

CITY OF CRAIG
COUNCIL AGENDA
JULY 21, 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.

- Introduction and First Reading of Ordinance 689, Sale of City Property to Troy and Di Thain

HEARING FROM THE PUBLIC

- Open for public comment
- Resolution 16- 12, Harbor Rates
- Resolution 16-13, Municipal Support for State Fiscal Solution
- Final Reading and Public Hearing of Ordinance 688, Changes to Title 10 of the Craig Municipal Code

REPORTS FROM CITY OFFICIALS

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

READING OF CORRESPONDENCE

- APCM May Report
- APCM June Report
- 2016 Prince of Wales Preliminary Hatchery Returns
- Wastewater Discharge Permit for Pesticide General Permit
- Kasaan Whale House Rededication
- 2015 Consumer Confidence Report

CITY OF CRAIG
COUNCIL AGENDA
JULY 21, 2016
COUNCIL CHAMBERS 7:00 P.M
(Continued)

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

- Resolution 16-12, Harbor Rates
- Resolution 16-13, Municipal Support for State Fiscal Solution
- Ordinance 688, Changes to Title 10 of the Craig Municipal Code

UNFINISHED BUSINESS

- Craig Comprehensive Plan Update

NEW BUSINESS

- Consider Kim Patotzka Utility Refund
- Consider Change Order, Craig Aquatic Center Renovation Project
- Consider Approval 2016-2017 Operating Agreement, Port St. Nicholas Hatchery
- Consider Award of Bid, Fire Department Equipment

ADJOURNMENT

CITY OF CRAIG MEMORANDUM

To: Craig Mayor and City Council
From: Brian Templin, City Planner
Date: July 14, 2016
RE: Application to Sell City Property to Troy and Di Thain – Ordinance 689 First Reading

Troy and Di Thain recently purchased 2A-2-B from Ken Owen. The Thains were granted a conditional use permit to operate a bed and breakfast at the site, similar to Ken Owens B&B. The parking at that site has traditionally been on the city owned right of way along that area with little or no room on the road side of the residence for parking or a garage.

The Thains have applied to purchase a portion of Lot 2C, a wooded area along Hamilton Drive. There are a number of small recreational areas on this parcel, including one that would be affected by this purchase. The additional area that they would like to purchase would be used for parking and a garage. The Thains have prepared a drawing showing the area that they would like to purchase.

Their application states that they would relocate the picnic area that would be impacted by their purchase. In talking to them they offered to improve the next picnic area down to make it more accessible as an alternative to relocating. I have attached a copy of their application to provide additional information to the council.

The sale notice will be published in the August 1st and August 15th editions of the Island Post with the public hearing scheduled at the regular city council meeting on August 18, 2016.

Funds from this sale will be placed in the city's land development fund.

Recommendation: Approve the first reading of Ordinance 689, authorizing the city administrator to negotiate the sale of city owned property to Troy and Di Thain.

CITY OF CRAIG
ORDINANCE No. 689

AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE WITH TROY AND DI THAIN, THE TERMS OF A SALE OF CITY OWNED LANDS COSNISTING OF A PORTION OF LOT 2C AND LOT 2B, USS 3857

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

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

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

Section 4. Action. This ordinance authorizes the City Administrator to negotiate the sale of approximately 6,300 square feet of city owned land consisting of portions of Lot 2C and Lot 2B, USS 3857. Final terms of said sale are subject to the approval of the Craig city council.

Passed and approved this 18th day of August, 2016.

Mayor Dennis Watson

Attest _____
Kassi Bateman, City Clerk

RECEIVED

JUL 13 2016

CITY OF CRAIG
CRAIG, ALASKA

CITY OF CRAIG

APPLICATION FOR PURCHASE OF CITY PROPERTY

NAME Troy + Di Thain

ORGANIZATION Dreamcatcher Bed and Breakfast

ADDRESS 1405 E Hamilton Drive PO Box 824

Craig, AK 99921
907-

TELEPHONE NUMBER 826-2238 OR 907-965-2360

- Are You:
- a. 18 years of age or over? Yes No
 - b. Authorized to conduct business in the State of Alaska? Yes No
 - c. Acting as an agent for a third party? Yes No

If you answered yes to question c, please specify the party you represent:

