authorized to issue a driver's license or identification card.



B. A licensed retail marijuana store shall refuse to sell marijuana or a marijuana product to any person who does not produce a form of valid photo identification showing that person is 21 years of age or older.

#### **5.10.045 Prohibition on Sale of Marijuana Edibles, Concentrates, and Other Products**

No licensed retail marijuana store may sell, offer for sale, display, or possess any THC-bearing edible marijuana product, concentrate, inhalant, ointment, oil, or tincture within the city limits of Craig.

#### **5.10.050 Production of Marijuana Concentrates Prohibited**

A. No person may produce solvent based marijuana concentrate using the hydrocarbons N-butane, isobutene, propane, or heptane or other explosive or corrosive chemicals, solvents, or gases.

B. Any violation of this chapter is an infraction and shall be punished by the fine established in Craig Municipal Code 1.16.040 for violation of 9.90.010 of the Code.

C. Each day such violation is committed or permitted to continue shall constitute a separate offense and shall be punishable as such hereunder.

D. In this section, “concentrate”, “marijuana concentrate”, and “marijuana” have the meaning given in 3 AAC 306.990.

#### **5.10.055 Prohibition on On-Site Consumption of Marijuana**

No licensed retail marijuana store shall permit consumption of marijuana or a marijuana product on the licensed premises within the city limits of Craig. A licensed retail marijuana store is considered “public place” as the term is used at Craig Municipal Code 9.90.040.

#### **5.10.060 Enforcement and Inspection**

A. The Code Enforcement Officer shall be responsible for ensuring compliance, including all conditions of approval applied by state and local regulatory authorities, for marijuana establishments within the municipal boundaries of the City of Craig. The Craig Police Department shall assist the city’s code enforcement officer in the course of inspecting marijuana establishments, ensuring compliance with conditions of approval, and issuing citations for non-compliance of ordinances, regulations, and imposed license, zoning, and registration conditions.

B. It is unlawful for any licensee or employee of licensee to refuse a law enforcement officer, or Code Enforcement Officer, access to and inspection of all areas of a licensed premises.

#### **5.10.800 Definitions**

In this section,

- (1) “concentrate” or “marijuana concentrate” has the meaning given in 3 AAC 306.990;
- (2) “marijuana” and “marijuana products” has the meaning given in Alaska Statutes 17.38.900;
- (3) “marijuana establishment” and “licensed premises” means a commercial marijuana retail, cultivation, product manufacturing, or testing facility licensed by the State of Alaska under AS 17.38 and 3 AAC 306.
- (4) “THC” has the meaning given in 3 AAC 306.990.

- (5) “THC-bearing” means any product containing an amount equal to or greater than 0.01 milligrams of THC per gram of product, or 0.001% THC concentrate.

**5.10.900 Penalties for Violation**

A. Any violation of this chapter is an infraction and shall be punished by the fine established in Craig Municipal Code 1.16.040 for violation of 9.90.010 of the Code.

B. Each day such violation is committed or permitted to continue shall constitute a separate offense and shall be punishable as a separate offense.

C. Each sale in violation of Craig Municipal Code 5.10.035 shall constitute a separate offense and shall be punishable as a separate offense.

**CITY OF CRAIG  
RESOLUTION 16-02**

ADOPTING PRINCE OF WALES COMMUNITY ADVISORY COUNCIL  
RESOLUTION 16-02 PRIORITIZING DOT/PF ROAD PRIORITIES FOR PRINCE OF  
WALES ISLAND

WHEREAS, the Prince of Wales Community Advisory Council is made up of representatives from each community and Federally-recognized Tribe on Prince of Wales Island; and,

WHEREAS, the Prince of Wales Community Advisory Council acts on behalf of Prince of Wales communities on issues that include transportation; and,

WHEREAS, the Prince of Wales Community Advisory Council adopted its Resolution 16-01 in November, 2015; and,

WHEREAS, said resolution prioritizes road projects on Prince of Wales Island for 2015; and,

WHEREAS, POWCAC resolutions must be adopted by the governing bodies of a majority of its members.

NOW, THEREFORE, BE IT RESOLVED that the City of Craig hereby adopts POWCAC Resolution 16-01, a copy of which is attached.

Adopted this 21st day of January, 2016.

\_\_\_\_\_  
Mayor Dennis Watson

ATTEST \_\_\_\_\_  
Kassi Bateman, City Clerk

**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: November 25, 2014  
RE: Resolution 16-02

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Attached you will find City of Craig Resolution 16-02. The resolution adopts Prince of Wales Community Advisory Council Resolution 16-02 which the POWCAC membership approved in November 2015.

Each year, POWCAC prioritizes island transportation projects and sets the priorities out in a resolution. The resolution, once approved, is sent to Alaska DOT/PF and other agencies, where they ostensibly use it to earmark funding for island projects. Most of the projects are from the prior year's resolution. I should note here that funding is in place to complete the Hydaburg Road resurfacing project, and the Naukati Bay Road project.

POWCAC Resolution 16-01 is similar to those adopted by the organization in prior years. The resolution retains priority projects from last year, and emphasizes the need for those projects to the incoming Walker Administration. As it has done in prior years, POWCAC unanimously agreed to focus attention on the need for an operating subsidy to the Interisland Ferry Authority, and that request is the first item called out in the resolution.

As the council will recall, POWCAC resolutions become effective only after they are approved by a majority of governing bodies of the participating communities. Craig is one of the participating POWCAC communities.

**Recommendation**

Adopt Resolution 16-02.

**PRINCE OF WALES COMMUNITY ADVISORY COUNCIL  
RESOLUTION No. 16-02**

**A JOINT RESOLUTION BY AND BETWEEN THE COMMUNITIES OF THE PRINCE  
OF WALES COMMUNITY ADVISORY COUNCIL (POWCAC) SETTING  
TRANSPORTATION PRIORITIES FOR PRINCE OF WALES ISLAND FOR 2016**

WHEREAS, the Prince of Wales Community Advisory Council acts in an advisory capacity for participating communities on Prince of Wales Island; and,

WHEREAS, the representatives from the Alaska Department of Transportation and Public Facilities have discussed proposed road projects for Prince of Wales Island and have suggested that communities on the island develop a consensus of road projects priorities for inclusion in the State of Alaska’s STIP, Public Forest Service Roads Program, and the Bureau of Indian Affairs Roads Program; and,

WHEREAS, the Prince of Wales Community Advisory Council has discussed road needs on Prince of Wales Island and recommends that the following projects and priorities be adopted by the Island communities and submitted to the Alaska Department of Transportation and Public Facilities for inclusion in the State’s planning and prioritization process; and,

NOW, THEREFORE, BE IT RESOLVED that the communities of the Prince of Wales Community Advisory Council hereby adopt the following regional transportation projects and priorities for roads on Prince of Wales Island:

**FOREMOST TRANSPORTATION PRIORITY**

<u>Priority</u>	<u>Project Name</u>	<u>Project Description</u>
1.	Operational Support to IFA	Continue annual appropriation in the State of Alaska General Fund operating budget.
2.	Roads and Trails vegetation control	Mechanical not Chemical means for controlling noxious and/or invasive plants.

**SURFACE TRANSPORTATION PRIORITIES**

<u>Priority</u>	<u>Project Name</u>	<u>Project Description</u>
1.	Kasaan Road	Phase I-Goose Creek to Tolstoi Bay; Phase II-Tolstoi Bay to Kasaan: Upgrade to a two-lane road at 35 mph design speed. Surface with D1 and asphalt. The road is critical to Kasaan and carries school bus traffic, daily commuting from S. Thorne Bay to the balance of Prince of Wales Island, and industrial truck traffic, making upgrade of the right of way priority.
2.	Resurfacing Hydaburg Road	Redesign, straighten, and resurface the Hydaburg Road to provide safe driving conditions.
3.	Naukati Bay Road	Upgrade and pave Naukati Bay access road between the North POW Road and the Naukati Seaplane Float.

- |    |                             |   |
|----|-----------------------------|---|
| 4. | Whale Pass Road             | Upgrade and pave the Neck Lake and Twin Island roads to create a suitable road base for El Capitan Cave and north island traffic loop through Whale Pass. |
| 5. | Sandy Beach Road            | Upgrade and reconstruct between Thorne Bay and Coffman Cove. Evaluate merits of construction of the low elevation Eagle Creek road segment.               |
| 6. | Ratz Harbor-Eagle Creek Rd. | Construct a low elevation road between Ratz Harbor and Eagle Creek.   |
| 7. | Port Saint Nicholas Rd.     | Upgrade and improve the remainder of the Port Saint Nicholas Road system located outside of Craig.  |

### **AIR TRANSPORTATION PRIORITIES**

<u>Priority</u>	<u>Project Name</u>	<u>Project Description</u>
1.	Frank Peratrovich Airport	Construct/install improvements detailed in the airport master plan, and provide a public parking facility. Address invasive plant species issues.

### **ROADS TO RESOURCES**

<u>Priority</u>	<u>Project Name</u>	<u>Project Description</u>
1.	POW Minerals and Hydropower Road	Construct road access to POW mine and hydro-electric project sites, including Reynolds Creek, Niblack Mine, and Bokan Mountain sites.

### **ALTERNATIVE TRANSPORTATION PRIORITIES**

<u>Priority</u>	<u>Project Name</u>	<u>Project Description</u>
1.	IFA Terminal & Clark Bay Float Plane Dock Parking area	Expand the public parking area shared by IFA and State of Alaska for passengers using the IFA and Clark Bay Floatplane Dock facilities.
2.	Coffman Cove and South Mitkof Terminal Modifications	Modification to allow both Rainforest Ferry Authority, AMHS and IFA vessels to dock at both terminals.
3.	Community Transit System	Establish an Island-wide bus system to connect communities and transportation hubs.

### **NON-MOTORIZED FACILITY PRIORITIES**

1.	IFA Covered Walkway	Construct covered pedestrian walkway at the Ketchikan Terminal 3.
2.	Craig-Klawock Path	Construct a multi-use path for 4.7 miles along the uphill side of the highway between Craig and Klawock.

3. Multiple Use Paths Construct multi-use paths along the mainline road system Prince of Wales Island.
4. POW Discovery/Visitor Center Planning, design, and construction of a POW Discovery/visitor's center.

BE IT FURTHER RESOLVED that a copy of this resolution be forwarded to the Bureau of Indian Affairs, US Forest Service and FHWA Western Federal Lands Division in Vancouver, Washington, Alaska Department of Transportation and Public Facilities, Governor Bill Walker, Senator Bert Stedman, Rep. Dan Ortiz, Rep. Jonathan Kreiss-Tomkins, and other members of the Alaska Legislature that represent Southeast Alaska communities.

PASSED AND APPROVED this 17<sup>th</sup> day of November, 2015 by the Prince of Wales Community Advisory Council.

POWCAC Chair

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Member Approvals:

- 1.
- 2.
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- 12.



# CITY OF CRAIG MEMORANDUM

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: January 28, 2016  
RE: February Staff Report

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## **1. POWCAC Meeting**

The Prince of Wales Community Advisory Council met on January 26 in Thorne Bay. Among the agenda items again on January 26 in Thorne Bay. A summary of agenda items from the meeting is provided below.

### **A. APPOINTMENT OF OFFICERS**

### **B. OPEN DISCUSSION**

1. USFS Letter – Control Lake Access Project
2. USFS Transportation Planner Richard Jacobson – Whale Pass Road Project Update
3. Tongass Collaborative Stewardship Annual Meeting

### **C. CONTINUING BUSINESS**

1. Prince of Wales Borough Study discussion & review of community resolutions
2. Update on POW Resource Advisory Committee action
3. POWCAC Resolution 16-01 Transportation Priorities

### **D. NEW BUSINESS**

1. POWCAC website
2. Letter of Support – Coffman Cove Internet Project
3. Letter of Support – City of Klawock Ambulance and Fire Truck Purchase
4. Presentation of 2016 POW Island Guide

Among the borough-related discussions, Coffman Cove City Administrator Misty Fitzpatrick presented POWCAC with a resolution from the Coffman Cove city council that explicitly opposed any additional work on a borough home rule charter by POWCAC or any other party. The community of Naukati adopted a resolution supporting efforts to develop the charter. The group was reminded that Hollis voted down the draft charter, but did not express opposition to further work on the document. The governing bodies of other communities had not formally considered the matter.

I would be happy to answer questions the council may have on the other listed agenda items.

The next POWCAC meeting is scheduled for March 22 in Kasaan.

## **2. Web Loft Use**

As the council is likely aware, the city uses the web loft building for two purposes, primarily: the downstairs is used for storage, both by city departments, and by the public for a fee; the upstairs is used to mend seine nets and other webbing. However, there is steady interest in using the web loft building for social events. Recent years have seen the building host the annual Craig-Klawock King Salmon Derby dinner, as well as weddings and wedding receptions. This year appears to be no different. I have already

received three requests to use the web loft for social events. Two groups want to use the downstairs area. The third wants to use the upstairs portion of the web loft.

We do not have a set price for use of the web loft for social events. Part of the fee staff does charge for such events is based in part on the amount of time required of city staff to reposition items stored in the web loft to accommodate a given social event.

I fully understand why the web loft is a desirable location for social events. My concern about scheduling social events is based on the very real potential for conflict between those uses and the more traditional uses of the building. I can foresee a situation where someone schedules a summer wedding in the downstairs of the building, and on that day a seiner pulls into town with a damaged net and arranges for AML or Samson to deliver its net to the web loft on a flat staged directly in front of the web loft doors. I would like to avoid a situation where a wedding party that cannot get to its own planned wedding venue is facing off against a seine boat captain and crew anxious to repair a seine net at the height of the seine season but unable to do so because the web loft is being used for a social event.

I also have some trepidation about large groups in the web loft building and the risk of injury to people and damage to the building from fire; the risk of fire increases the more people that have access to the building.

I would appreciate some policy input from the council on this matter.

### **3. Request for Proposals**

I reported to the council last month about needed repair work at the harbors. As a follow up to that report I issued two requests for proposals this week.

- A. Repairs to Old Fuel Dock. A portion of the Old Fuel Dock was badly damaged by the fire that destroyed Ruth Ann's Restaurant. The city rents the dock to charter boat companies during the summer months, and if we are going to continue to do so the damage to the dock must be repaired. The RFP for this project calls for repairs to the first 100 feet of the dock, including piling, pile caps, stringers, decking, and hand rail. The RFP also calls for replacing the conduit along the length of the dock to re-establish the electrical and water services that were lost as a result of the fire.
- B. Repairs to City Dock and South Cove Approach.
  1. City Dock. A main pile cap beam at City Dock failed last summer. The beam must be replaced to make the dock suitable for vehicle traffic use by the general public, and for use by Seafood Producers Cooperative during this summer's commercial troll season. Initial cost estimates range between \$85,000 and \$95,000.
  2. South Cove Approach. I am told that the beams to which the South Cove Harbor ramp is anchored to the South Cove approach are failing and need to be replaced. This job requires supporting the ramp as the repairs are made, and may well require barge mounted equipment to complete the work.

Staff will bring bids to the council for council consideration of award, and to direct staff as to where to draw the funds for the work.

#### **4. Port St. Nicholas Road**

The Craig Tribal Association notified the city recently that it will exercise its option to cancel the agreement between the City and CTA regarding upgrades to the Port St. Nicholas Road. That agreement called for CTA to maintain the unpaved portion of the road so long as the tribe is working on the road upgrade project. CTA staff tells me that the tribe will perform one more round of maintenance to the roadway, then cease their maintenance work per the end of the agreement.

The tribe's withdrawal from the agreement leaves open the issue of who should maintain the paved and unpaved portions of the PSN road, the level of maintenance effort to apply, and how to pay for the cost of maintaining the road. I intend to work with city staff to bring to the council a proposal to address the maintenance needs on the PSN road, including a project budget and a mechanism to fund the cost of that maintenance.

#### **5. Community Street Paving, Phase IV**

In my recent memo to the council regarding Phase IV of the community street paving project I included an incorrect scope of work for the project. The actual work plan calls for improvements to the following city streets:

Ninth Street	Oceanview Drive	Thomas Court
Ptarmigan Court	Eagle Tree Court	Brandi Court
JS Drive South	JS Drive North	Park Place
Sunnahae Court	Achten Court	First and Beach Road

The scope also includes an option to open Water Tower Road between Oceanview and West Hamilton Drive.

I do not think we have sufficient funds to upgrade and pave all the streets listed in the scope of work. However the city will bid out the work and make the available funding go as far as possible. The council will need to revisit the priority order of the streets.

#### **6. Travel Schedule**

March 15-16: SE conference mid-Winter Meeting, Juneau

# City Of Craig

## Memorandum

To: Mayor Dennis Watson, and the Craig City Council

From: Jessica Holloway, Aquatic Manager

Date: January 28, 2016

RE: January report

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On the 16<sup>th</sup> the Wave Runners hosted there annual swim meet. I was in the building for most of the meet and it seemed like the kids had a lot of fun.

The weekend of the 29<sup>th</sup> the Middle School is hosting the Stikine Tournament. We are looking at about 100 wrestlers that are going to be in town. Since one of the days land on a Friday and the kids are still in school the pool will be open for them from 9am-10:30 so they can swim. We are also going to open the pool for them on Saturday the 30<sup>th</sup> for 7pm-8:30p for them so they can have an activity after the meet. Its looking to be a very busy weekend.

Every other Saturday starting this month, we are renting the pool to the High School SCUBA club. This is a brand new club for the Craig High and seems to be something that will be able to keep doing. SISD rents the pool on Fridays for an hour for SCUBA . This has been something that has been going on for years and we are excited to continue it.