Name: _____

Address: _____

Telephone Number _____ or _____

1. Please provide below the address and legal description of the property you wish to purchase.

We would like to purchase a portion (6262 sq ft)
of Lot 2C-B adjacent to our 1405 E. Hamilton Dr
property

2. What is the square footage of the area you wish to purchase?

6262 sq ft

3. Please briefly state your intended use for the property you wish to purchase.

We would like to build a garage as well as
increase parking for the bed and breakfast

4. What benefit will the community receive in return for selling this property?

- * We would relocate the existing picnic area 20ft to the
West and maintain the integrity of the existing walking
trail.
- * Provide adequate parking for the existing Bed and
Breakfast
- * We will build a structure that is aesthetically
pleasing and will blend in to the natural surroundings
with nice landscaping that we will maintain.

5. All applications for purchase of city property must be submitted with a development plot plan showing and stating:

1. The purpose of the proposed purchase;

We would like to build a garage 30' x 40' for
storage.

2. The use, value and nature of improvements to be constructed; *30' x 40' garage for storage. \$150,000*
 3. The type of construction; *2x6 Framed w/ concrete foundation using a Licensed/Bonded Carpenter*
 4. Dates construction is estimated to commence and be completed; and *start 9/2017 finish 3/2018 depending on builder's schedule*
 5. Whether the intended use complies with zoning and the Craig land use code. *We will comply with all zoning and city requirements*
- Please attach a plot plan meeting these requirements.

I certify that the information contained in this application is truthful and accurate to the best of my knowledge. I understand that any intentional misrepresentation contained in the statements in this application is grounds for the forfeit of any fees, deposits or other moneys that have been deposited with the city regarding this application. I have had an opportunity to read Title 16 of the Craig Municipal Code and understand the obligations and commitments I incur by the filing of this purchase application with the City of Craig.

[Signature] _____ 7/13/2016
 Signature of Applicant Date

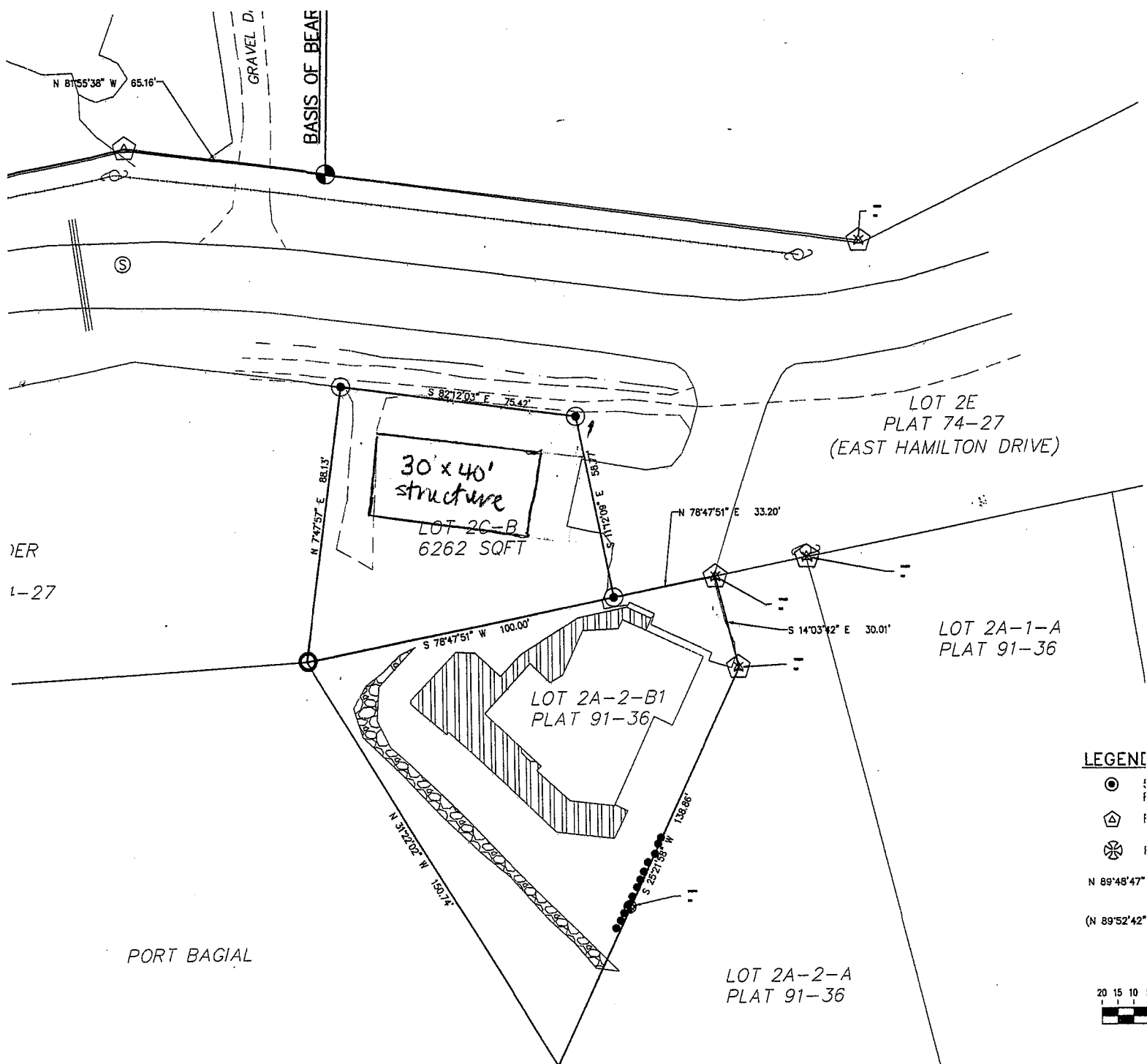
Once this application is complete, please file it with the City of Craig. Unless otherwise exempted per 16.02.070(B) of the Craig Municipal Code, a \$100 non-refundable filing fee must accompany the application.

City use only			
Received by	<u><i>[Signature]</i></u>	Date	Fee Paid ___ Yes ___ No Check #

**CITY OF CRAIG
PURCHASE APPLICATION PROCESS**

1. The applicant completes the purchase application and submits it to the city with the \$100 filing fee.
2. The city will post a public notice for 30 days regarding the purchase application
3. During the 30 day public notice, the city council will hold the first reading of the ordinance authorizing city staff to negotiate the terms of the purchase with the applicant.
4. At the conclusion of the 30 day notice, the city council will hold a second reading of the ordinance. The ordinance is usually either approved or defeated at the second reading.
5. If the ordinance is approved, the applicant hires an MAI certified appraiser who will write an appraisal report attaching a square foot value to the property subject to the purchase. The city sells property at a rate that is no less than the property's fair market value.
6. City staff will negotiate the final terms of the purchase with the applicant.
7. The final terms are sent back to the city council for final approval.
8. If the council gives final approval to the terms, the purchase agreement is signed by both parties and the quitclaim deed is executed upon full payment.

(\$150 after)
7/11



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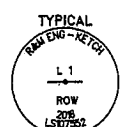
PORT BAGIAL

LEGEND

- (N 89°48'47"
- (N 89°52'42"



THIS FINAL AND APPROVED LAND DEVELOPMENT ORDINANCE HAVE BEEN CITY OF CR



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

THE KETCHIKAN

A HIGH-PRECISION GPS METHOD AND PROCESSED USING LOTS 2C AND LOT 2A-2B

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-107552

CHRISTOPHER G. PIBURN, 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 VELORUM TAXES, SPECIAL ASSIGNMENTS AND OTHER CHARGES REQUIRED BY LAW TO BE PLACED ON THE TAX ROLL HAVE BEEN PAID.

CITY CLERK _____ DATE _____

CITY PLATTING OFFICIAL _____
PRESIDING OFFICIAL _____
PLANNING COMMISSION _____

**CITY OF CRAIG
RESOLUTION 16-12**

ADOPTING HARBOR RATES

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

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

WHEREAS, Harbor Department rates are set by the Craig city council.

NOW, THEREFORE, BE IT RESOLVED that the City of Craig council approves the harbor service rates shown in Attachment A to this resolution, effective July 22, 2016

Adopted this 21st day of July, 2016.