Lessons are still in full swing. We will probably be doing lessons almost every day until we shut down.

There is not a lot to report since the last meeting. If you have any questions please feel free to give me a call at 826-2794 or e mail at [pool@craigak.com](mailto:pool@craigak.com)

Have a great Month

Jessica Holloway

## **CITY OF CRAIG MEMORANDUM**

To: Craig Mayor and City Council  
From: Brian Templin, City Planner  
Date: January 28, 2016  
RE: Planning Department Staff Report – February 2016

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1. State Marijuana Regulations. On January 22, 2016 Lt. Governor Malott adopted the state regulations regarding commercial marijuana licensing. These regulations will go into effect on February 21, 2016. The regulations adopted by the Lt. Governor were substantially the same regulations that were adopted by the board on November 20h and amended on December 1<sup>st</sup>. There were two items in the amended regulations that the Alaska Department of Law struck from the regulations during their review.
  - a. National Criminal Background Check. The regulations required that all license applicants undergo a national criminal background check before a license would be approved. The department of law struck down this provision because the law requires authority for national background checks to be contained in statute and not regulation. The control board is working to include legislation in the current session that will fix this issue.
  - b. Alternate Testing. In December the control board amended the regulations to allow for applicants to propose alternate testing methods due to “geographic location and transportation limitations”. This was intended to allow communities not on the road system to propose alternate testing methods because air and sea transportation of testing samples is still prohibited by federal law. It is assumed that the cost of testing equipment and the degree/experience requirements for testing lab personnel will make it prohibitive for testing labs in most rural communities in the state. The department of law struck this provision out of the regulations due to the fact that there were no standards that would allow the board to approve alternate testing in a consistent or unbiased way.

Aside from these two changes the regulations are the same as the last set published by the board in December. It is reported that the board anticipates that the first licenses will likely be issued in early June.

2. USACE Harbor Project. The feasibility report process for the project is substantially complete (we are just waiting for a signed Chief’s Report in April 2016). We will likely enter into the preconstruction engineering and design (PED) phase at the end of 2016. This phase, and the subsequent construction phase shift the cost share from 50/50 to 80/20 (the USACE will pay for 90% of PED costs up front and the city will pay 10% up front and 10% over 30 years). We have some remaining funds in a legislative grant for the project and will continue to work on securing additional funds to ensure that the city can provide the \$150,000 share of the PED phase. In addition to working toward the PED phase of the project we have been working with Senator Sullivan, Senator Murkowski and Congressman Young’s staffs (through Steve Silver) to ensure that the project is included in the list of eligible projects for the upcoming reauthorization of the Water Resources Development Act (WRDA) bill in congress in 2016 or 2017. The WRDA bill is the primary instrument for the federal appropriation

for these USACE projects. The USACE is also working to include our project in the list that their agency sends to congress for the WRDA reauthorization. Inclusion in the WRDA bill is critical to the overall funding of the project. We will continue to work with Steve, the delegation, and the USACE as WRDA moves through the senate and house.

3. Firehall/EMS Annex Building. We opened bids for this project on January 26, 2016. We had two responsive bids with Mike Hammes Carpentry being the low responsive bidder. A complete memo on the bid opening and a recommendation on the award of contract is included in the packet for the February 4<sup>th</sup> meeting.
4. Tract 15 Development (Ptarmigan Subdivision). I have been continuing work on subdivision and development of residential lots at Tract 15, USS 2611. The new subdivision will be named Ptarmigan Subdivision. The surveyor has submitted a preliminary plat which will be reviewed by the planning commission on January 28<sup>th</sup>. A copy of the preliminary plat is attached to this report. The subdivision will divide Tract 15 into 6 individual lots and a remainder tract (Tract A). Tract A consists of lease sites for the National Weather Service and Craig Community Garden. The six residential lots range from 9,579 – 19,923 square feet and are all accessed from Ptarmigan Street and a new cul-de-sac (Willow Court) which will be across from Eagle Tree Court. There are a few remaining steps before the lots are ready to sell:
  - a. Approve Preliminary Plat (scheduled for the planning commission on January 28<sup>th</sup>)
  - b. After the surveyor makes the final changes to the plat based on the preliminary plat approval I will submit the plat to the city council for approval and direction to have the mayor or Jon sign the plat on behalf of the city. I expect that this will happen in mid-February or early March.
  - c. Along with approval of the final plat I will present an ordinance rezoning the residential lots for consideration by the council. The planning commission has already approved a resolution recommending rezoning the lots to Medium Density Residential.
  - d. Appraisals. I have asked Horan and Company to conduct a site visit of the property when they are in town for the annual reassessment of properties. Once the final plat adjustments are made I will instruct Horan and Company to complete the appraisals on the lots. This will likely happen in February.
  - e. I plan to work with Ron McIntosh and the public works crew on installing water/sewer laterals and publish a request for quotes to do the required road work for the new cul-de-sac. It is likely that we will contract out the clearing and grubbing work and road base work and do the utility installations in-house.
  - f. Land Sale. Once the final plat is complete, the properties are appraised and the road/utility work is complete I will bring a sale proposal to the council for approval. It is likely that we will sell the lots by sealed competitive bid and then over the counter sales similar to the municipal land sale in 2013/2014.

One of the goals that we had during the land sale in 2013/2014 was to encourage development of residential structures as quickly as possible. To accomplish this we added a \$2500 surcharge to each lot with a rebate plat if construction was complete within 18, 24 or 36 months with higher rebates set for quicker completion. Most of the properties have passed the 18 month point and only one house has been completed. While there is still time for property owners to take advantage of the incentive it has not worked as well as we had hoped.

It is likely that staff will set up a Local Improvement District (LID) or some other mechanism that would collect additional property tax on each property until a residential structure was completed. The amount of additional property tax would likely be based on some portion of the costs for roads and utilities and would be forgiven once a residential structure was completed and placed on the tax rolls. This would have the effect of collecting additional property tax from purchasers until residential structures were completed, encouraging development and creating a higher tax rate for properties that are sold for the purpose of residential development but not developed. Any structure to assess additional taxes would only apply to the properties being sold under this land sale. Staff will provide additional information as the development and sale move forward.

5. Capital Projects. Capital project requests are due to both the state and federal delegations in February. CAPSIS submissions are due to the state by February 12<sup>th</sup> and projects are due to the federal delegation no later than February 26<sup>th</sup>.
  - a. CAPSIS Submittals. As the council is aware the state's fiscal position makes it highly unlikely that communities will receive capital project funds through the legislative process this year. That being said, it is still in the city's interest to make submissions. I anticipate that we will make the following submissions to CAPSIS:
    - i. USACE Harbor Preconstruction Engineering and Design (PED) Funds. The city is getting ready to enter the PED phase of the cannery site harbor project with the USACE. The budget estimate for this phase of the project requires \$150,000 - \$175,000 in non-federal funding. We have approximately \$50,000 remaining the grant that we have been using for the feasibility report. Likely we will need an additional \$100,000 - \$125,000 in non federal funds to complete the PED phase. A portion of this match will likely be in-kind. While it is unlikely that the legislature will provide any capital funding, if there is any capital funding available for communities this year this request may have some likelihood of funding since it would be a small request and would be a required match to federal monies.
    - ii. Road Paving. As the council is aware we are working on Phase IV of street paving in Craig this year. Current estimates are that the available funding that we have will not be enough to pave all of the remaining streets in Craig. We will likely submit a CAPSIS request for an additional \$1 million in street paving money. This

request is very unlikely to get funded through the state general fund process, even if there is some community capital money available this year but it is important that we keep this project on the legislature's radar. The state has also used general obligation bonds in the past as a way to provide capital funding separate from the general fund route. The last large issue of general bonds by the state for capital projects was to fund roads, harbors and other infrastructure. A bond issuance this fiscal year is almost as unlikely as any general fund monies being available but this request will put us in a position to seek these type of funds if the legislature decides to issue some general obligation bonds.

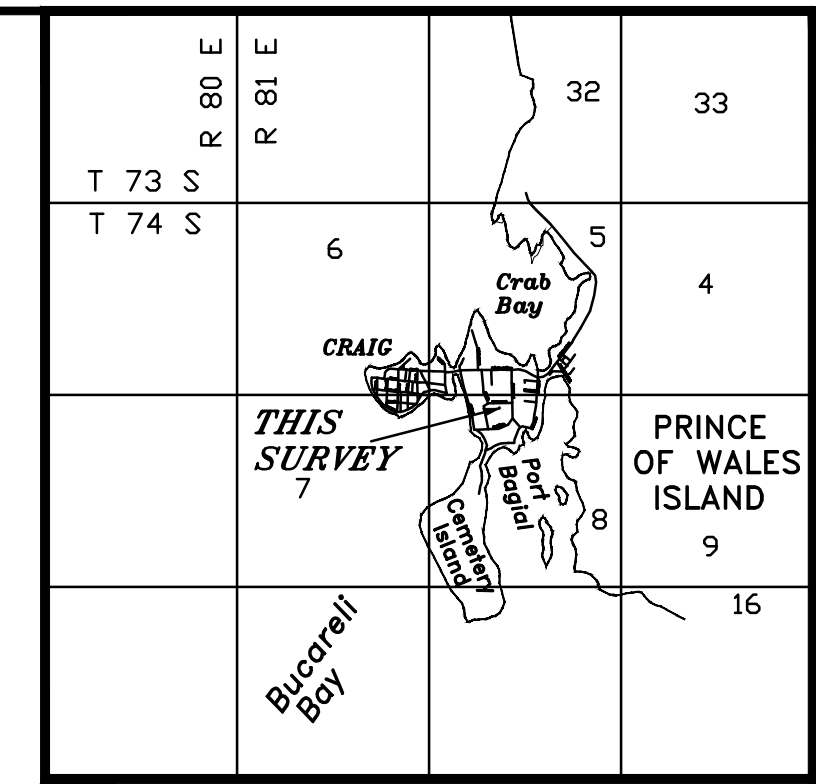
iii. Craig Harbor (Non-Federal Share). Although we are just entering the PED phase of the Craig harbor project it is important that we are considering full construction funding over the next several years. The non-federal share of the construction project is estimated to be between \$7 million and \$10 million. This project is extremely unlikely to be funded this year through the general fund process, and is very unlikely to be funded even if the state issues general obligation bonds for capital infrastructure projects but it is important that we keep the harbor construction on the legislature's radar over the next 2 – 3 years to position ourselves for state funding for the project in future years.

b. Federal Submittals. Project submittals to the federal delegation are due February 26<sup>th</sup>. The federal delegation is still under an earmark moratorium so it is unlikely that individual projects will be marked for funding. The federal delegation process is currently used to help the federal delegation determine funding levels for various federal grant programs so that money is available for communities to compete for that funding within those programs. It is likely that we will stress the Craig harbor project as another avenue to ensure that the Craig project is eligible for USACE funding through the WRDA reauthorization. Staff will likely submit other projects based on the recently approved capital projects list that have a strong federal funding component.

6. Alaska Shield 2016. The Craig Emergency Services Department, Craig Police Department, Craig City School District and other agencies in Craig will be participating in the statewide emergency preparedness exercise Alaska Shield 2016 on April 1, 2016 at the Craig High School. The city and school district will conduct a full scale active shooter exercise at the high school on that afternoon. Staff is currently working with state officials, the school district and first responders in planning for this exercise.







VICINITY MAP  
SCALE: 1 INCH = 1 MILE

**CERTIFICATE OF OWNERSHIP AND DEDICATION**

We hereby certify that we are the owners of Existing Truck Trail Easement USS 2611, that we do approve of this survey and plat; and that we do for ourselves, our heirs, and assigns dedicate, donate and convey to the public, all rights-of-way/ alleys/public utility areas/easements/other public ways, as shown hereon.

Owner LOT 15 USS 2611. Date \_\_\_\_\_  
City Of Craig

**NOTARY'S ACKNOWLEDGEMENT**

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_.

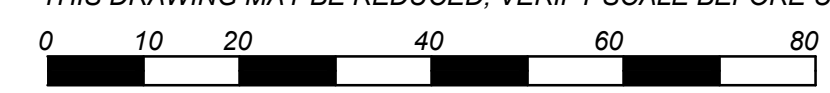
For \_\_\_\_\_  
Notary Public for Alaska  
My Commission Expires \_\_\_\_\_

**LEGEND**

- ⊙ 5/8" REBAR AND 2" ALUM CAP WITH PLASTIC INSERT SET THIS SURVEY
- ⊠ FOUND ALUMINUM CAP
- ⊗ FOUND REBAR NOT ACCEPTED
- ⊛ FOUND BLM BRASS CAP
- (M) DATA MEASURED IN THE FIELD
- (R) DATA OF RECORD USS 2611

**SCALE 1"=20'**

THIS DRAWING MAY BE REDUCED, VERIFY SCALE BEFORE USING



**KETCHIKAN RECORDING DISTRICT**

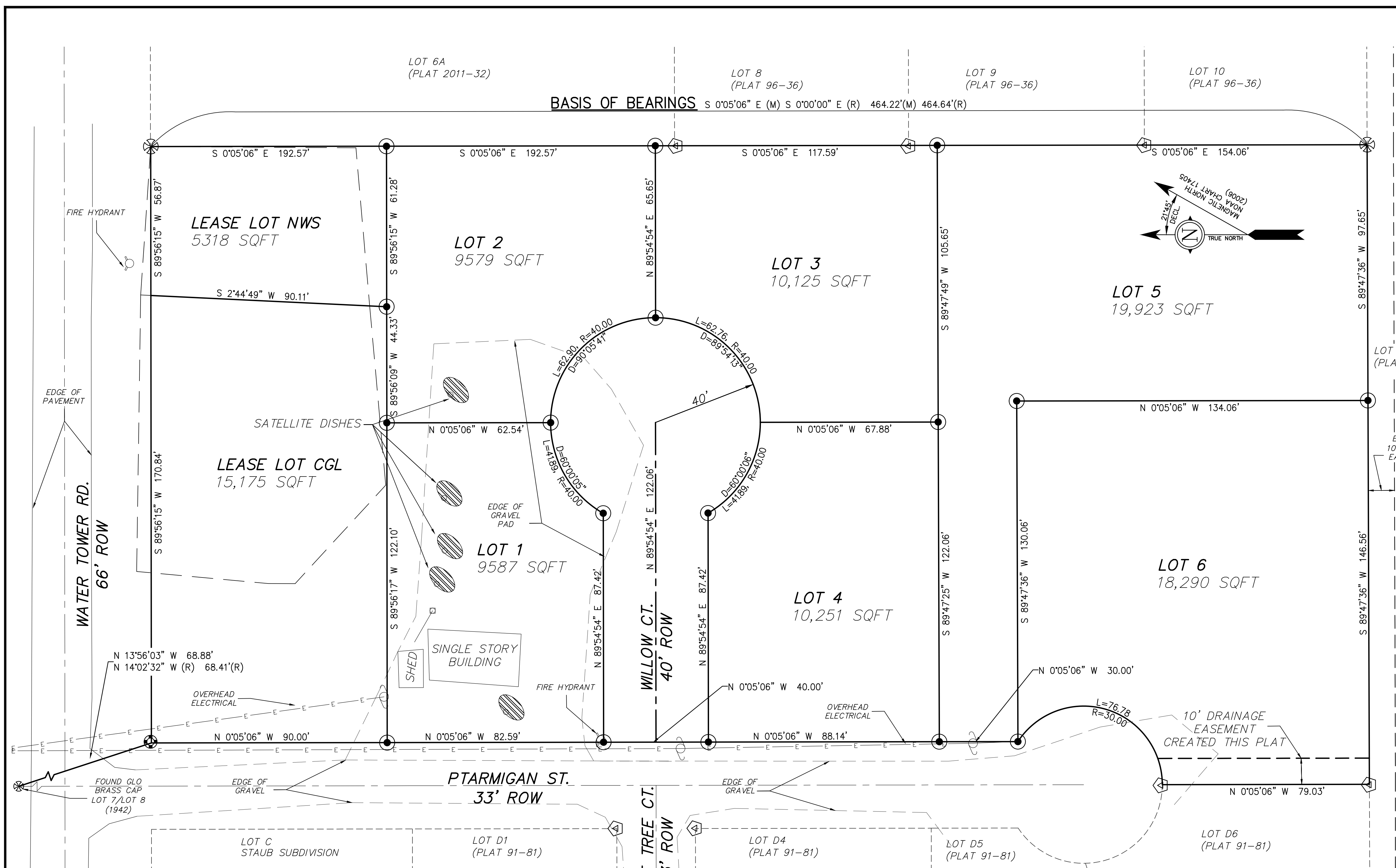
Revisions	
No.	Date

**RSM**  
R&M ENGINEERING-KETCHIKAN, INC.  
355 Carlianna Lake Road  
Ketchikan, AK 99901  
Phone: (907) 225-7917  
Fax: (907) 225-3441

WRANGELL OFFICE  
P.O. BOX 1331  
Wrangell, AK 99929  
Phone: (907) 874-2177  
Fax: (907) 874-2187

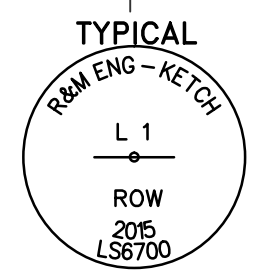
**PROJECT:**  
**PTARMIGAN SUBDIVISION**  
**THE SUBDIVISION OF REMAINDER OF LOT 15 USS 2611, PLAT 91-81 SEC 8, T74S, R81E, CPM**

CLIENT:	CITY OF CRAIG Box 725 CRAIG AK. 99921
DATE:	12/31/15
SCALE:	1"=20'
DRAWN BY:	C.G.P.
APPRVD BY:	G.G.S.
JOB NO.	152745
SHEET	1 OF 1



**NOTES**

- TOTAL AREA SUBDIVIDED  
LEASE LOT NWS = 5,318 SQFT  
LEASE LOT CGL = 15,175 SQFT  
LOT 1 = 9,587 SQFT  
LOT 2 = 9,579 SQFT  
LOT 3 = 10,125 SQFT  
LOT 4 = 10,251 SQFT  
LOT 5 = 19,923 SQFT  
LOT 6 = 18,290 SQFT  
WILLOW COURT = 8,378 SQFT  
TOTAL = 106,628 SQFT
- THIS PLAT IS SUBJECT TO THE FOLLOWING WITHIN THE KETCHIKAN RECORDERS DISTRICT:  
A. PLAT 91-81  
B. U.S.S 2611  
C. US PATENT  
D. PLAT 96-36  
E. PLAT 87-58 STUAB. SUB.  
F. PLAT 2011-32
- THE BASIS OF BEARINGS ON THIS PLAT WAS DETERMINED BY A HIGH-PRECISION GPS SURVEY USING TRIMBLE R8/R10 RECEIVERS DIFFERENTIALLY CORRECTED AND PROCESSED USING TRIMBLE BUSINESS CENTER V 3.22 SOFTWARE.
- THE PURPOSE OF THIS PLAT IS TO SUBDIVIDE THE REMAINING PORTION OF LOT 15 U.S.S. 2611 CREATING RESIDENTIAL LOTS FOR PURPOSE OF SALE AND LEASE.



5/8"X 30" LONG REBAR AND 2" ALUM CAP WITH PLASTIC INSERT SET THIS SURVEY.

**SURVEYOR'S CERTIFICATE**

I hereby certify that I am properly registered and licensed to practice land surveying in the State of Alaska, that this plat represents a survey made by me or under my direct supervision, that the monuments shown hereon actually exist as described, and that all dimensions and other details are correct.

Date \_\_\_\_\_ Registration Number: LS-6700

Gregory G. Scheff, R.L.S.



**CERTIFICATE OF IMPROVEMENTS**

NO IMPROVEMENTS ARE REQUIRED FOR THE VACATION/REPLAT

PUBLIC WORKS DIRECTOR \_\_\_\_\_ Date \_\_\_\_\_

CITY PLATTING OFFICIAL \_\_\_\_\_ Date \_\_\_\_\_

**TAX STATEMENT**

I hereby certify that all ad valorem taxes, special assignments and other charges required by law to be placed on the tax roll have been paid.

City Clerk \_\_\_\_\_ Date \_\_\_\_\_

**APPROVAL SIGNATURES**

This final subdivision plat has been reviewed and approved in accordance with the Craig Land Development Code - Subdivision Ordinance. All dedications to the public have been inspected and accepted by the City of Craig.

City Platting Official \_\_\_\_\_ Date \_\_\_\_\_

Presiding Officer - Planning Commission \_\_\_\_\_ Date \_\_\_\_\_

Planning Commission Member \_\_\_\_\_ Date \_\_\_\_\_

12/21/15-1/23/16

Submitted by Kimberly Baxter

Volunteer Hours: 116.50

Patron Visits: 1571

Circulation: 2,850

Computer Usage: 480

3D Printer Usage: 6

Tests Proctored: 0

Meetings: 2

Programs/Events:

Winter Scavenger Hunt (Ends 1/31/16)

Minecraft (Mondays at 3:00pm)

Preschool Story Time (Fridays at 10:00am)

Craig Child Care Center Storytime (Tuesdays at 10:00am)

Book Club (1/23/16)

National Rubber Ducky Day (1/13/16)

Parent Chat with Brynn Castle from Community Connections (1/8/16)

#HackCPL Technology Group- iMovie Class (1/9/16)

Volunteer Training (1/21/16)

Video Conferences:

Living in the Ring of Fire (1/6/16)

Yes, It IS Rocket Science! (1/12/16)

Your Heart, Your Health (1/7, 1/14, 1/21)

Read 1000 Books Before Kindergarten (Began 1/1/16)

Upcoming:

Films Worth Talking About (1/29/16 @7:00pm)

Demo of Scan and Cut with Quilt Guild (2/2/16) (Rescheduled)

Your Heart, Your Health Video Conference (2/4/16)

#HackCPL Technology Group – Google Virtual Reality Glasses (2/13/16 @10:00am)

February is Library Lovers Month

Blind Date with a Book (Books will be wrapped to conceal them and make it a mystery)

February 6<sup>th</sup> is Take Your Child to the Library Day

Alaska Reads – Statewide book club featuring the book – The Blonde Indian

Films Worth Talking About is a new program sponsored by the Prince of Wales Health Network and facilitated by Beverly Rivard. Award-winning, uplifting, inspirational and thought-provoking films to enjoy and discuss will be shown. Popcorn provided too!

This is VISTA volunteer Kathryn George's last few weeks. Her last day is February 12<sup>th</sup>. She has completed grant projects, economic development programs and initiated an early literacy program that will be self-sustaining. This project will be continued by the new VISTA scheduled to arrive on March 4<sup>th</sup>. We would like to thank Katie for her hard work and support of the Library and our community.

**CITY OF CRAIG  
MEMORANDUM**



**Date:** January 28, 2016  
**To:** Honorable Dennis Watson, Craig City Council  
**Fr:** RJ Ely, Police Chief  
**Re:** Staff Report / February 2016

*RJ Ely*

**ACTIVITY**

Activity from January 1, 2016 through January 28, 2016. Dispatch Center took the following amount of calls for service:

Craig	704
Klawock	156
AST	5

**DEPARTMENT OF MOTOR VEHICLES**

Starting to pick up, slightly from last month. Drop offs are still being utilized, almost daily.

**DISPATCHER(S)**

Andria Skaflestad has been hired, part time / fill in dispatcher. Still in training, but learning quickly and should complete training as expected.

**OFFICER(S)**

Nothing to report

**OTHER**

Am in process of working with AK Courts, for hardware/software for setting up and conducting most court proceedings, via video link. This will greatly reduce the number of trips that officers will have to take, after court relocates to Klawock.

Have a Federal Training coming to train staff on TWIC / TSA / Hazmat Fingerprinting. Was to happen in January, but due to conflict with training, moved to February.

Have been working with contract jails and attempting to get funding higher than last year. Currently, it's being proposed that Craig would at the very least, get amount that was granted last year. This was greatly lower than the prior years.

Durango & New Dodge Truck have been equipped, decals applied and are now being utilized by staff. Older Dodge Truck will be utilized by staff, for CDL Road Testing and Motorcycle testing that is offered.

Staff is still working on converting all older case files to digital records. To date, this has sped up the process of completing FBI Requests, DPS Requests and DOC Requests for information. As well, other police departments working investigations where CPD Cases have assisted in their investigations.

# Memo

To: Mr. Mayor, Craig City Council

From: Ron McIntosh, Public Works Director

CC: Jon Bolling, City Administrator

Date: January 29, 2016

Re: Public Works Council Report for February 4, 2016

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## Activities and status:

1. The updated Phase 4 Paving plans have been received and preparations are being made for the public comment period. 11"x8 ½" plan sets can be made available to Council Members for their review.
2. Water Treatment Plant.

On 1-21-2016, at approximately 8PM, an elbow on the backwash manifold for the treatment trains broke and water sprayed vertically against the roof insulation on the north end of the manifold adjacent to the office. Duration of the running water is not known but the water sprayed and drenched the primary electrical panels, chemical metering panels, train 1 operating panels and the office housing the computer equipment. The water shorted out the electrical and/or the computer shutting down the high service pumps as well as the computer. The plant failure system did not operate because the water disabled the telephone system as well as the internet connection.

At 8AM 1-22-2016, the plant was found to be flooded and without power. Circuits and systems were all checked for signs of negative impact. None was found. Water was dripping off of circuit boards and electrical outlets. Heaters and fans were deployed, dehumidifier was rented and the drying out process was initiated. The Water pipe was repaired with parts at the water plant.

Water level at 830AM was at approximately 24' in the tank. Current trending is 9 ½' city usage per day plus St. Nick customers. We opened the tank bypass to keep St. Nick customers on line.

As the day progressed and as equipment dried out, systems were checked and re-energized. Conversion to operate the plant manually was becoming a possibility. At 4PM the computer appeared to be up but no internet. APT showed up at 430PM and replaced the internet equipment establishing internet. The plant was still nonresponsive to the computer.

The decision was made to continue to let the electronics dry out and a better decision could be made in the AM. Boreal Controls was contacted and they attempted to remote in to diagnose but could not connect. Boreal booked flights to Craig and was in Klawock at 930AM 1-23-2016.

The mechanical staff gauge on the tank is not operational due to the high winds have knocked it off the pulley. Estimated tank level at 10AM 1-23-2016 was somewhere around 11'.

The computer was rebooted and the systems appeared to come on line. Boreal was present and water started to be pumped to the tank. By noon, the systems seemed to be running. Boreal installed a new hard drive and the plant continued to produce. Boreal was finished and left either Saturday night or Sunday morning pending flights.

Clean up continues. Permanent repair parts will be ordered for the backwash manifold.

Damage assessments are being made with replacement of the computer monitoring systems happening as I am submitting this report. Damage to the Water Plant Office and building consists of ceiling panels, drywall and possibly some electrical circuitry. Arrangements are being coordinated to repair the gauge at the water tank.

3. The high winds continue to create issues for the Garbage Department. Residents have been issuing complaints. We continue to address the issues.

Public Works continues to address day to day operations and issues. If you have any questions or any specific issues, please feel free to contact me.

Thank you,

RCMc

## Recreation Report for the Craig City Council, February 2016

Submitted by Victoria Merritt

There is plenty to do this windy winter. A Swap Meet was held at the Craig City Gym January 30<sup>th</sup> from 10 to 2 with a full house. These popular treasure hunts are filled with vendors offering a variety of new and used items. A combination indoor yard sales and bazaar they are usually well attended. The next Swap Meet will be March 12 from 9 to 1.

Volleyball season is in full swing. We ended up with 7 teams for the coed 4 on 4 league. We will end with a tournament in March. Each team pays \$100. Jos'e Cevera is invaluable as the on call referee.

After school is holding its own. We have about 30 to 40 students a week participating. Mary Murphy was hired originally at the library but with the changes and the end of the grant, she is the working afterschool program a few days a week. Mary will be taking the "Girls On the Run" Coaching training so we will be switching up our hours.

Skating slows down a bit with the basketball season. We skate as a part of the afterschool program also. Carrie Dawn Durgan follows skating with an open gym for middle school kids from 8:30 to about 10pm on Friday nights.

Saturday nights we have the Youth/Rec Center open for Middle School kids, thanks to Ally Adams, Mike Howell , Joel and Leanne Steenstra. This may also be slow with Basketball season .

Spanish Conversation is back on Wednesday evening at 6pm with Shelby Beck volunteering here time. Yoga is still on break.

The Stikine Wrestling Tournament was held January 29 and 30<sup>th</sup> and the visiting wrestlers were given the use of the Craig City Gym so that they had a place to go while school was in session on Friday morning.

POW CC Trade show will be March 19. Whale Fest will be April 1 and 2. There is a health Fair in Klawock on April 2<sup>nd</sup>. The Spring Bazaar will be April 30. POW Marathon will be on Saturday, May 28. I am still doing the weekly radio show.

I will be out of the office starting Feb. 13 and returning Feb. 23<sup>rd</sup>. I will be going for a cancer check up in Denver and then to my uncles memorial in Minneapolis. I have everything covered and will be reachable by cell phone.





# Parks & Public Facilities

1/29/2016

## Staff Report - January 2016

To: Craig Mayor and City Council

From: Douglas Ward

### **Projects completed:**

- Repair, calibrate, reprogram, and tune Oxygen flue gas analyzer on the wood boiler. This allows the boiler to operate more efficiently, and in an automated manner.
- PLC programming on wood boiler to export freeboard temperature to HVAC controller
- Helped Harbors replace bulbs in fixtures at North Cove Harbor
- Retrofit city gym outside ball court and parking lamps with LED bulbs. Installed new timer
- Retrofit DMV parking light fixture with LED bulb

### **Projects currently in progress:**

- Cemetery Cross replacement. The cross replacement "committee", is currently staining the engraved names in the crosses. We plan to have them completed and installed during the month of February.
- Removal of "Widow Makers" and leaning trees at Sandy Beach access and trail (weather permitting)
- We are retrofitting (2) lighting fixtures with LED bulbs to mount on the end of the Fire hall, to illuminate the new library / city hall parking area.

### **Our department performed routine maintenance and repairs on city buildings, facilities, and parks including:**

- Cut up and remove downed tree at the cemetery, and (2) on the cemetery trail. (assisted by Public Works)
- Electrical repair at Police Station
- Heating repairs at Harbors building
- Re-keyed outside locks at Daycare center
- Hang white boards for Peace Health at new clinic building





Craig Tribal Association  
P.O. Box 828  
Craig, Alaska 99921  
Tel: 907-826-3996  
Fax: 907-826-3997

RECEIVED  
JAN 20 2016

January 19, 2016

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

Re: Port St. Nicholas Road Project Agreement

Dear Mr. Bolling,

Pursuant to Section 4 of the PSN Road Project Agreement between the City of Craig and the Craig Tribal Association (CTA), the CTA is providing its 30 Day Notice of its intent to cancel this agreement. In the future, if the tribe is able to secure additional funds to complete this project, the CTA would be willing to initiate another agreement with the City of Craig, if the City is willing to keep communications open regarding this project.

If you have any questions regarding this 30 Day Notice, please do not hesitate to contact Anna Guthrie, Tribal Administrator or myself at (907) 826-3996.

Sincerely,

A handwritten signature in black ink, which appears to read "Clinton E. Cook, Sr.". The signature is written in a cursive, flowing style.

Clinton E. Cook, Sr.  
Tribal President

## NOTICE OF FILING A PETITION WITH THE LOCAL BOUNDARY COMMISSION FOR INCORPORATION OF WHALE PASS AS A SECOND CLASS CITY

### NOTICE OF FILING A PETITION WITH THE LOCAL BOUNDARY COMMISSION FOR INCORPORATION OF WHALE PASS AS A SECOND CLASS CITY

The Local Boundary Commission has received a petition to incorporate the community of Whale Pass as a second class city by local action. The petitioner's representatives are Don Hull and Dick Erickson. The area proposed for incorporation is Prince of Wales Island in southeast Alaska and is approximately 26 square miles of land and water.

Standards governing incorporation of second class cities are established in Alaska Statutes 29.05.011-110.005-.042; and 3 AAC 110.900-990.

Procedures governing city incorporation by the local action method are set out in 3 AAC 110.400-700.

The legal description of the territory proposed for incorporation can be found in the petition. The petition documents, including a map of the territory proposed for incorporation, are available for public review at the following locations, days, and times:

1. Public library (Monday and Friday 3-5 p.m.; Tuesday 1-3 p.m.; Wednesday 4-6 p.m.; Saturday 11 a.m.)
2. Whale Pass Facebook page
3. Whale Pass website
4. LBC website

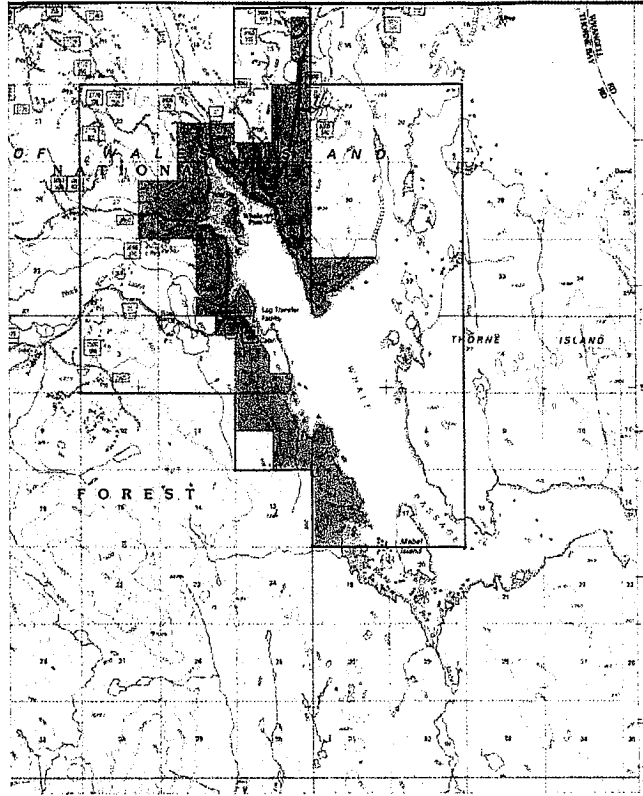
Any interested person may file written comments with the LBC regarding the incorporation petition. A person with the capacity to sue may file a responsive brief supporting or opposing the petition with the LBC. Written responsive briefs must be filed in accordance with 3 AAC 110.480 and 3 AAC 110.700. The LBC has suspended 110.700(d) so the public is not required to send an original if an electronic comment has already been filed. A responsive brief (as distinguished from a written comment) gains certain procedural rights and duties in proceedings. Responsive briefs and written comments must be received by the LBC by 4:30 pm, March 17, 2016, as follows:

Local Boundary Commission staff, 550 W. 7th Ave., Ste. 1640, Anchorage, AK 99501 Phone: 907-269-4563 ? Email: LBC@alaska.gov

Commenters must either send a copy of the comments to the petitioner and file a statement indicating that they have done so or notify the department of an inability to send comments to the petitioner. Comments can be sent to the petitioner, Don Hull, Petitioner's Representative, Box WWP, Whale Pass, Ketchikan, AK 99950; seghull@msn.com

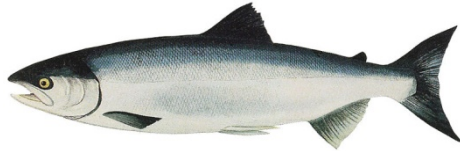
Questions concerning the proposed incorporation may be directed to LBC staff using the contact information above.

recommended that persons interested in receiving future LBC notices, updates, and materials by email : notice list server by visiting <http://list.state.ak.us/soalists/DCED-LocalBoundaryCommission/jl.htm>, and instructions.