Mayor Dennis Watson

ATTEST _____
Kassi Bateman, City Clerk

Resolution 16-12, Attachment A
City of Craig
Harbor Use Fee Schedule
Page 1

Service	Unit	Rate	Rate w/ Perm. Moorage
Boat trailer rental	first day	\$50.00	\$50.00
Boat trailer rental	each add'l day	\$25.00	\$25.00
Grid use	per day	\$15.00	No charge
Pressure washer/gas	per hour	\$35.00	\$35.00
Pressure washer/gas	per day	\$75.00	\$75.00
Vessel assist by harbor staff	per hour	\$150.00	\$150.00
Wash down		\$10.00	\$10.00
Tarp sale	each	\$95.00	\$95.00
Boat yard cleanup	per hour	\$50.00	\$50.00
Pump-out by harbor staff	per hour	\$75.00	\$75.00
Pump rental	per day	\$35.00	\$35.00
Outside storage/breakwater	per month	\$35.00	\$35.00
Container rental/breakwater	per month	\$55.00	\$55.00
Freezer van space rental, w/ electricity, JT Brown Dock	per day	\$45.00	\$45.00
Freezer van space rental, w/o electricity, boat yard	per month	\$25.00	\$25.00
Boat and trailer storage <=25'	per month	\$20.00	\$20.00
Boat and trailer storage >25'	per month	\$40.00	\$40.00
Boat Haulout, Splash & Blocking	per foot	\$10.00	\$10.00
Boat Haulout, Splash	per foot	\$7.00	\$7.00
Overnight Storage on Boat Trailer		\$35.00	\$35.00
Boat storage, three days w/haul	per foot per day	No charge	No charge
Boat storage up to 56 days	per foot per day	\$ 0.18	\$ 0.14
Boat storage greater than 56 days	per foot per day	\$ 0.29	\$ 0.22
Boat storage greater than 1 year	per foot per day	\$ 0.58	\$ 0.44
Web Loft Storage	per sq.ft. per day	\$0.35	\$0.35
JT Brown Upper yard power	per kw	\$0.22	\$0.22

Resolution 16-12, Attachment A
City of Craig
Harbor Use Fee Schedule
Page 2

Service	Unit	Rate	Rate w/ Perm. Moorage
Crane usage	per ½ hour	\$15.00	\$15.00
Crane usage	per hour	\$30.00	\$30.00
Warfage fee			
20,000 pounds	per pound	\$ 0.0050	\$ 0.0050
20,000-40,000 lbs.	per pound	\$ 0.0025	\$ 0.0025
40,001+lbs	per pound	\$ 0.001925	\$ 0.001925
Ice sales	Per Resolution 15-08		
Live-aboard fee	per month	\$50.00	\$50.00
Transient moorage rates			
Daily rate	per foot	\$ 0.55	--
1 month	per foot per day	\$ 4.40	--
3 month	per foot	\$ 8.36	--
6 month	per foot	\$11.55	--
1 year	per foot	\$17.33	--
Permanent moorage rate	per foot	\$17.33	--
Transient electric power			
20 amp 120V	1-15 days	\$ 5.00	
20 amp 120V	16-31 days	\$ 3.00	
30 amp 120V	1-15 days	\$ 8.00	
30 amp 120V	16-31 days	\$ 5.00	
50 amp single phase	1-15 days	\$10.00	
50 amp single phase	16-31 days	\$ 7.00	
50 amp three phase	per day	\$30.00	
100 amp three phase	per day	\$50.00	

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: July 15, 2016
RE: Resolution 16-12

Attached you will find Resolution 16-12. The resolution amends rates at the city's harbors.

The council recently approved a change to harbor rates when it adopted Resolution 16-08 in May. However when preparing the resolution I mistakenly omitted the storage rate for the web loft, and included an incorrect rate for wharfage. The attached resolution corrects those errors, and also eliminates the rate for use of an electric pressure washer, since the Harbor Department no longer operates an electric powered unit.

Recommendation

Adopt Resolution 16-12.

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Jon Bolling, City Administrator
Date: July 13, 2016
RE: Resolution 16-13

Attached you will find Resolution 16-13. The resolution calls on the Alaska Legislature to pass legislation that adopts a long-term fiscal plan for the State of Alaska. The draft resolution is presented here for council discussion and action. Included below is background information regarding the state's worsening fiscal condition.

The legislature entered another special session on July 11, the purpose of which is to address the fiscal year 2017 multi-billion dollar operating budget deficit. There is no certainty as to how long the special session will last. The session may well be ended by the council's July 21 meeting date. However, given the difficult budgetary calls needed to be made, the session may drag on for some time. In any event, the Alaska Municipal League encourages its members to petition the legislature to adopt a fiscal plan for the state that will stabilize revenues and budgets for the long-term. This is commonly understood to mean less reliance on revenues from oil royalties and taxes, and more reliance on other sources.

A recent e-mail from AML updating its membership on the special session included the following advisory.

The Legislature seems to have a few tasks before them. One is they could choose to override some of the Governor's latest proposals (the capping of the PFD, school debt, oil tax credits, etc.). Those actions, however, will take a 3/4 vote by the Legislature. Something not easy to do.

It appears that the tax bills that were in play during the last session (just a few short weeks ago) are in play again (gas tax, fish tax, etc.). The Governor has put them in [one bill]. But, he has also added a separate bill which will be something we must all monitor closely and that is a separate sales tax bill (SB 5004 and HB 5004).

[This bill] appears to do a number of things. The bill would go into effect in 2018 and until the end of 2021, it would be some sort of a hybrid between the State and municipalities with the State charging a 3% sales tax on top of municipal taxes. In December 2021, the State would begin to administer the tax and remitting municipal portions back to the municipalities that actually charge a sales tax. Needless to say, there would be an administrative cost to municipalities.

If this bill gets a hearing, we must be able to react quickly. Please read over the attachments (especially the transmittal letter and the fiscal note) and be ready (if need be) to testify on what impact this might have on your municipality.

I have copies of the bills referred to in the e-mail text available here at city hall that I can e-mail to you in the event you would like to read them. There are six bills sent by the governor to the legislature for consideration during the current special session. Not all of them relate to the state's financial challenges.

The fiscal stability of the state merits council discussion due to the potential impact the state's fiscal strength has on the City of Craig. We rely on the State of Alaska for revenue sharing dollars (about \$96,000 in the current fiscal year, down from approximately \$145,000 the prior year), compensation for the contract jail services we provide the state (\$323,000 this year), and DMV commissions (estimated at \$60,000) as part of our General Fund budget. Each of these revenue sources is at risk if the state is not able to find a way to sustain its operations in the long term. While the loss of raw fish tax receipts (\$250,000-\$300,000 annually) from the state is less likely than the loss of receipts from the several programs listed here, it is fair to say that all state expenditures are subject to reduction if the state's fiscal condition does not improve.

The attached resolution is based on one prepared by the Governor's office and distributed by AML. It includes language recognizing the governor's efforts to propose new state revenue sources.

Recent vetoes by the governor to the operating budget passed by the legislature reduced the proposed draw on the state's overall savings accounts by about \$1.2 billion. That action still left a nearly \$3 billion draw on the state's savings accounts to meet its expenses for Fiscal Year 2017. If the draw on savings is repeated in subsequent fiscal years, the state's savings accounts to which the legislature has access (the Constitutional Budget Reserve, and the Earnings Reserve) will be depleted, or nearly so, in just a couple years. The Permanent Fund itself would remain untouched, but the dividend would likely disappear, and the legislature will face even greater pressure to retain some or all of the municipal payments identified above.

In addition, the practice of providing an annual capital budget, with room for municipal projects, which benefits communities across the state, will be gone indefinitely. Craig, like many communities, has benefitted greatly from access to state capital budget dollars. As a reminder for the council, the state capital budget has contributed meaningfully over the past several years to the following local projects (this is not an exhaustive list):

- | | |
|---|-------------|
| 1. North Fork Lake Dam | \$ 100,000 |
| 2. Craig Water/wastewater master planning project | \$ 250,000 |
| 3. Craig street paving projects | \$1,700,000 |
| 4. Craig cannery site development | \$ 400,000 |
| 5. Craig harbor shop building | \$ 25,000 |
| 6. Fire hall design | \$ 100,000 |
| 7. Public works heavy equipment | \$ 600,000 |

It is important to Craig to again get access to the capital budget. That is unlikely to happen until either the price of oil tops \$100-plus per barrel for a sustained period of time, and oil production from the North Slope increases, or until the state adopts a reliable source of funds to sustain a capital budget.