Leave a Comment

# PACIFIC SALMON TREATY COALITION



1308 Sawmill Creek Road Sitka, Alaska 99835

Mayor Dennis Watson  
City of Craig  
PO Box 725  
Craig, AK 99921

January 25, 2016

**RE: Resolution of support for the Alaska Department of Fish and Game and the Southeast Alaska fisheries representatives serving in the U.S./Canada Pacific Salmon Commission process.**

Dear Mayor Watson and Members of the Craig City Council,

Attached is a Resolution of Support regarding the Pacific Salmon Treaty. The language of the Resolution is plain and speaks for itself.

This Resolution was developed by the Pacific Salmon Treaty Coalition, Inc., a 501 ©(6) Incorporated in March of 2015. From the PSTC Bylaws; "PSTC exists to protect Alaska's sport and commercial salmon fishermen from additional cuts to its treaty allocation within the Pacific Salmon Treaty (PST) process. The organization will educate and lobby respective regulatory agencies and political bodies to ensure Alaska's PST allocation is not further leveraged away for political purposes that serve interests outside of Alaska."

PSTC has begun a region-wide fundraising campaign to position Alaska for success in the 2018-renegotiation efforts and is planning a trip to Washington, DC in late February to meet with Alaska's Congressional delegation. Adoption of this Resolution will highlight the importance of this issue to Southeast Alaska. NSRAA, SSRAA, DIPAC and Trident Seafoods have made meaningful financial contributions in support of our mission and additional donations have been pledged. The PSTC Board of Directors is composed of Recreational, Troll, Gillnet, Seine, and Aquaculture representatives currently serving as members of the industry panels.

We respectfully request the Municipality adopt the attached Resolution and distribute as suggested in the attachment; including your local legislators and municipal lobbyists, or email a signed copy to the Executive Director and it will be distributed by PSTC.

*Deborah A. Lyons*

Deborah A. Lyons  
Executive Director, Pacific Salmon Treaty Coalition, Inc.

Attachments: Draft Resolution, Distribution list

**Sample Resolution from a Southeastern Alaska City and Borough regarding support for the Alaska Department of Fish and Game and the fisheries representatives serving on the US/Canada Salmon Commission**

Whereas; The recreational, commercial and subsistence fisheries of Southeast Alaska are critically important to the economic and personal well-being of our citizens and our communities, and

Whereas; The management of Southeastern Alaskan Chinook, Pink, Coho, and Sockeye fisheries, and the allowable salmon harvest and corresponding economic benefit or loss to the region, is dependent upon fishing regimes conducted by agreement with Canada, the States of Washington and Oregon and the Pacific Northwest Tribes under the Annexes of the Pacific Salmon Treaty, and

Whereas; The terms of the current Treaty Annexes are being renegotiated for a ten year period beginning in 2019 and the State of Alaska Department of Fish and Game and the Southeast Alaska recreational, commercial and subsistence fishery representatives serving on the Pacific Salmon Commission Panels are now working to develop the terms of the next ten year agreement in order to:

- Restore and continue commitments of financial support from the Federal Governments of the United States and Canada and the State of Alaska to the programs that support accurate and reliable data for management of the fisheries, assist with enhancement programs, and share the cost of managing the fisheries to meet the Treaty commitments.
- Resolve current deficiencies in the performance of the Pacific Salmon Commission Chinook Technical Committee (CTC) to eliminate the erratic and unreliable estimates of Chinook salmon abundance that cause difficulty setting bag limits and marketing the guided recreational fishery and undermines the ability of the processing sector to maximize the value of the commercial harvest.
- Secure greater access by Alaska fisheries to hatchery stocks produced by Federally-funded programs for the express purpose of mitigating lost harvest opportunities that were the result of diminished salmon populations that were the initial result of hydropower projects on the Columbia River.
- Work with the US Section of the Salmon Commission, the National Marine Fisheries Service and the US Department of State to assure fair treatment of the Alaska fisheries within the Commission process to prevent abuses in the application of the Endangered Species Act and to recognize the dependence of the rural Alaska communities upon the fisheries.

Therefore be it resolved that the “City and Borough of Southeast Alaska” is requesting [that](#) the Governor’s office of the State of Alaska, the Alaska State Legislature and the Alaska Congressional delegation:

- recognize the critical need for support over the next three years for the Alaska representatives to the Pacific Salmon Commission; and
- use all means available to provide assistance to help assure a successful

outcome to the **current** negotiations in order to provide continued access to salmon stocks for our citizens **after 2019**.

Signed this day \_\_\_\_\_, \_\_\_\_\_

Mayor City of Southeast Alaska

Attest: \_\_\_\_\_

City Clerk

CITY AND BOROUGH OF WRANGELL

RESOLUTION No. 01-16-1339

A RESOLUTION OF THE ASSEMBLY OF THE CITY  
AND BOROUGH OF WRANGELL, ALASKA,  
SUPPORTING THE ALASKA DEPARTMENT OF FISH  
AND GAME AND THE FISHERIES  
REPRESENTATIVES SERVING ON THE  
U.S./CANADA PACIFIC SALMON COMMISSION

**Whereas,** The recreational, commercial and subsistence fisheries of Southeast Alaska are critically important to the economic and personal well-being of our citizens and our communities, and

**Whereas,** The management of Southeastern Alaskan Chinook, Pink, Coho, and Sockeye fisheries, and the allowable salmon harvest and corresponding economic benefit or loss to the region, is dependent upon fishing regimes conducted by agreement with Canada, the States of Washington and Oregon and the Pacific Northwest Tribes under the Annexes of the Pacific Salmon Treaty, and

**Whereas,** The terms of the current Treaty Annexes are being renegotiated for a ten year period beginning in 2019 and the State of Alaska Department of Fish and Game and the Southeast Alaska recreational, commercial and subsistence fishery representatives serving on the Pacific Salmon Commission Panels are now working to develop the terms of the next ten year agreement in order to:

- Restore and continue commitments of financial support from the Federal Governments of the United States and Canada and the State of Alaska to the programs that support accurate and reliable data for management of the fisheries, assist with enhancement programs, and share the cost of managing the fisheries to meet the Treaty commitments.
- Resolve current deficiencies in the performance of the Pacific Salmon Commission Chinook Technical Committee (CTC) to eliminate the erratic and unreliable estimates of Chinook salmon abundance that cause difficulty setting bag limits and marketing the guided recreational fishery and undermines the ability of the processing sector to maximize the value of the commercial harvest.
- Secure greater access by Alaska fisheries to hatchery stocks produced by Federally-funded programs for the express purpose of mitigating lost harvest opportunities that were the result of diminished salmon populations that were the initial result of hydropower projects on the Columbia River.
- Work with the US Section of the Salmon Commission, the National Marine Fisheries Service and the US Department of State to assure fair treatment of the


Alaska fisheries within the Commission process to prevent abuses in the application of the Endangered Species Act and to recognize the dependence of the rural Alaska communities upon the fisheries.

**NOW, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA** is requesting that the Governor's office of the State of Alaska, the Alaska State Legislature and the Alaska Congressional delegation:

- recognize the critical need for support over the next three years for the Alaska representatives to the Pacific Salmon Commission; and
- use all means available to provide assistance to help assure a successful outcome to the current negotiations in order to provide continued access to salmon stocks for our citizens after 2019.

ADOPTED: January 26, 2016

  
\_\_\_\_\_  
David L. Jack, Mayor

ATTEST:   
\_\_\_\_\_  
Kim Lane, MMC, Borough Clerk





## CITY OF CRAIG MEMORANDUM

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: January 28, 2016  
RE: Consider Award, Port St. Nicholas Cost Recovery Contract

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### Background

Recently City of Craig solicited proposals from the public to perform cost recovery efforts at Port St. Nicholas terminal king salmon area. We received one response, a copy of which is attached.

The purpose of the cost recovery effort is to offset what it costs the City of Craig to raise king salmon at the PSN hatchery. The city currently spends about \$50,000 per year to support the operation. The City of Coffman Cove contributes to the operational cost as well, in proportion to the amount of king salmon released at Coffman Cove from those raised at PSN. In recent years the amount netted by the city from cost recovery efforts has ranged from \$5,100 to about \$6,300.

The attached proposal from Mr. Greg McMillan of Keta Seafoods LLC, calls for a set gillnet method of fishing within the terminal harvest area of the bay. The fish would be weighed on the certified scales at the POW Hatchery Association Klawock River facility, where the fish tickets would be issued.

This approach is different in two notable ways from prior year cost recovery proposals. First, the fishing effort would be by set net gillnet, rather than drift gillnet. Mr. McMillan hopes to capture king salmon milling close to shore in the bay that may have escaped capture using drift gillnet techniques (it should be noted here that the State of Alaska also permits catch by purse seine, beach seine, dip net, or another method authorized in advance by the Alaska Department of Fish and Game). Second, Mr. McMillan intends to purchase, process, and market all the caught king salmon himself, rather than relying on commercial fish buyers for the bulk of sales.

Mr. McMillan proposes to pay the City of Craig \$1.15 per pound, dressed weight, for king salmon caught through the cost recovery effort. That price is based on 42 percent of a season average of \$2.75 for king salmon caught at PSN. To put this in perspective, the table below summarizes both the average price per pound for PSN king salmon in recent years, and the price per pound paid to the city for those fish.

	<b>Season average</b>	<b>Price per pound</b>	
<b>Year</b>	<b>price per pound</b>	<b>to Craig</b>	<b>Note</b>
2013	\$2.66	\$1.20	
2014	\$3.07	\$1.38	round weight
2015	\$2.85	\$1.27	dressed weight
2016	\$2.75	\$1.15	<i>dressed weight (proposed)</i>

### Review

The price offered in the proposal is lower than any time in the past three years. The projected tripling of the catch volume seems unlikely to come to pass in the first year or two as Mr. McMillan gains experience fishing in the bay, and as we work through some brood return years that had very low releases due to die offs when the king salmon were in the egg and fry stages. To make up for this, the fishing effort will have to continue well into July to maximize the financial return to the City of Craig. One factor that streamlines the sale of the fish is the fact that the proposal includes a single price for all fish caught; this approach eliminates the need to find someone to grade each fish brought to the dock.

The method of weighing and completing fish tickets appears to be fine. POWHA staff tells me that they are prepared to work with Mr. McMillan to weigh and document the fish. POWHA would not handle any of the money paid for the king salmon; those payments would be made directly to the city, based on the weight and price information recorded on the fish ticket.

The council should know that most of the PSN kings sell for more than \$2.75 per pound each year. In 2014, for example, more than two thirds of the fish sold for an average of \$3.73 per pound. In 2015, most of the PSN kings sold for \$3.60 per pound. While the city can make a good case here for a higher percentage of the estimated dock price for the PSN kings, it is also true that Keta Seafoods will have some up-front costs the first year or two of cost recovery, and some trial and error fishing attempts to determine the best way to capture the returning kings. I would encourage the council to direct staff to renegotiate the \$1.15 price paid to the city beginning in 2018, and do so again in response to Keta Seafoods' request that the city extend the cost recovery contract into 2021. One option may be to entitle the city to a higher per pound price earlier in the season, and a lower price after July 1.

Overall, the proposal from Keta Seafoods LLC is practical in its approach. Let us hope that it will result in good returns for both the company and the City of Craig.

I have attached a draft cost recovery agreement for the council's review. If the council adopts the recommendation below, the final terms of the agreement will come to the council for final approval.

### **Recommendation**

Authorize staff to negotiate a Port St. Nicholas cost recovery agreement with Keta Seafoods LLC.

Recommended motion: I move to authorize staff to negotiate a Port St. Nicholas cost recovery agreement with Keta Seafoods LLC, based on the company's written proposal, with the city receiving no less than \$1.15 per pound in 2016 and 2017, and receiving greater per pound payments in subsequent years, with final terms of the agreement are subject to city council approval.

RECEIVED  
JAN 25 2016

11:35 a.m.



# Port St. Nicholas King Salmon Cost Recovery Proposal 2016-2018

## Keta Seafoods LLC

### Keta Seafoods Goals

We at Keta Seafoods are striving to meet the goals of the Port St. Nicholas King Hatchery program (hereinafter "PSN program") and to produce enough capital to fully fund the PSN program. We feel that with future years of higher salmon numbers, Keta Seafoods will be able to accomplish this task. We feel confident that with the varying quality of these fish that we can develop a strong market for each grade and quality level. The goal of Keta Seafoods for the initial year of the PSN program is to surpass the total catch numbers of the last three seasons combined. We feel that with our method of fishing we can catch approximately 900 (at minimum) fish this year. This larger catch provides for a higher poundage return and ultimately a larger profit for the PSN program. Keta Seafoods optimistically looks to the future season of 2017-2018 and beyond with substantially higher returns than this 2016 season.

### Keta Seafoods Bio

Keta Seafoods LLC, is owned and operated by Gregory McMillan. I (Gregory) have been a business owner/operator since the ripe age of 11. Since that first business, sales, marketing, and troubleshooting have been in the forefront and a major part of my personal efforts. I have been able to see the flaws of others systems and given common sense viable solutions to better each company. I feel that I can also bring that same problem solving mindset to benefit this PSN program. It is my belief that the Port St. Nicholas fishery needs to be fished and marketed by a businessman, not a fisherman. This is a specialty fishery with no local processors taking any volume of fish. That leaves a few options: one is to tackle the logistics of shipping a fresh (time sensitive) product off island to a processor. These variables alone of the basic "how to get a product to market" have proven to be a daunting logistical nightmare. Our solution to this

problem is to developing markets that are geared heavily towards a frozen and shelf stable product. Since Keta Seafoods is eliminating the stressors of solely selling a fresh product, we feel this allows us to focus more on fishing and less time on shipping logistics.

We at Keta Seafoods believe that we have sufficient sales and marketing experience to effectively sell all three products that we will be offering in 2016-2018. The three products will include; a blast frozen direct to consumer product, a canned smoked product, and finally to satisfy local sales, we will sell direct to the local lodges, businesses, and community. We have been feverishly developing markets for two of our main off island sales products. We are doing test marketing in several major cities across the United States for a direct sale from fisherman to end consumer in a raw blast frozen market. We have been sending samples of our fully processed product line. With regards to both of these products our positive responses have been overwhelming. We fully intend to service the local fresh market as much possible but we will be focusing most of our efforts to where the major volume of our products will be sold.

### **Method of Catch**

Keta Seafoods will be using a set net method of fishing. Set net fishing uses a standard gillnet, but instead of it drifting with the current, it is anchored to one spot. We will have two nets in the water at any given time. One will be located at approximately 5 Mile Port St. Nicholas road in the intertidal area. This will be anchored with a screw in earth anchor. The end of this net in deeper water will be anchored to a large buoy that is attached to several sunken buckets of concrete. The second net will be anchored in an identical fashion but located near the mouth of the Port St. Nicholas river. We will be fishing with a gillnet with mesh no smaller than 7 inches, a method of catch approved by Scott Walker, who is the commercial fisheries agent of the Alaska Department of Fish and Game covering this Port St. Nicholas area. When Keta Seafoods is fishing, we will have someone on the grounds at all times. During our fishing days we will be watching both nets and checking the nets several times per day. When we are not fishing no nets will be in the water.

## **Working Knowledge and Success with Port St. Nicholas Salmon Harvest**

I have been a deckhand in Alaska, fishing commercially for spot prawn, sea cucumbers, geoducks, and I briefly held a limited entry hand troll permit. I have sport /subsistence fished these specific Port St. Nicholas kings every year since 2010. I have also spent two seasons working on the Port St. Nicholas road project. These thousands of fishing and working hours near this recovery area have given me intimate knowledge of fish patterns and movements. I feel very confident that with my knowledge of fish movements and our gear selection and locations that we will be highly successful in accessing these fish.

## **Beginning and Approximate Ending Date of Recovery Efforts**

Keta Seafoods will begin setup and test fishing no later than May 10, 2016. Keta Seafoods will have full daily fishing efforts by or before June 1, 2016. These efforts may conclude anytime between the third week in July and the second week of August, depending upon the quantity of sellable product entering the Port St. Nicholas recovery area. Keta Seafoods will retrieve all gear and anchors from the sites during and at the conclusion of the fishing season.