Also noteworthy here is the ongoing booked obligation the state has to the Public Employee Retirement System, which actuarially is underfunded in an amount approximating \$10 billion over the next 30 years. The State of Alaska each year funds part of the employer portion of the PERS benefit, which is currently any amount beyond the 22 percent paid by employers like the City of Craig. The legislature each year debates the merits of the State of Alaska paying the employer match in excess of 22 percent. Should the legislature stop funding the margin between what the City of Craig pays as the employer match, and the amount required to be paid by the actuary, the city's PERS costs could rise abruptly from 22 percent to 30 percent or higher.

Suffice it to say that there is a lot at stake for Craig, financially, if a predictable source of revenue to the state is not found soon. Thus, the attached resolution is presented for council consideration.

The single most effective action that the legislature can take to stabilize revenue is to convert the Permanent Fund into an endowment style fund, where the owner may draw up to a certain percentage of the market value of the fund each year. This approach is advocated by the governor, and has been a goal of the Permanent Fund Corporation Board of Directors for several years. Taking this approach limits the draw from the fund and provides for the fund to grow with the rate of inflation. It provides for an annual dividend and revenues to the state's General Fund. At the current market value of the Permanent Fund, a four percent draw would provide about \$2 billion each year for dividends and other state expenses. That amount would not eliminate the current budget deficit, but it would close a large percentage of the deficit. This particular approach is not called out in the attached resolution, but it is an option well-known to the legislature. The city's own endowment fund is managed on a percent of market value basis.

Another option for the legislature is to reduce state spending to eliminate the current deficit. That would require reducing the operating budget by about \$3 billion beyond the vetoes already implemented by the governor. That option seems unlikely, as the legislature has already spent nearly five months this year working on a budget, and came nowhere close to being willing to reduce the budget by billions of dollars more. Ultimately, regardless of what one thinks of the governor's fiscal plan, the state's municipalities and school districts need the State of Alaska to have a stable fiscal structure in order to plan for the delivery of services. Encouraging the legislature to take steps to adopt a plan acceptable to the governor that establishes a stable fiscal outlook is the goal of the resolution.

It is important to note here that the governor's fiscal plan includes legislation implementing new taxes, including a state income tax, and a state sales tax. The plan also calls for raising many existing state taxes, including taxes on fish landings, mining interests, oil companies, tobacco and alcohol use, and others. The governor is prepared to forgo implementation of some of these measures as long as the end result of the legislative process is a sustainable source of revenue. As noted above though, the single greatest potential revenue generator to the state is the restructuring of the Permanent Fund to an endowment format.

The establishment of a sales tax by the State of Alaska has significant potential ramifications for cities and boroughs which already assess sales taxes. Under the governor's proposal Craig and other cities would lose the ability to manage their general sales tax ordinances. I do not know

what that might mean for exemptions specific to Craig's sales tax code, and some items subject to the city's sale tax would not be subject to the state's sales tax. Suffice it to say that we will likely have much less management control over this single largest source of locally generated revenue than we do today. The resolution does specifically state that the city does not support implementation of a sales tax.

The resolution has much background information in it, but few specific recommendations. If the council is inclined to approve the resolution, it can consider adding specific actions for the legislature to take

Recommendation

After discussion, adopt Resolution 16-13.

**CITY OF CRAIG
RESOLUTION 16-13**

**EXPRESSING A DEEP SENSE OF URGENCY TO THE ALASKA
STATE LEGISLATURE TO TAKE IMMEDIATE ACTION TO
PROVIDE FOR A FAIR, BALANCED, AND SUSTAINABLE STATE
BUDGET**

WHEREAS, Alaska has relied predominantly on the development of its vast oil reserves to fund the majority of state government expenditures over the past 35 years, yet production of Alaskan North Slope crude oil has steadily decreased over the past 25 years; and

WHEREAS, global oil prices have dropped significantly over the past two years and are projected to remain relatively low for the foreseeable future; and

WHEREAS, the combination of reduced North Slope oil production, reduced oil prices, and an overreliance on oil revenue as state government's primary source of funding has resulted in a massive state fiscal deficit; and

WHEREAS, the State of Alaska's credit rating has dropped due to the current fiscal imbalance, and may continue to be downgraded, if the Legislature fails to take appropriate action in 2016; and

WHEREAS, major business leaders in the state have warned they would be unlikely to continue making significant commercial investments in Alaska if the Legislature fails to address the fiscal deficit in 2016; and

WHEREAS, Governor Walker has introduced a fiscal plan to provide for a sustainable and predictable balanced budget, using the strength of our existing financial assets, a balanced blend of spending reductions, and additional new revenues; and