## **Method of Delivery of Fish to Buyer/ Management of Fish Ticket**

Keta Seafoods has an agreement with a local property owner to access the necessary area with launch access at approximately 5 mile, Port St. Nicholas road. We will be accessing the fishing grounds from that point. We will also be bringing in our catch to this access point periodically throughout the fishing day. At this location we will be icing the fish in totes on our awaiting delivery vehicle. Since Keta Seafoods is the fisherman and buyer we will be delivering these fish to the Klawock River Hatchery. At the Hatchery, they will be counted and weighed as per the agreement established with Jeff Lundberg, Hatchery manager( see attachment A). At that point, a fish ticket for each load outlining in detail the amount of fish (weight and/or count) that was delivered to the Hatchery by Keta Seafoods will be created. Keta Seafoods will buy the fish (H/G) delivered to the Hatchery and have the fish processed by a licensed processor in accordance with Alaska's direct marketer's license.

## Percentage of Revenue From Sales of King Salmon to be Paid to Fisherman

Since Keta Seafoods is buying all 3 grades of fish, including; bright, blush and dark fish, we propose the use of a set poundage rate and distribution percentage of said rate. We are proposing a set 2016 poundage rate of \$2.75 per pound headed and gutted (this poundage rate is based on an average price for previous Port St. Nicholas returns combined with a large volume processors 2015 net caught king price). We realize that market prices do vary so we are proposing poundage renegotiations to be completed January of 2017 and 2018. We are offering a rate up to 5 % ( + or - ) each year on the price to account for market fluctuations. We are asking for distribution percentage rate of 58% for Keta Seafoods (the Fisherman). This leaves a 42% payment due to POWHA/ City of Craig. The 42% equals a dollar value of \$1.15 per pound purchase price (H/G). This will be paid via check to an authorized agent at the POWHA Klawock location during each time of weighing and fish ticketing.

### Future

If selected for this proposal, Keta Seafoods would like the consideration of a contract extension for the years of 2019-2021. This extension would be granted on the basis of satisfactory performance records during the 2016-2018 seasons. This would be a mutual agreement between POWHA/City of Craig and Keta Seafoods. Keta Seafoods requests this possible extension due to the significant financial commitment and time commitment that will be put forth to effectively market and sell these PSN kings.

We at Keta Seafoods thank the City of Craig and the Prince of Wales Hatchery Association for the unique and exciting opportunity to bid and hopefully work with you in the future.

  
Gregory McMillan-Owner

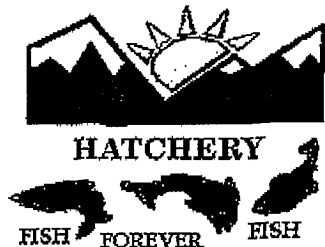
Keta Seafoods LLC

P.O Box 1135

Craig, AK 99921

907-617-9251

Goosehunter 980@hotmail.com



Prince of Wales Hatchery Association  
PO Box 554  
Craig, Alaska 99921  
907-755-2231 / Fax: 907-755-2440  
[powha@hughes.net](mailto:powha@hughes.net)

January 11, 2016

Greg McMillan  
Keta Seafoods LLC

Dear Greg,

Per our conversation last week you can use our scale, hoist, and totes to weigh the cost recovery fish from Port Saint Nicholas in 2016.

Our operating hours are 0730-1600 but as you know, I live on site and can be available at other times to help you. It may be easier to give you a key to the building so you can access the scale when needed. These are little details we can work out in the future.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey H. Lundberg".

Jeffrey H. Lundberg, Manager  
Prince of Wales Hatchery Association



State of Alaska  
 Division of Measurement Standards and  
 Commercial Vehicle Enforcement  
 11900 Industry Way  
 Building M; Unit 2  
 Anchorage, AK 99515

## Certificate of Annual Device Registration

Registration Expires: June 30, 2016  
 Registration Number: 1601-050612

This certificate of device registration is valid from 07/01/15 to 06/30/16

Owner:  
 PRINCE OF WALES HATCHERY ASSOC.  
 P.O. BOX 554  
 CRAIG, AK 99921

Location:  
 PRINCE OF WALES HATCHERY ASSOC.  
 P.O. BOX 554  
 CRAIG, AK 99921

ID	Serial/Model/Mfg * Inv# * Inv Date	Type	Charge	Payment
	NC05004670/NC-1/CAS * 1601-050612 * 5/15/2015		19.00	
	E11906-0211/HSDC-200/CARDINAL * 1601-050612 * 5/15/2015		19.00	
	E10905-0024/HSDC-200/CARDINAL * 1601-050612 * 5/15/2015		19.00	
	E17204-0045/HSDC/CARDINAL * 1601-050612 * 5/15/2015		19.00	
	Payment on 6/18/2015			-76.00

Thank you for your Payment

**NO BALANCE DUE**

Questions? Call Holly (907) 365-1239; Fax (907) 365-1221  
 Visit us on the web at <http://www.dot.state.ak.us/mscve>



**PORT SAINT NICHOLAS HATCHERY**  
**COST RECOVERY CONTRACT**  
**-DRAFT-**

**THIS AGREEMENT** made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2016, by and between the City of Craig whose address is PO Box 725, Craig, Alaska 99921 herein referred to as “City”; Keta Seafoods LLC, whose address is PO Box 1135, Craig, AK 99921, herein referred to as “Keta”.

**RECITALS**

- (a) **City** desires the performance, provision, and accomplishment of the work, services and materials described and set forth in Section 2. City is permitted to perform cost recovery of chinook salmon returning to the Port St. Nicholas Special Harvest Area as shown in Attachment A.
- (b) Keta has expertise in commercial harvest of salmon.
- (c) **City** owns the Port St. Nicholas Hatchery facility.
- (d) **City** and **Keta** represent each is ready, able and qualified to perform, and will perform, or caused to be performed, in all respects, all of the work, services, and materials and to otherwise perform all of the terms, covenants, conditions and provisions of the Agreement in the manner, at the times, and for the consideration (agreed to annually by both parties) hereafter provided.

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

**Section 1: Scope of Work.**

**Keta** shall perform, supply, and provide all of the labor, services, and materials (hereinafter collectively referred to as “work”) as set forth below.

- Gillnet or use other means to catch Chinook salmon within the Port St. Nicholas Special Harvest Area established by the Alaska Department of Fish and Game, and shown in Attachment A, and in compliance with commercial fishing conditions and regulations issued by the Alaska Department of Fish and Game;
- Maintain a written logbook of fishing effort within the Special Harvest Area, to include fishing dates, times, and the number of salmon caught each day.
- Deliver all caught salmon to the Prince of Wales Hatchery Association (POWHA) facility at the Klawock River to weigh the salmon on certified scales;
- Create a fish ticket for each transaction where fish is weighed at POWHA;
- Provide a copy of each fish ticket to POWHA.
- Provide a copy of each fish ticket to **City** at time of payment.
- Provide a copy of the logbook to **City** at least once per month.

**City** shall perform the following tasks:

- Provide ice at the Craig Public Ice House, at no cost to **Keta**, at those times when **Keta** is performing cost recovery activities under this agreement.

**Section 2: Time of Commencement and Completion of Work:**

- (a). **Commencement:** Parties to this agreement may commence and continue work authorized by Agreement beginning May 1, 2016.
- (b). **Completion Date:** The work called for in this Agreement shall be performed for three years and completed through July 31, 2018, unless first made void by withdrawal of **Keta** or **City**. Any party may withdraw from this agreement with ten days written notice to the other.
- (c). **Active Participation:** **Keta** will actively participate in gillnetting, or by other permitted means, king salmon between May 1 and July 31 of each year of this agreement. “Actively participate” means **Keta** will deploy gillnet or other equipment to catch salmon within the Port St. Nicholas Special harvest Area at least two days per week.
- (d). **Option:** City and Keta may, by mutual written agreement, extend the Completion Date of this agreement through July 31, 2021. The mutual written agreement may also modify other terms of this agreement.

**Section 3: Compensation and Payment:** **Keta** shall pay to **City**, within 24 hours of issuance of each fish ticket, \$1.15 for every pound of salmon caught at the Port St. Nicholas Special Harvest Area.

**Section 4: No Additional Work:** **Keta** agrees to make no claim for additional work, services or materials, not specifically and expressly requested and authorized as provided for in this Agreement, or by a written amendment thereto signed by all parties.

**Section 5: Parties Qualified:** **Keta** expressly represent and warrant that it is now and shall continue to be at all times during the performance of this Agreement, the holder of all required or necessary professional, business or other licenses or permits and are qualified and capable of performing all of the work covered or called for by this Agreement, and are presently ready, able and willing to undertake and perform all of such work and services in a non-negligent professional and workmanlike manner, and pursuant to the terms, conditions and provisions, and for the compensation and payment as herein provided.

**Section 6: Each Party Responsible for Personnel.** **Keta** has or will secure, at its own cost and expense, all personnel required to perform this Agreement in a timely and proper manner. The parties hereto agree and understand that such personnel shall in no event be deemed to be, and are not employees, agents, or representatives of the other. **Keta** shall have no responsibility or liability whatsoever to any of the **City's**, or for the acts or omissions of any of **City**.

**Section 7: Independent Contractor:** The parties hereto expressly agree that **City** and **Keta** shall be and are independent contractors, and is not an employee or agent of the

other, and are, therefore, entitled to no insurance coverage, whether worker's compensation or otherwise, and no other benefits. No withholding, FICA, or other taxes (whether income, sales, or otherwise) or other amounts will be withheld from payments due to the **City or Keta**.

**Section 8: No Third Party Beneficiaries:** Nothing in this Agreement shall be construed to give any person other than **City or Keta** any legal or equitable right, remedy or claim under this Agreement, but it shall be held to be for the sole and exclusive benefit of **City and Keta**.

**Section 9: Law Applicable:** The laws of the State of Alaska shall govern the construction, validity, performance and enforcement of this Agreement. Venue as to any action, claim, or proceeding arising out of, or based upon this Agreement, including, but not limited to any action for declaratory or injunctive relief, shall be the appropriate Court sitting in the City of Craig, First Judicial District, Alaska.

**Section 10: Severability:** In the event any provision of this Agreement is adjudicated or held to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

**Section 10: Contacts between Parties:**

Contact with **Keta** will be via e-mail: [goosehunter98@hotmail.com](mailto:goosehunter98@hotmail.com), or by telephone at 907-617-9251.

Contact with **City** will be via e-mail [jbolling@aptalaska.net](mailto:jbolling@aptalaska.net), or by telephone at 907-826-3275.

**WHEREFORE** the parties have entered into this Agreement the date and year first above written.

**Keta Seafoods LLC**

**City of Craig**

By: \_\_\_\_\_  
Gregory McMillan

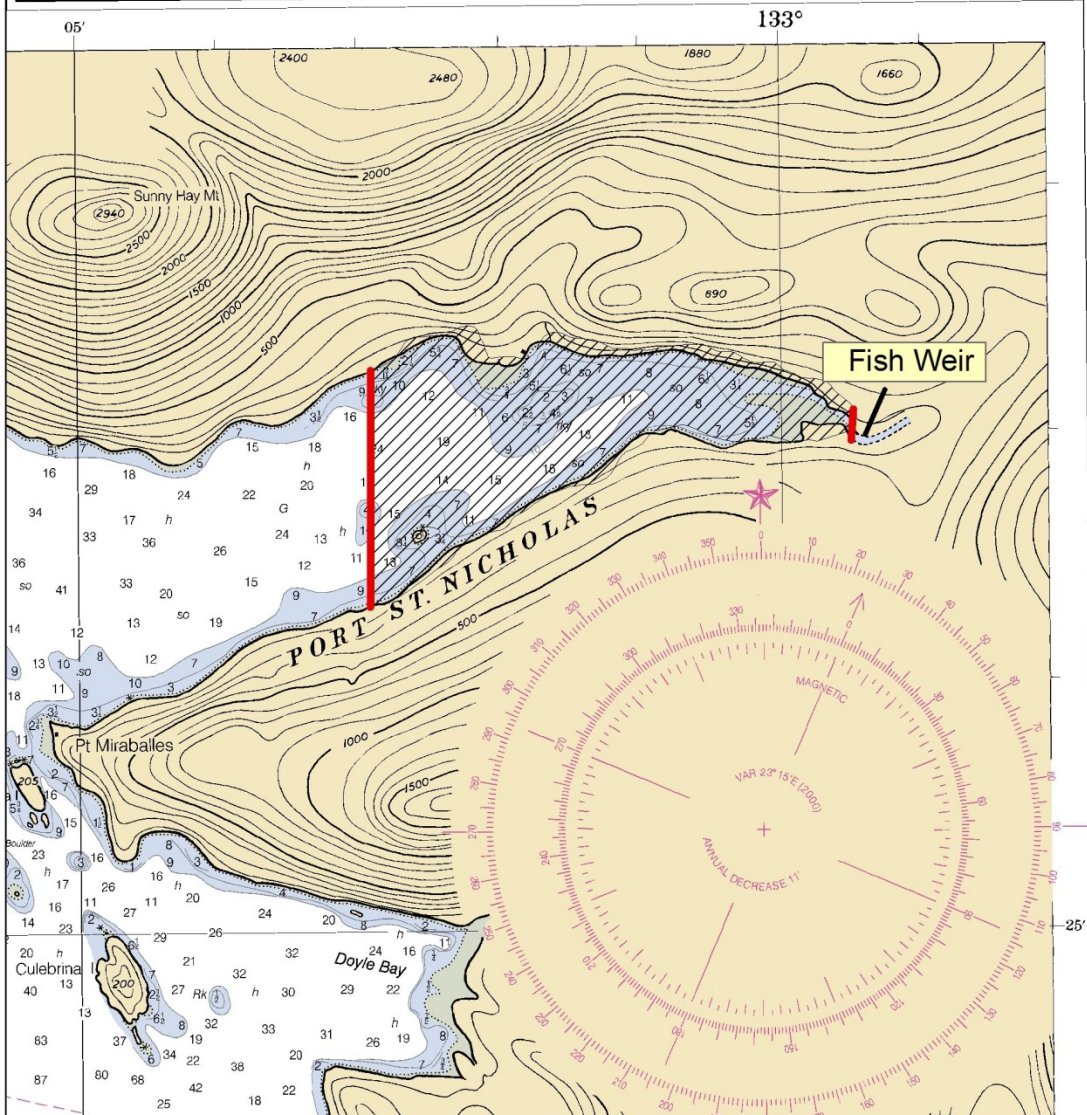
By: \_\_\_\_\_

\_\_\_\_\_  
Printed name and title

**ATTACHMENT A**

5AAC 40.053. District 3: Port Saint Nicholas Special Harvest Area.

The Port Saint Nicholas SHA is defined as those waters east of 133°02.92' W. longitude and west of 132°59.50' W. longitude located at the mouth of Port Saint Nicholas head stream.



## **CITY OF CRAIG MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: January 28, 2016  
RE: Craig Aquatic Center Renovation Project

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Renovation work on the facility is still scheduled to begin in earnest on May 1. The contractor has started his submittal process to secure approval and order materials.

As the council may recall, in December staff advised the council that we were working with the project contractor and architect on a value engineering process to lower the cost of the rebuilt entryway leading into the lobby of the Craig Aquatic Center. The contractor submitted an alternate design option that significantly modifies the entryway. The revised design will lower the cost of the project by an estimated \$12,000. The appearance at the front of the building above the main doors would change from a gable end to a rectangular façade. The change will also lengthen the covered area over the main entry doors.

I also accepted the contractor's recommendation to modify the siding design for the west side of the aquatic center building. This change adds steel siding the entire height of the outside wall. The original design called for the metal siding to end about two feet below the roof eave, with painted wood siding above that point. Accepting the contractor's recommendation affords the building better protection from weather. The net increase in project cost for this change is \$1,500. The net effect of the two proposed changes reduces the project cost by \$10,500 (\$12,000-\$1,500).

After consulting with the project architect, I directed him to notify the project contractor to implement the change to the building's entryway. However, instead of bringing a deductive change order to the council to reduce the project cost by \$10,500, I would instead ask the council's permission to reassign that margin to other renovation tasks needed at the pool. Among these are:

- Disassemble the water slide and arrange for it to be sandblasted, repaired, repainted, and reassembled. The structure is showing its age but remains a popular feature at the pool.
- Replace the flooring in the fitness room. The flooring is twenty years old and needs replacement with a new durable surface.
- Add new fitness equipment. The equipment tends to wear out quickly and is challenging to put back into good working order. Adding some new equipment when the building reopens would be a draw for patrons, and be tangible evidence of the upgrade project.

There is no action required by the council here, unless it prefers to formally reduce the project cost by \$10,500 rather than redirecting these funds to the three bulleted projects above.

## **CITY OF CRAIG MEMORANDUM**

To: Craig Mayor and City Council  
From: Brian Templin, City Planner  
Date: January 28, 2016  
RE: Community Garden Expert – Award of Contract

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The Craig Community Garden was established by SEARHC and the City of Craig in 2006 and has been managed by garden users since that time. Both SEARHC and the city have provided assistance and have managed a number of small grants throughout the years to make improvements to the garden.

In October 2015 Gretchen Klein from the Prince of Wales Health Network contacted city hall to discuss some available funding and interest in the Network participating in the management and maintenance of the Craig Community Garden.

Gretchen drafted a grant agreement with the city for the city to manage \$10,000 in grant funds to be used to perform some management and organization work; purchase some materials and supplies for the garden; and repair or replace the greenhouse. The grant identified \$6,000 to repair/replace the greenhouse and the remainder of the grant to complete the other functions. After discussions with Gretchen we determined that the city would act as the purchasing agent for the greenhouse/greenhouse materials and that we would issue a request for proposals for a Garden Expert to perform the management, purchasing and repair work at the garden. The city began advertising a fixed price RFP for services in December with a scheduled opening on January 21, 2016.

Brian Templin represented the city and Gretchen Klein represented the POW Health Network at the bid opening. One proposal was received from Mr. Shane Ayrsmen. Brian and Gretchen reviewed the proposal and determined that Mr. Ayrsmen was qualified and capable to perform the work under the time and cost restrictions outlined in the RFP. The contract will require Mr. Ayrsmen to work with the POW Health Network, submit reports to them periodically, report to POW Health Network Committees and to complete a number of deliverable items related to management, organization, repair, procurement of supplies/materials, volunteer coordination and other tasks outlined in the proposal. The contractor will also be responsible to identify the greenhouse/greenhouse materials required and work with the city on the procurement of those materials. The contract with Mr. Ayrsmen will not exceed \$4,000 and the total project cost will not exceed \$10,000 with all funds provided through the grant with the Health Network.

**Recommendation:** Award a contract for services as a Garden Expert to Mr. Shane Ayrsmen for services as outlined in the contract scope of work in an amount not to exceed \$4,000 contingent on POW Health Network grant funding.



**Request for Proposals  
Craig Community Garden Work  
Request for Proposals and  
Notice to Contractors Inviting Proposals**

The City of Craig, Alaska, is seeking proposals from qualified contractors (Respondents) to provide services as a garden expert as outlined in the scope of work below.

The respondent will serve on the POW Health Network Task Force Local Foods and Reduction of TV time, and Community Garden Leadership Task Force as part of the partnership, and quarterly submit one (1) page reports with support of POW Health Network Director detailing progress including construction, garden participation numbers, garden presentations and workshops, and utilize the Goal 2 Objective A local foods marketing plan, and Get out and Play Initiative from the schools. The scope of services, timeline, and set deliverables are outlined below.

**Scope of Work:**

The respondent will provide volunteer coordination, technical services, technical expertise, supplies and materials (except those noted) to make improvements to the Craig Community Garden and provide deliverables as described below. These improvements will focus on allowing youth and adults to participate in outdoor activity rather than television and other screen-related activities, and prepare healthy foods for wellness, and healthy lifestyles. The program will provide instruction on reducing TV usage, increase knowledge of local foods, educate participants on the process of growing, and provide information on meal preparation by designing a working outdoor garden and greenhouse, modeled after current operations elsewhere in Southeast AK. Successful respondent will provide all tools and supplies necessary to complete the scope of work.

**Deliverables and Timetable**

1. Respondent will establish rules and regulations, box assignments, city donation forms and other forms and guidance documents as required. Respondent will develop a map of the garden laid-out, chart of donors and garden users which will be available online and accessible to members and officials. Current members will be notified by best process of the changes, and given an avenue for discussion. (Complete by February 28, 2016)
2. Respondent will establish a working green house, 60-70 gardening boxes, compost facility, holders for name cards, and tool house that will allow all residents across the island to use the Craig Community Garden as a working garden, and learning center for local food education. Clear existing plots, and remove any trash or other debris. Greenhouse and gardening boxes may include rehabilitation of existing structures or construction of new structures. (Complete by August 30, 2016)
3. Establish and facilitate public and social media presence for the Craig Community Garden on POW Health Network Website, Facebook (and other social media sites as determined by respondent), news and information articles in Island Post, and area

radio with support from Task Forces, and Network Staff. (Complete by August 30, 2016)

4. Get schools, youth centers, and Boys and Girls clubs involved in making/collecting compost, and collecting seaweed, fodder beds heavily, and recycling foods for the compost area developed in it, and planting and maintaining. (Complete by August 30, 2016)

### **Project Budget:**

Respondent shall provide labor and materials for:

- Bedding Materials and Garden Supplies (Not to exceed \$1,300.00)
- Hand Tools (Shovels, Tiller, Etc.) (Not to exceed \$500.00)
- Contractual Services (Not to exceed \$2,200.00)

**Total Proposal Budget – Not to Exceed \$4,000**

In addition to items budgeted in this proposal the City of Craig shall purchase (with coordination from the respondent) materials for a new greenhouse at the Craig Community Garden. Greenhouse materials (including shipping and all other related costs – not including erection or construction) shall not exceed \$6,000.00.

**Total Project Cost – Not to Exceed \$10,000**

This project is funded through a grant from the POW Health Network and is subject to funding availability through that grant.

### **Respondent Proposal**

Respondents shall analyze the scope of work and budget and present a proposal to complete the work to the city in response to this RFP.

Proposals shall be limited to no more than two pages and shall include

1. Written summary of the respondent's qualifications to complete the work outlined above.
2. Written work plan showing work methodology, schedule and budget of items necessary to complete the scope of work and deliverables section of this document.

Proposals must be received at Craig City Hall (500 Third Street – Craig, Alaska) by 1:00 p.m. local time Tuesday, January 21, 2016. Late submittals will not be considered. All interested parties are cautioned not to contact any member of the City of Craig staff other than specified herein regarding this request for proposals to avoid disqualification.

### **Award**

The City of Craig may award a contract for the solicited work based on the respondent's qualifications, work plan and schedule. The City of Craig reserves the right to withdraw this request at any time, and may reject all or part of a proposal. The City of Craig shall not compensate any firm for preparation of proposals made in response to this request.



## INFORMATION FOR RESPONDENTS

**1. BACKGROUND INFORMATION.** The Craig Community Garden was established in 2006 as a user managed community garden.

While bid documents are available for download at no cost, Respondents must register with the City of Craig in order to ensure receipt of RFP addendums. Respondents may register by sending an e-mail with the respondent's name, e-mail address, and telephone number to the City of Craig at [info@craigak.com](mailto:info@craigak.com).

**2. PREPARATION OF BID FORMS.** The City of Craig, hereinafter referred to as the OWNER, invites proposals as part of the Craig Community Garden Work project. Proposal documents to be submitted at such time and place as is stated in the public notice inviting proposals.

All proposals must be submitted in sealed envelopes bearing on the outside the name of the project for which the proposal is submitted. It is the sole responsibility of the Respondent to see that his proposal is received in proper time. Any proposals received after the scheduled closing time for receipt of proposals will be returned to the Respondent unopened.

**3. SIGNATURES.** All proposals shall include all information requested herein, and shall be signed by the Respondent or his authorized representative with his address. If the proposal is made by an individual, his name, signature and post office address must be shown; if made by firm or partnership, the name and post office address of the firm or partnership and the signature of at least one of the general partners must be shown; if made by a corporation, the proposal shall show the name of state under the laws of which the corporation is incorporated, and the title of the person who signs on behalf of the corporation. If the proposal is made by a corporation, a certified copy of the bylaws or resolution of the board of directors of the corporation shall be furnished showing the authority of the officer signing the proposal to execute contracts on behalf of the corporation.

**4. MODIFICATIONS.** Changes in or additions to the proposal, recapitulations of the work proposed, alternative proposals or any other modifications of the proposal documents that are not specifically called for in the Contract Documents may result in the OWNER's rejection of the bid as not being responsive. No oral or telephone modification of any proposal submitted will be considered. Any Respondent may modify his proposal by submitting a written modification signed by the Respondent, or by signed facsimile communication at Fax No. (907) 826-3278 at any time prior to the scheduled bid closing time for receipt of proposals, provided such communication is received by the OWNER prior to the proposal closing time.

**5. ERASURES** The proposal submitted must not contain any erasures interlineations or other corrections unless each such correction is suitably authenticated by affixing in the margin immediately opposite the corrections the surname of the person or persons signing the proposal.

**6. EXAMINATION OF THE SITE, DRAWINGS, ETC.** Each Respondent shall visit the site of the proposed work and fully investigate and acquaint himself with the conditions relating to the work and labor, including taking of soils or other tests, so that he may fully understand the

facilities, difficulties, soils and other conditions and restrictions attending the execution of the work under this Contract. Respondents shall thoroughly examine and be familiar with the Contract Documents. The failure or omission of any Respondent to receive or examine any forms, instrument or addendum or other document or to visit the site, take and make soils or other tests, and fully acquaint himself with conditions there existing shall in no way relieve the Respondent from obligations with respect to his proposal or to full performance of the Contract. The submission of a proposal shall be taken as conclusive evidence of compliance with this section. For access to the Craig Community Garden, contact the City of Craig Planner at 907-826-3275.

**7. ADDENDA.** Each proposal shall include specific acknowledgment of receipt of all addenda issued during the proposal period. Failure to so acknowledge may result in the proposal being rejected as not responsive.

**8. CONTRACTOR'S LICENSING.** All Respondents and Contractors shall have an Alaska Business License prior to signing a contract.

**9. QUALIFICATION OF RESPONDENTS.** Each Respondent shall be qualified and skilled in the general class or type of work called for under the Contract as demonstrated in the proposal narrative. A statement setting forth qualification, experience and the experience, knowledge and ability of the personnel available for employment in responsible charge of the work shall be submitted by the Respondent when requested by the OWNER.

It is the intention of the OWNER to award a contract to the responsive responsible Respondent who demonstrates that he has the requisite qualifications, experience and ability and sufficient capital, facilities and plans to enable him to prosecute the work successfully and properly, and to complete the work within the time and cost specified in the Contract.

To determine the degree of responsibility to be credited to the Respondent, the OWNER will weigh any evidence that the Respondent, or personnel available for employment in responsible charge of the work, have satisfactorily performed other work of like nature, magnitude and comparable difficulty and comparable rates of progress and other factors, including:

- a) The ability, capacity and skill of the Respondent to perform the Contract.
- b) Whether the Respondent can perform the Contract within the time specified, and without delay
- c) The character, integrity, reputation, judgment, experience and efficiency of the Respondent.
- d) The quality of the Respondent's performance on previous contracts.

**10. POSTPONEMENT OF OPENING.** The OWNER reserves the right to postpone the date and time for opening of proposals at any time prior to the time announced for opening of proposals in the advertisement.

**11. DISQUALIFICATION OF RESPONDENT.** If there is reason to believe that collusion exists among the Respondents, none of the bids of the participants in such collusion will be considered.

**12. REJECTION OF PROPOSALS.** The OWNER reserves the right to reject any proposal which is nonresponsive, incomplete, obscure or irregular; any proposal which omits any one or more items on which the proposals are required; and any proposal from Respondents who have previously failed to perform properly or to complete on time contracts of any nature.

**13. INTERPRETATION OF DOCUMENTS PRIOR TO PROPOSAL OPENING.**

Respondents are notified to examine thoroughly the RFP, information for Respondents and the other contract documents. If any person contemplating submitting a proposal for the proposed Contract is in doubt as to the true meaning of any part of the contract documents, or finds discrepancies or omissions therein, he may submit to the Craig City Planner, at [info@craigak.com](mailto:info@craigak.com) or at fax no. (907) 826-3278, no later than ten (10) days prior to the time announced for opening the proposals, a request for an interpretation or correction thereof. The person submitting the request shall be responsible for its prompt delivery. Any interpretation or correction of the contract documents will be made only by addendum issued by the City Administrator, which shall thereupon become part of the contract documents and a copy of such Addendum will be sent by electronic mail to each person receiving a set of contract documents; however, responsibility shall rest solely with each of the intending Respondents to determine that he has, by time of bidding, received all Addenda. The OWNER will not be responsible for any other explanation or interpretation of the Contract Documents. No oral interpretation of provisions in the Contract Documents will be made to the Respondent. After bids have been submitted, the Respondent shall not assert that there was a misunderstanding concerning the quantities of work, site or other conditions, or of the nature of the work to be done.

**14. RESPONDENTS INTERESTED IN MORE THAN ONE PROPOSAL.** No person, firm, or corporation shall be allowed to make, or file, or be interested in more than one proposal for the same work unless alternate proposals are specifically called for. A person, firm, or corporation that has submitted a sub-proposal to a Respondent, or that has quoted prices or materials to a Respondent, is not thereby disqualified from submitting a sub-proposal or quoting prices to other Respondents or making a prime proposal.

**15. AWARD OF CONTRACT.** The OWNER reserves the right to reject any or all proposals, waive any informalities or irregularity in the proposal and/or not make an award. The award of the Contract, if made by the OWNER, will be made to the qualified and responsible Respondent based on the proposal narrative, but the OWNER shall determine in its own discretion whether a Respondent is responsible and qualified to perform the Contract, and what proposal is in the best interest of the OWNER.

**16. NON-COLLUSION AFFIDAVITS.** Upon a specific request of the OWNER, the Respondent, before the award of a Contract, shall submit non-collusion affidavits to the OWNER covering the Respondent and all subcontractors.

**17. DEFAULTING RESPONDENT.** If any Respondent whose proposal is accepted fails, neglects or refuses to execute the Agreement, such Respondent shall not be the most qualified responsive Respondent. The OWNER may then select the next most qualified responsive Respondent and deliver a notice of acceptance of proposal to such responsive Bidder.

**18. ERRORS AND OMISSIONS.** No consideration will be given by the OWNER to claim of error in a proposal unless such claim is made to the OWNER within twenty-four (24) hours after the time stated for receiving proposals in the Notice to Contractors Inviting Bids, and unless supporting evidence of such claim is delivered to the OWNER within forty-eight (48) hours after the time stated for receiving proposals in the Notice to Contractors Inviting Proposals. Relief may be granted only at the OWNER's discretion and in such event only for clerical errors.

**19. CANCELLATION OF AWARD.** The OWNER reserves the right to cancel the award without liability to the respondent at any time before the Agreement has been fully signed by all parties, including the OWNER.

**20. WITHDRAWAL OF PROPOSALS.** No respondent may withdraw his proposal after the time announced for the opening, or before both the "award and execution of the agreement, unless the award is delayed for a period in excess of sixty (60) days.

**21. PROTESTS.** An aggrieved respondent may file a protest within ten (10) calendar days after Notice of Intent to Award the contract is mailed.

**22. INDEPENDENT CONTRACTOR**

Respondent shall be and is an independent contractor and is not an employee or agent of the **OWNER**, and is, therefore, entitled to no insurance coverage, whether worker's compensation or otherwise, and no other benefits accorded to **OWNER'S** employees. No withholding, FICA, or other taxes (whether income, sales or otherwise) or other amounts will be withheld from the payments due to the **CONTRACTOR**, it being understood that the **CONTRACTOR** is solely responsible therefore.

**AGREEMENT  
FOR  
CITY OF CRAIG  
COMMUNITY GARDEN WORK PROJECT**

THIS AGREEMENT made and entered into this \_\_\_\_ day of \_\_\_\_\_, by and between the CITY OF CRAIG, a municipal corporation, P.O. Box 725, Craig, Alaska 99921, hereinafter called "OWNER," and \_\_\_\_\_, licensed and qualified to do business within the State of Alaska, hereinafter called "CONTRACTOR."

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

**Section 1: Scope of Work**

The CONTRACTOR shall perform and provide, within the time stipulated, the Contract as herein defined, of which this Agreement is a component part, and everything required to be performed including the providing of all work, labor, services, materials, utility, transportation and other acts necessary to perform the Contract in a workmanlike manner (hereinafter referred to as "Work"), in connection with: Craig Community Garden Work Project and in strict conformity with the requirements identified in the request for proposals and with all of the other Contract Documents enumerated in Section 4 hereof, hereinafter collectively referred to as the "Contract. "

**Section 2: Construction Time.**

The CONTRACTOR agrees to complete all work and construction called for and as defined in the CONTRACTOR'S proposal, to the satisfaction of the OWNER in accordance with the attached construction schedule. It is further agreed that the CONTRACTOR shall start all work within ten (10) days after delivery of the OWNER'S Notice to Proceed, unless otherwise specified in such Notice to Proceed, and shall complete all work and construction in accordance with the construction schedule and time for completion as provided in the Contract Documents.

**Section 3: Contract Amount.**

As and for full payment, and in consideration of the timely and proper performance of all work called for by the Contract, as defined herein, and performance of all the terms and conditions thereof, the OWNER shall pay the CONTRACTOR in currency of the United States a total contract amount NOT TO EXCEED \$4,000.00 based on the following items:

1. Bedding Materials and Garden Supplies (Not to exceed \$1,300.00) – Paid on a cost reimbursement basis. Contractor shall provide receipts and pay request for reimbursable expenses.
2. Hand Tools Shovels, Tiller Etc (Not to exceed \$500.00) - Paid on a cost reimbursement basis. Contractor shall provide receipts and pay request for reimbursable expenses.
3. Contractual Services (Not to exceed \$2,200.00) – Paid based on a percentage of project completion as documented in pay requests.

**Total Project Budget – Not to Exceed \$4,000**

Payments to CONTRACTOR shall be made based on pay requests showing project percentage completion and reimbursable items. Requests for reimbursable expenses shall be accompanied by original receipts for those items. Contractor may issue pay requests to the Owner on a bi-monthly basis. Owner will issue payment of approved pay requests within 30 days of the date a complete pay request is submitted to the Owner.

Section 4: Contract Documents.

The Contract, and the component parts of this Contract, entered into by the acceptance of the CONTRACTOR'S Proposal and the signing of this Agreement, consist of the following documents, all of which are component parts of said Contract and are as fully a part thereof as if herein set forth in full, and if not attached, as if attached hereto:

1. This Agreement;
2. Notice to Contractors Inviting Proposals;
3. Information for Respondents;
4. Notice of Award;
5. Proposal as accepted by the Craig City Council;
6. Notice to Proceed;
7. Written amendments, including Change Orders, if any, to this Agreement signed by both parties entered into after execution of this Agreement.

Section 5: Ownership of Deliverables.