WHEREAS, following adjournment of the 2016 regular session and fourth special session of the 29th Legislature, the Legislature failed to enact any component of any fiscal plan, and instead continued past practice of funding the FY2017 budget from dwindling cash reserves; and

WHEREAS, the legislature approved an operating budget that relies on billions of dollars of cash reserves to cover budget deficits, a move that if repeated in subsequent years will eventually threatening the state's annual Permanent Fund dividend program; and

WHEREAS, every dollar of cash reserves spent on one-time budget shortfalls, is then unavailable to continue working for the state as an ongoing income-producing asset in the future; and

WHEREAS, since spending down cash reserves reduces the amount of sustainable revenue we can generate from our financial assets in the future, increases in other sources of revenue (taxes) will become necessary to compensate; and

WHEREAS, without immediate enactment of a balanced fiscal plan, the Permanent Fund Dividend program will end in approximately four years, and the inevitable dramatic state cost shifts to municipalities will require significant local tax increases, endangering the viability of many Alaskan communities.

WHEREAS, politically difficult but financially sound decisions are required immediately.

NOW, THEREFORE, BE IT RESOLVED BY THE CRAIG CITY COUNCIL, that:

Section 1. The city calls upon the Alaska State Legislature to take affirmative and immediate action during the fifth special session of the 29th Legislature to enact a comprehensive package of initiatives that will provide for a sustainable, balanced state budget for the foreseeable future.

Section 2. The city appreciates the difficult work of the Administration to put forth one possible comprehensive fiscal solution; and while Craig does not support implementation of a statewide sales tax, Craig does recognize the Administration's proposal as a foundation for legislative deliberation.

Section 3. The city calls for the Alaska State Legislature to engage in meaningful discussions of all fiscal options without regard to perceived negative political fallout.

Section 4. The City Clerk is instructed to transmit a copy of this resolution to every member of the Alaska State Legislature, the Governor, and all local media outlets.

Approved this twenty first day of July, 2016.

MAYOR DENNIS WATSON

ATTEST: _____
KASSI BATEMAN, CITY CLERK

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Kassi Bateman, City Clerk
Date: July 15, 2016
RE: Ordinance 688

Attached you will find Ordinance No. 688. This ordinance makes changes to Title 10 of the Craig Municipal Code, (VEHICLES AND TRAFFIC). This change is needed due to alterations in statute, state policy, state regulations and court decisions.

10.10.080 Failure to Comply with Citation Attached to Vehicle

Brings section into compliance, pertaining to 30 days to respond, not the prior 5 days. Also, Minor Offense Rule 9(d) prohibits issuance of bench warrants for failure to respond or appear or for failure to satisfy the judgment in a minor offense case.

Attached are the proposed changes to this section and new language to be added and or removed. By making changes, brings city code into compliance with recent changes in statute, state policy, changes in state regulation and court decisions. I ask that the Council adopt the attached additions and deletions to existing ordinances.

Recommendation

Adopt Ordinance No. 688 at second reading.

CITY OF CRAIG
ORDINANCE NO. 688

MAKING CHANGES TO THE CRAIG MUNICIPAL CODE, TITLE 10, VEHICLES
AND TRAFFIC, CODE ADOPTION, BY AMENDING 10.10.080 FAILURE TO
COMPLY WITH CITATION ATTACHED TO VEHICLE

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

Section 1. Classification. This ordinance is of a general and permanent nature and the code sections adopted 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 become effective immediately upon adoption.

Section 4. Action. This ordinance amends Section 10.10.080.

APPROVED _____

MAYOR DENNIS WATSON

ATTEST _____
KASSI BATEMAN, CITY CLERK

**Proposed Changes in Craig Code of Ordinances
Title 10
June 9, 2016**

Revise these sections underlined.

10.10.080 Failure to comply with citation attached to vehicle.

If a violator of the restrictions on stopping, standing or parking under the traffic laws or ordinances does not appear in response to a traffic citation affixed to such motor vehicle within a period of thirty days, the clerk or any police officer shall send the vehicle owner a letter informing him/her of the violation and warning him/her that, in the event such letter is disregarded for a period of ~~five-thirty~~ days, he/she could be charged with Failure to Obey Citation.