OWNER shall retain full ownership of all items delivered under this contract including, but not limited to electronic and paper documents; tools and non-consumable supplies purchased under items 1 and 2 shown in Section 3 of this Agreement; buildings, garden boxes and all other structures completed, repaired or renovated under this contract. CONTRACTOR shall not apply liens or claims against deliverables under this contract.

Section 6: Independent Contractor

CONTRACTOR shall be and is an independent contractor and is not an employee or agent of the OWNER, and is, therefore, entitled to no insurance coverage, whether worker's compensation or otherwise and no other benefits accorded to OWNER'S employees. No withholding, FICA, or other taxes (whether income, sales or otherwise) or other amounts will be withheld from the payments due to the CONTRACTOR, it being understood that the CONTRACTOR is solely responsible therefore.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

CITY OF CRAIG

CONTRACTOR

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Printed Name and Title

## **CITY OF CRAIG MEMORANDUM**

To: Craig Mayor and City Council  
From: Brian Templin, City Planner  
Date: January 28, 2016  
RE: Award of Bid – Craig Firehall/EMS Annex Building

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As part of the current fiscal year budget the council approved funding for a number projects within the city. One of the projects planned with that funding source was improvements to the city hall/library parking lot and a new building to house the second ambulance behind the existing firehall. The parking lot and the pad for the annex building were completed in November 2015 and have added a significant amount of parking to the lot behind the library.

In December staff advertised solicitations for design/build proposals for an 18'x36' building on the new pad behind the existing firehall. Project bids were due at 3:00 pm on Tuesday, January 26, 2016. The city received two timely responsive bids from Mike Hamme's Carpentry and Rainforest Contracting. The city also received a late bid from Marble Construction. Marble's bid was deemed non-responsive and was not opened. Bidders were required to provide a not to exceed lump sum price for all construction within the scope of work. Both bids contained all required bonds, drawings, specs, budgets and other materials as outlined in the request for proposals. The two responsive bids were as follows:

Rainforest Contracting - \$118,339.00  
Mike Hamme's Carpentry - \$87,674

Mike Hamme's bid is the lowest responsive bid and appears to meet all bid requirements. The bid amount is slightly higher than estimated but within the available funding for this project. Mike Hamme will have 90 days from the award of the contract to complete the work.

Doug Ward (Craig Facilities Manager) and Brian Templin (City Planner) will oversee the work as the city's representatives. A copy of the contract, request for proposals and information for respondents is attached. All of these documents will be incorporated into the contract with Mike Hamme.

Recommendation: Approve award of the Craig Firehall/EMS Annex Building construction contract to Mike Hamme's Carpentry in an amount not to exceed \$87,674.00.

**CITY OF CRAIG  
PUBLIC NOTICE  
December 23, 2015  
DESIGN/BUILD PROPOSALS FOR  
CRAIG FIREHALL/EMS ANNEX BUILDING  
Bids Due: January 26, 2016**

The City of Craig, Alaska, is seeking design/build proposals from qualified contractors (Respondents) to design and construct building adjacent to the Craig Fire Hall building. The new building will be used to park additional emergency services vehicles.

**Scope of Work**

Respondents will provide the City of Craig a lump sum price to provide all labor and materials to complete design and construction of the following work.

1. Prep construction site (existing rock pad) to ensure stable building site and build concrete footings and stem wall and concrete slab.
2. Construct minimum 18'x36' building with the following minimum requirements and finishes:
  - a. Structural Requirements
    - i. Building should be steel, prefabricated steel, or frame construction
    - ii. Contractor shall excavate (as necessary), place and compact sufficient D-1 on building pad to bring building construction to required grade. It is estimated that finished floor grade will be 3" above the existing rock pad grade.
    - iii. Floor
      1. 6" thick slab concrete floor (sloped to center drain)
      2. Rebar and/or steel mesh reinforcement sufficient strength for vehicle parking (Minimum 16,000 lbs gross vehicle weight)
      3. Floor mounted storm drain with 4" hdpe connection to existing storm drain system
    - iv. Ceiling joists/trusses constructed to support a minimum of 20 psf live loads and 40 psf snow loads
    - v. Minimum interior wall height – 144"
    - vi. Finish floor elevation shall not exceed 2% above south edge of Main Street at project site.
    - vii. All construction shall be designed and constructed to withstand 120 mph, 3 second wind gusts
    - viii. Building shall be secured to footers and stem wall per building manufacturer specifications.
    - ix. Gutters and downspouts shall be installed on the building as appropriate to handle rainwater
  - b. Insulation
    - i. Ceiling/Roof – Minimum R-49
    - ii. Walls – Minimum R-21



- c. Gable Roof
  - i. Minimum 12" eaves on hip and gable ends
  - ii. Minimum 4 in 12 roof pitch
  - iii. Metal/Vinyl roofing similar or matching color of existing Craig Firehall building
- d. Interior Finishes
  - i. Interior walls finished with sheetrock and painted. For metal or metal prefabricated buildings, interior should be finished with a minimum 1/2" OSB/plywood or similar material and covered with sheetrock. Color to be directed by owner.
  - ii. Floors, windows and other areas shall be finished and trimmed.
- e. Exterior Finishes
  - i. Exterior walls shall be finished with metal siding similar to the existing Craig Firehall building exterior finish.
- f. Electrical
  - i. Overhead light fixtures (fluorescent or LED) installed with wall switch mounted near each door.
  - ii. A minimum of standard electrical outlets installed on the west, south and east walls as shown on the attached drawing
  - iii. One exterior light on the north wall on each side of the vehicle door and one exterior light mounted beside or above the man door on the west wall with wall switch mounted near each door
  - iv. One additional electrical outlet shall be installed near the overhead door opener to allow operation of the door opener and to allow an electrical connection for the emergency vehicle. Owner shall install coil type electrical cords to connect vehicles.
  - v. Electrical installation shall include all panels, conduit and other materials not specified in this section necessary to provide electrical power to the building
  - vi. All electrical installation shall meet current electrical code and be installed by an electrician licensed to do business as an electrician in the State of Alaska
  - vii. Electrical service for the building shall be connected to the existing electrical service at the Craig Firehall building
- g. Low Voltage
  - i. No low voltage connections are required for this building.
- h. Windows/Doors.
  - i. An minimum size 14' wide x 10' high overhead, garage or roll-up vehicle style door shall be mounted on the north end of the building
    - 1. Vehicle door shall have an electric opener with a remote control and wall mounted OPEN/STOP/CLOSE control panel mounted on or near the north wall
    - 2. Vehicle door shall have a manual backup to allow opening in the event that the electric opener is not operational

3. Vehicle door shall be insulated and provide a good weather seal
4. Vehicle door shall have all hardware included in the installation
- ii. A single solid core wood or metal door shall be installed on the west wall as shown on the attached drawing. The door lock shall be a Stanley BEST 9KZ or equal 7-Pin key and keypad lock. BEST core lock compatible required. BEST lock core shall be provided by the owner.
- iii. Minimum of two 24"x48" opening windows shall be installed on the east wall as shown on the attached drawing. Window installed on the east wall shall be designed and installed to allow for emergency egress from the building.
- iv. At a minimum, windows shall be double paned, sealed and insulated units.
- i. Heating
  - i. A Toyostove Laser 56 or equal heating unit capable of producing a minimum of 20,000 BTU/hr shall be installed.
  - ii. Heating unit shall be connected to the existing oil tank shown on the attached drawing.
  - iii. Respondent may substitute propane or other type of heating unit in their proposal but must include the cost of tanks and connections required to service the heating unit.
- j. Entry/Steps. Respondent shall construct a minimum 1' concrete apron the width of the vehicle door and a 4'x4' concrete landing at the exterior of the man door shown on the west wall of the building.
3. Provide all labor and materials necessary to complete construction as described above and shown on the attached drawings.
4. Provide submittals including technical specifications and cut sheets (subject to owner's approval) for the following items:
  - a. Heating Unit
  - b. Vehicle door, opener and hardware
  - c. Door lock systems
  - d. Metal Building (to include building plans and floor/foundation plan)
  - e. Light Fixtures
  - f. Windows
  - g. Siding and Roofing
5. Provide city staff with operational training on equipment.
6. Provide contractor red line drawings of completed work.
7. Provide O&M manual for all installed systems (i.e. heating unit, etc.)
8. Complete all work within 90 days of award of contract.

### **Respondent Proposal**

Respondents shall analyze the scope of work and present the most cost effective alternative that meets that owner's needs and budget to the city in response to this RFP.

Respondents may propose buildings between 18' and 20' in width and 36' and 40' in length. Proposals will be evaluated on bid price based on the overall lump sum total cost and experience of the respondent.

Proposals shall include the following:

1. A written summary of the work to be performed and the respondents work methodology plan.
2. A written schedule of construction shown from the date the notice to proceed is issued to the completion of construction.
3. Construction budget for labor and materials necessary to complete the project.
4. A written summary of the respondent's relative project experience, licenses and expertise to complete the project. This should include project experience, licenses and expertise of subcontractors that the respondent intends to use for the project.
5. Conceptual drawings of the building to be constructed
6. Completed and signed bid form containing the total lump sum cost (shown both in numbers and words), and the respondent's signature.
7. Proposal narrative and price must include all engineering, design, and construction costs to complete the project. The proposals must be signed by an individual with authority to obligate the Respondent to the bid price and terms. Proposals must include a bid bond totaling five percent of the bid amount.

Proposals must be received at Craig City Hall (500 Third Street – Craig, Alaska) by 3:00 p.m. local time Tuesday, January 26 , 2016. Late submittals will not be considered. All interested parties are cautioned not to contact any member of the City of Craig staff other than specified herein regarding this request for proposals to avoid disqualification.

### **Award**

The City of Craig may award a contract for the solicited work to the most responsive bidder based on lump sum total cost and respondent experience/expertise, subject to other criteria listed in the "INFORMATION FOR RESPONDENTS" section below. The City of Craig reserves the right to withdraw this request at any time, and may reject all or part of a proposal. The City of Craig shall not compensate any firm for preparation of proposals made in response to this request.

Upon award of the successful low bid, the lowest responsive Respondent shall provide the city:

1. Proof of insurance;
2. Performance bond.

**City of Craig**  
**Fire Hall/EMS Annex Building**  
**Official Bid Form**

Item	Quantity	Unit	Unit Cost	Total Cost
Firehall Annex Building		Lump Sum		
			<b>Total</b>	

I submit the following bid:     \$ \_\_\_\_\_

Bid amount in words \_\_\_\_\_.

If a discrepancy exists between the bid amount in numbers and the bid amount written in words, the bid amount in words shall hold as the official bid price.

**Signature**

By signing below, Bidder agrees to bind itself to the bid amount and bid terms in the Request for Proposals document.

\_\_\_\_\_  
 Bidder's Signature

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 Printed name of person signing this bid

\_\_\_\_\_  
 Telephone number

\_\_\_\_\_  
 Printed name of business

\_\_\_\_\_  
 Mailing Address of Bidder

\_\_\_\_\_  
 Email Address

## **INFORMATION FOR RESPONDENTS**

**1. BACKGROUND INFORMATION.** The City of Craig and the Craig Emergency Services Department operate the Craig Volunteer Fire and EMS services. Fire and EMS services maintain and store vehicles and equipment necessary to provide adequate response. This building will allow expand existing vehicle storage areas.

While bid documents are available for download at no cost, Respondents must register with the City of Craig in order to ensure receipt of RFP addendums. Respondents may register by sending an e-mail with the respondent's name, e-mail address, and telephone number to the City of Craig at [info@craigak.com](mailto:info@craigak.com).

**2. PREPARATION OF BID FORMS.** The City of Craig, hereinafter referred to as the OWNER, invites design/build bids as part of the Craig Firehall/EMS Annex Building. Bid documents to be submitted at such time and place as is stated in the public notice inviting bids.

All bids must be submitted in sealed envelopes bearing on the outside the name of the project for which the bid is submitted. It is the sole responsibility of the Respondent to see that his bid is received in proper time. Any bids received after the scheduled closing time for receipt of bids will be returned to the Respondent unopened.

**3. SIGNATURES.** All proposals shall give the total lump sum price proposed both in writing and in figures, shall give all other information requested herein, and shall be signed by the Respondent or his authorized representative with his address. If the proposal is made by an individual, his name, signature and post office address must be shown; if made by firm or partnership, the name and post office address of the firm or partnership and the signature of at least one of the general partners must be shown; if made by a corporation, the proposal shall show the name of state under the laws of which the corporation is incorporated, and the title of the person who signs on behalf of the corporation. If the proposal is made by a corporation, a certified copy of the bylaws or resolution of the board of directors of the corporation shall be furnished showing the authority of the officer signing the proposal to execute contracts on behalf of the corporation.

**4. MODIFICATIONS.** Changes in or additions to the bid forms, recapitulations of the work bid upon, alternative proposals or any other modifications of the bid documents that are not specifically called for in the Contract Documents may result in the OWNER's rejection of the bid as not being responsive to the Notice to Contractors Inviting Bids. No oral or telephone modification of any bid submitted will be considered. Any Respondent may modify his bid by submitting a written modification signed by the Respondent, or by signed facsimile communication at Fax No. (907) 826-3278 at any time prior to the scheduled bid closing time for receipt of bids, provided such communication is received by the OWNER prior to the bid closing time, and, provided further, the OWNER is satisfied that a written confirmation of the telegraphic or facsimile modification over the signature of the Respondent was mailed by Federal Express, DHL, or USPS Express Mail prior to the bid closing time. The telegraphic or facsimile communication should not reveal the bid price but should provide the addition or

subtraction or other modification so that the final prices or terms will not be known by the Owner until the sealed bid is opened. If written confirmation is not received within three (3) days from the closing time no consideration will be given to the telegraphic or facsimile modification.

**5. ERASURES** The bid submitted must not contain any erasures interlineations or other corrections unless each such correction is suitably authenticated by affixing in the margin immediately opposite the corrections the surname of the person or persons signing the bid.

**6. EXAMINATION OF THE SITE, DRAWINGS, ETC.** Each Respondent shall visit the site of the proposed work and fully investigate and acquaint himself with the conditions relating to the work and labor, including taking of soils or other tests, so that he may fully understand the facilities, difficulties, soils and other conditions and restrictions attending the execution of the work under this Contract. Respondents shall thoroughly examine and be familiar with the Contract Documents. The failure or omission of any Respondent to receive or examine any forms, instrument or addendum or other document or to visit the site, take and make soils or other tests, and fully acquaint himself with conditions there existing shall in no way relieve the Respondent from obligations with respect to his bid or to full performance of the Contract and for the price bid. The submission of a bid shall be taken as conclusive evidence of compliance with this section. For access to the site, contact the City of Craig Police Chief at 907-826-3330.

**7. ADDENDA.** Each proposal shall include specific acknowledgment in the space provided of receipt of all addenda issued during the bidding period. Failure to so acknowledge may result in the proposal being rejected as not responsive.

**8. BID PRICE.** The bid price shall include everything necessary for the fulfillment of the Contract including, but not limited to, all design work and construction, and furnishing all materials and equipment, except as may be provided otherwise in the Contract Documents. In the event of a difference between a price quoted in words and a price quoted in figures for the same quotation the words shall be the amount bid.

**9. CONTRACTOR'S LICENSING LAWS.** All Respondents and Contractors shall be licensed at the time of submitting a bid in accordance with the laws of the State of Alaska and any Respondent or Contractor not so licensed is subject to the penalties imposed by such laws and the Bid Proposal of such Respondents may be rejected.

**10. QUALIFICATION OF RESPONDENTS.** Each Respondent shall be duly licensed, qualified, skilled and regularly engaged in the general class or type of work called for under the Contract. A statement setting forth his licensing, qualification, experience and the experience, knowledge and ability of the personnel available for employment in responsible charge of the work shall be submitted by the Respondent when requested by the OWNER.

It is the intention of the OWNER to award a contract to the responsive responsible Respondent submitting the lowest bid within the city's project budget and who furnishes satisfactory evidence that he has the requisite licenses, qualifications, experience and ability and that he has

sufficient capital, facilities and plans to enable him to prosecute the work successfully and properly, and to complete the work within the time specified in the Contract.

To determine the degree of responsibility to be credited to the Respondent, the OWNER will weigh any evidence that the Respondent, or personnel available for employment in responsible charge of the work, have satisfactorily performed other contracts of like nature, magnitude and comparable difficulty and comparable rates of progress and other factors, including:

- a) The ability, capacity and skill of the Respondent to perform the Contract.
- b) Whether the Respondent can perform the Contract within the time specified, and without delay
- c) The character, integrity, reputation, judgment, experience and efficiency of the Respondent.
- d) The quality of the Respondent's performance on previous contracts.
- e) The previous and existing compliance by the Respondent with laws and ordinances relating to this and other contracts.
- f) The sufficiency of the financial resources and the ability of the Respondent to perform the Contract.

**11. POSTPONEMENT OF OPENING.** The OWNER reserves the right to postpone the date and time for opening of proposals at any time prior to the time announced for opening of proposals in the advertisement.

**12. DISQUALIFICATION OF RESPONDENT.** If there is reason to believe that collusion exists among the Respondents, none of the bids of the participants in such collusion will be considered.

**13. REJECTION OF BIDS.** The OWNER reserves the right to reject any bid which is nonresponsive, incomplete, obscure or irregular; any bid which omits anyone or more items on which the bids are required; any bid in which unit prices are unbalanced in the opinion of the OWNER; any bid accompanied by insufficient or irregular bid security; and any bid from Respondents who have previously failed to perform properly or to complete on time contracts of any nature.

**14. RETURN OF BID BOND.** Within ten (10) days after the bids are opened the OWNER will return the bid security accompanying the proposals which are not to be considered in making the award. All other bid security will be held until the Agreement has been fully executed and the performance and payment bonds and insurance certificates, all on the forms provided and required, have been submitted in proper form to the OWNER, after which they will be returned to the respective Respondents whose proposals they accompany. The bonds or other bid security of the three (3) apparent lowest responsive Respondents may be retained by the OWNER until execution of the Agreement and delivery of the required bonds and insurance certificates by the Respondent whose Bid Proposal is accepted.

**15. INTERPRETATION OF DOCUMENTS PRIOR TO BID OPENING.**

Respondents are notified to examine thoroughly the RFP, information for Respondents, the form of agreement, bonds, and the other contract documents. If any person contemplating submitting a bid for the proposed Contract is in doubt as to the true meaning of any part of the contract documents, or finds discrepancies or omissions therein, he may submit to the Craig City Planner, at [info@craigak.com](mailto:info@craigak.com) or at fax no. (907) 826-3278, no later than ten (10) days prior to the time announced for opening the proposals, a request for an interpretation or correction thereof. The person submitting the request shall be responsible for its prompt delivery. Any interpretation or correction of the contract documents will be made only by addendum issued by the City Planner, which shall thereupon become part of the contract documents and a copy of such Addendum will be sent by facsimile or electronic mail to each person receiving a set of contract documents; however, responsibility shall rest solely with each of the intending Respondents to determine that he has, by time of bidding, received all Addenda. The OWNER will not be responsible for any other explanation or interpretation of the Contract Documents. No oral interpretation of provisions in the Contract Documents will be made to the Respondent. After bids have been submitted, the Respondent shall not assert that there was a misunderstanding concerning the quantities of work, site or other conditions, or of the nature of the work to be done.

**16. RESPONDENTS INTERESTED IN MORE THAN ONE BID.** No person, firm, or corporation shall be allowed to make, or file, or be interested in more than one bid for the same work unless alternate bids are specifically called for. A person, firm, or corporation that has submitted a sub-proposal to a Respondent, or that has quoted prices or materials to a Respondent, is not thereby disqualified from submitting a sub-proposal or quoting prices to other Respondents or making a prime proposal.

**17. AWARD OF CONTRACT.** The OWNER reserves the right to reject any or all bids, waive any informalities or irregularity in the bidding and/or not make an award. The award of the Contract, if made by the OWNER, will be made to the qualified and responsible Respondent submitting the lowest responsive bid, but the OWNER shall determine in its own discretion whether a Respondent is responsible and qualified to perform the Contract, and what bid is the lowest or in the best interest of the OWNER, including the OWNER's right to consider the proposed form of manufacturer's warranty to be given by the manufacturer to be used by a Respondent, if such warranty is called for in the Contract Documents, or any other matters to be submitted pursuant to the Contract Documents, in making its determinations, and determine whether it is to the best interest of the OWNER to accept the bid.

Alternate bids are intended to provide the Owner a range of comparative costs which will allow identification of the combination most responsive to the Owner's needs and available funds. The Respondent must submit bid prices for all alternate bids. Except as otherwise herein stated an apparent low Bidder will be identified and award of the contract will be made on the basis of the base bid plus those alternate bids that the Owner in its sole discretion elects to accept. The order of the alternates listed shall not be construed as binding and/or an indication of the order in which the Owner may select alternatives if any.



**18. NON-COLLUSION AFFIDAVITS.** Upon a specific request of the OWNER, the Respondent, before the award of a Contract, shall submit non-collusion affidavits to the OWNER covering the Respondent and all subcontractors.

**19. BID, PAYMENT AND PERFORMANCE GUARANTEES.** A certified check, cashier's check, or bid bond payable to the City of Craig in an amount equal to at least five percent (5 %) of the total amount bid shall accompany each Bid, as evidence of good faith and as a guarantee that if awarded the Contract the Respondent will execute the required form of agreement, and give the bonds and other instruments as required. The successful Respondent's bid security will be retained until he has furnished a one hundred percent (100%) performance bond and a one hundred percent (100%) payment bond, if such bonds are not expressly waived in a subsequent contract for services document. The OWNER reserves the right to hold the bid security from the three (3) apparent lowest responsive Respondents until the Agreement is executed by the accepted Respondent and by the OWNER. Any Respondent whose bid proposal is accepted shall, unless the requirement for such bonds is expressly waived in the special conditions, furnish satisfactory performance and payment bonds, and required worker's compensation and other required insurance certificates or policies of insurance and execute the required form of Agreement within ten (10) days after delivery of Notice of Award, or within such additional time as is allowed by the OWNER. Failure, neglect or refusal by the Respondent to do so shall constitute a breach of agreement to enter into the Contract affected by the Respondent's proposal and the OWNER's Notice of Award and such Respondent shall be deemed to be a defaulting Respondent. The damages to the Owner for such a breach of agreement will include monetary loss from, among other things, interference with the OWNER's program and normal operations. The amount of such damages is difficult or impossible to compute. The OWNER has estimated, and each Respondent, by submitting its Bid proposal, agrees that reasonable compensation for damages resulting from such breach of agreement shall be the amount of the Bid proposal guaranty and promises to pay that amount as liquidated damages for such breach, and the OWNER may retain all such bid security or recover the said amount from the Respondent and Surety.

**20. DEFAULTING RESPONDENT.** If any Respondent whose Bid proposal is accepted fails, neglects or refuses to furnish the required performance and payment bonds, or the required worker's compensation and other insurance certificates or policies, or to execute the Agreement, such Respondent shall not be the lowest responsive Respondent. The OWNER may then select the lowest responsive Respondent and deliver a notice of acceptance of Bid proposal to such lowest responsive Bidder.

**21. INSURANCE REQUIREMENTS.** (a) Contractor shall not commence work under this Contract until all of the insurance required under this section has been obtained and Contractor has filed the certificates of insurance and copies of insurance policies with the Owner as required by the Contract Documents, and the Owner has approved the same, nor shall Contractor allow any subcontractor to commence work on his subcontract until the insurance required has been so obtained.

(b) General Liability Insurance.

- (1) Coverage. The Contractor shall purchase and maintain General Liability Insurance covering bodily injuries, including death at any time resulting therefrom, sustained by any person or persons, and covering damages to property, including loss of use thereof, arising out of or in consequence of the performance of the Contract or the work or construction, whether such injuries to persons or damages to property are due or are claimed to be due to operations of the Contractor, its subcontractors, or any of their officers, employees, servants, partners, agents or representatives. The Owner shall be named as an additional insured on all such policies.
  - (2) Insurance Amounts. Such General Liability Insurance shall be in the amounts set forth on the form of Certificate of Insurance included in the Contract Documents and required herein to be filed with the Owner.
  - (3) Insurance Period. Such General Liability Insurance shall be maintained in effect at all times until final acceptance by the Owner of all of the completed construction, and products liability and completed operations liability for at least two (2) years thereafter.
  - (4) Insurance Form. Such General Liability Insurance shall indemnify and defend the Contractor, its subcontractors and the Owner, as an additional named insured, and all of their officers, employees, servants, partners, agents and representatives from and against any and all claims, judgments, liens, loss, damage, cost, charge or expense, including defense costs, court costs and attorneys' fees, whether direct or indirect, by reason of liability imposed by law or by contract upon said parties, including Operations/Premises Liability, Independent Contractor's Protective Liability/Owner's Protective Liability, Completed Operations and Products Liability, Broad Form Blanket Contractual Liability, Owner, Non-owned, and Hired Vehicles and Equipment, and Broad Form Property Damage, including explosion, collapse and underground damage and loss of use. Such General Liability Insurance shall be provided on a comprehensive bodily injury and property damage liability form satisfactory to the Owner and shall name the Owner as an additional insured and shall cover and include Contractor's contractual indemnity of Owner. The coverage shall not include an unfunded self-insured retention. A Certificate of Insurance certifying such insurance policies have been issued to the Contractor shall be filed with the Owner in the amount and form and as required herein.
- (c) Worker's Compensation.
- (1) Insurance Requirements. The Contractor and its subcontractors shall purchase and maintain industrial accident or worker's compensation insurance issued by an insurance company authorized to write such insurance in the State of Alaska covering bodily injuries, including death at any time resulting therefrom, suffered or alleged to have been suffered by any employee of the Contractor or its subcontractors by reason of or in the course of operations under the Contract.
  - (2) Insurance Amount. The amount and type of such industrial accident or worker's compensation insurance shall be that required by law for all employees employed under the Contract who may come within the protection of such laws, and as required by the Certificate of Insurance required under (e) below.
  - (3) Insurance Period. Such industrial accident and worker's compensation insurance shall be maintained in effect until final acceptance of the completed work and construction.

(4) Failure to Maintain Worker's Compensation Insurance. The Contractor acknowledges and agrees that in the event it fails to maintain proper worker's compensation insurance coverage, the State and the Owner may pursue any remedies provided by AS 23.30.045, terminate the Contract without liability, and/or take or pursue any other remedies otherwise provided by law.

(d) Builder's All Risk. Not Required

(e) Certificates of Insurance. Contractor shall deposit with the Owner not later than submittal of the signed Agreement and required bonds, Certificates of Insurance from its insurance companies certifying to the coverage of all of the insurance required in this section in the form, and in the amounts set forth on the form of Certificate of Insurance set forth in the Contract Documents, and as required herein, and shall furnish copies of all insurance policies at any time upon request of the Owner.

(f) Cancellation of Insurance.

- (1) The Contractor shall not cause any insurance policy to be canceled or permit any policy to lapse or reduce the amount of such insurance during the period of the Contract. All insurance policies shall include a provision to the effect that the insurance policy shall not be subject to cancellation, lapse, or to a reduction in the amount of insurance until written notice has been first delivered to the Owner by the insuring company stating the date that such cancellation, lapse, or reduction shall be effective, which date shall not be less than thirty (30) days after the delivery of such notice to the Owner.
- (2) When a renewal of the policy is approaching, Contractor shall deposit evidence of renewal not less than twenty (20) days before expiration of the term of the policy.
- (3) The Owner shall have the right to require Contractor provide verification, including the right to inspect Contractor's records at reasonable times, to confirm the insurance called for herein is in force. If the Contractor fails to provide verification of full coverage of all the insurance required by the Contract Documents, at all times, Owner may, without liability, direct the Contractor cease any further operations, and remove all personnel and equipment from the project site until all such insurance is verified as being in full force and effect, or may, without liability, deem such failure to verify full coverage as a material breach and default and terminate the Contract without liability.

(g) Waiver of Subrogation. Each of the policies of insurance required herein shall contain a clause or endorsement pursuant to which the insurance companies waive subrogation or consent to a waiver of right to recovery against the Owner.

(h) Insurance Companies. Unless such requirement is waived by the Owner in writing, all insurance companies issuing any insurance required in this section shall be member insurers included and covered under the Alaska Insurance Guarantee Association Act (Alaska Statutes, Section 21.80.010, et seq.).

**22. MINIMUM WAGE.** The Contractor shall at all times pay not less than the minimum wage per hour for each classification of laborers, workers, or mechanics as set forth in the general

prevailing wage rate schedule applicable at the time the work is performed published by the State of Alaska, as amended from time to time, and shall comply with all other provisions of Alaska Statutes, Title 36, Chapter 5 [Wages and Hours of Labor). Each Bidder, by submitting a bid proposal, acknowledges and represents they have familiarized themselves with the prevailing wage rates and agree to pay and comply with said requirements relating to minimum wages.

**23. ERRORS AND OMISSIONS.** No consideration will be given by the OWNER to claim of error in a bid unless such claim is made to the OWNER within twenty-four (24) hours after the time stated for receiving bids in the Notice to Contractors Inviting Bids, and unless supporting evidence of such claim, including cost breakdown sheets, is delivered to the OWNER within forty-eight (48) hours after the time stated for receiving bids in the Notice to Contractors Inviting Bids. Relief may be granted only at the OWNER's discretion and in such event only for clerical errors.

**24. SIGNING.** Each document signed by an attorney-in-fact shall be accompanied with a copy of the power of attorney authorizing the attorney-in-fact. No agreement shall be binding upon the OWNER until the same has been completely signed by the Contractor and also signed on behalf of the OWNER. Failure to sign and return the required Contract of Work and acceptable bonds and/or insurance certificates or policies as provided herein and the Contract Documents within the time limit above specified may be just and sufficient cause for the cancellation of the award and the forfeiture of the bid security.

**25. CANCELLATION OF AWARD.** The OWNER reserves the right to cancel the award without liability to the Bidder, except return of the bid security, at any time before the Agreement has been fully signed by all parties, including the OWNER.

**26. WITHDRAWAL OF BIDS.** No Bidder may withdraw his bid after the time announced for the opening, or before both the "award and execution of the agreement, unless the award is delayed for a period in excess of sixty (60) days.

**27. BID PROTESTS.** An aggrieved bidder may file a bid protest within ten (10) calendar days after Notice of Intent to Award the contract is mailed.

**AGREEMENT  
FOR  
CITY OF CRAIG  
CRAIG FIREHALL/EMS ANNEX BUILDING**

THIS AGREEMENT made and entered into this \_\_\_\_ day of \_\_\_\_\_, by and between the CITY OF CRAIG, a municipal corporation, P.O. Box 725, Craig, Alaska 99921, hereinafter called "OWNER," and \_\_\_\_\_, licensed and qualified to do business within the State of Alaska, hereinafter called "CONTRACTOR."

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

**Section 1: Scope of Work**

The CONTRACTOR shall perform and provide, within the time stipulated, the Contract as herein defined, of which this Agreement is a component part, and everything required to be performed including the providing of all work, labor, services, materials, utility, transportation and other acts necessary to perform the Contract in a workmanlike manner (hereinafter referred to as "Construction"), in connection with: City of Craig Firehall/EMS Annex Building project and in strict conformity with the requirements identified in the request for proposals and the contractors proposal and concept drawings, and with all of the other Contract Documents enumerated in Section 4 hereof, hereinafter collectively referred to as the "Contract. "

**Section 2: Construction Time.**

The CONTRACTOR agrees to complete all work and construction called for and as defined in the CONTRACTOR'S proposal, to the satisfaction of the OWNER in accordance with the attached construction schedule. It is further agreed that the CONTRACTOR shall start all work and construction within ten (10) days after delivery of the OWNER'S Notice to Proceed, unless otherwise specified in such Notice to Proceed, and shall complete all work and construction in accordance with the construction schedule and time for completion as provided in the Contract Documents.

**Section 3: Contract Amount.**

As and for full payment, and in consideration of the timely and proper performance of all construction and work called for by the Contract, as defined herein, and performance of all the terms and conditions thereof, the OWNER shall pay the CONTRACTOR in currency of the United States a total contract amount of \_\_\_\_\_. Payments to CONTRACTOR shall be based on the schedule of values agreed to by OWNER and CONTRACTOR attached to and made a part of this agreement. OWNER shall retain 10% of all progress payments pending final acceptance of the building.

Contract payments shall be made on the following schedule:

1. 10% contract payment upon signed contract and submission of required submittals shown in section 4 of the Scope of Work.
2. 15% contract payment upon completion of required sitework
3. 30% contract payment upon delivery of metal building to work site
4. 30% contract payment upon finished erection of building (including door installations)
5. 15% contract payment upon completion of all interior finishes and fixture installations

The owner shall withhold 10% of each payment pending final acceptance of the building by the owner. Contractor shall submit all pay requests to the owner on company letterhead or invoice. Owner will issue payment to contractor within 30 days of approval of pay requests.

Section 4: Contract Documents.

The Contract, and the component parts of this Contract, entered into by the acceptance of the CONTRACTOR'S Bid Proposal and the signing of this Agreement, consist of the following documents, all of which are component parts of said Contract and are as fully a part thereof as if herein set forth in full, and if not attached, as if attached hereto:

1. This Agreement;
2. Notice to Contractors Inviting Bids;
3. Notice of Award;
4. Bid Proposal as accepted by the Craig City Council;
5. Notice to Proceed;
6. Written amendments, including Change Orders, if any, to this Agreement signed by both parties entered into after execution of this Agreement.
7. Certificate of Insurance;
8. Payment and Performance Bonds;
9. Concept Drawings included with proposal;
10. Schedule of values.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the day and year first above written.

CITY OF CRAIG

CONTRACTOR

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Printed Name and Title

## **CITY OF CRAIG MEMORANDUM**

To: Craig City Council  
From: Brian Templin, City Planner  
Date: January 28, 2016  
RE: Reappointment of Mr. Kevin McDonald and Mr. John Moots to the Craig  
Planning Commission

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Kevin McDonald was appointed to the Craig Planning Commission in March 2013 to fill a vacant seat on the commission. Kevin has done an outstanding job on the commission and has submitted a letter of interest to be reappointed. The reappointment will be for a full three year term on the planning commission.

John Moots was appointed to the commission in 2004 and has been a consistent and effective member of the planning commission since then. John's term expires January 31, 2016. John has submitted a letter of interest for another term. The reappointment will be for a full three year term on the planning commission.

Per Craig Municipal Code 18.02.005 staff requested that the mayor reappoint Mr. McDonald and Mr. moots. Just like with commissioner appointments, all reappointments must be confirmed by the Craig City Council.

Recommendation: Confirm, by motion, the reappointment of Mr. Kevin McDonald and Mr. John Moots to the Craig Planning Commission.

Recommended Motion: I move to reappoint Mr. Kevin McDonald and Mr. John Moots to the Craig Planning Commission for three year terms to expire January 31, 2019.