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Jon Bolling, City Administrator
Date: July 15, 2016
RE: July Staff Report

1. PSN King Salmon

Mr. Greg McMillan of Keta Seafoods continues his king salmon cost recovery efforts at Port St. Nicholas. The latest landing report shows he has caught 468 king salmon to date. I expect Greg to continue as long as it is economic for him to do so. His efforts so far have raised about \$5,400 to offset some of the city's expenses at the Port St. Nicholas hatchery facility. That amounts to about ten percent of the city's share of the operating costs there.

The City of Coffman Cove, with whom the City of Craig has partnered to meet PSN hatchery expenses the past several years, has yet to decide if it will participate in cost sharing in this new fiscal year. The Coffman Cove city council is scheduled to meet on July 21 to further consider the matter.

2. POW Hatchery Update

Mr. Jeff Lundberg at the Klawock River Hatchery asked me to forward an update to the Craig city council. His update is below.

As of July 1:

- The SSRAA/Alaska Department of Fish and Game operation agreement for Klawock River Hatchery is in place and effective.
- ADF&G PNP permits number 47 (KRH) and 48(PSN) to SSRAA are in place and effective.
- The Purchase and Sale (P/S) agreement between POWHA and SSRAA has been signed and notarized by POWHA officials and delivered to KTN for SSRAA officer signatures.
- The P/S effective date is July 24, 2016 which will allow for an orderly transition of the paperwork prior to full assumption of the POWHA assets. POWHA employees will officially become SSRAA employees on that date.

3. USFS Landscape Assessment Project

As I noted in my prior two staff reports, the US Forest Service has initiated what it calls a landscape assessment process for POW. The agency hopes to identify a wide range of projects in the assessment document and undertake a single NEPA review of those projects. The agency hopes to identify projects that will take place over the next 10-15 years. The landscape assessment process will likely take at least two years to complete. A local group has assembled to provide input to the Forest Service on project alternatives. The group plans to meet regularly until it has developed recommended projects that it hopes the US Forest Service will include in the assessment document. At its most recent meetings, the group continued to work on the bylaws under which it will

operate. The group is also seeking a contractor to act as a facilitator at its meetings. As I have noted in the past, the landscape assessment timeline, and the complexity of some of the resource issues subject to the assessment project, will make high demands from the local group.

4. POW Resource Advisory Committee

The POW Resource Advisory Committee met on June 20 at the Craig Ranger District conference room. The RAC is charged with recommending projects for funding using Title II dollars from the Secure Rural Schools Act. The committee had about \$500,000 in Title II funding to apply to the projects it recommended to the Forest Supervisor. The projects recommended for funding are listed below.

Luck Lake Access Improvement Project Phase I:	\$90,000.00
Hollis School Water source Dam:	\$85,000.00
Southeast Prince of Wales Wolf Activity:	\$18,375.00
Thorne Bay Claw Trail:	\$27,000.00
Kasaan Road Improvements:	\$67,500.00
Klawock Lake Sockeye Enhancement/Restoration:	\$72,000.00
Winter Harbor Vault Toilet:	\$38,700.00
Sandy Beach Picnic Area Restoration:	\$72,275.00
Cavern Lake Platform:	\$34,650.00

The Klawock Lake Sockeye Enhancement/Restoration project is intended to fund equipment at the Klawock River hatchery that will increase the sockeye return to the Klawock Lake system, and assess where restoration work will improve the wild sockeye run in the lake.

Most of the projects were proposed by POW communities. I have not heard yet if the forest supervisor has approved the nominated projects.

5. Travel Schedule

September 20-22: To Petersburg for SE Conference annual meeting.

City of Craig Memorandum

Date: July 15, 2016
To: Mayor Watson and Craig City Council
From: Kassi Bateman, City Clerk
Re: Clerks Report

Newsletter

The next newsletter publication date is tentatively scheduled for August. If you have anything you would like to see included in the newsletter please let me know.

Elections

The 2016 Municipal Election is October 4. Seats up this election include Greg Dahl and Jan Storbakken's seats for city council as well as Jennifer Creighton, Dolores Owen and Scott Brookshire's seats on the school board.

I will be assisting State Election Officials with the Primary and General Elections this year, and will be attending training in the upcoming week for this duty.

Safety

The Premium Credit that the City of Craig received this year for safety was \$14,701.12 of which \$13,445.89 was due to staff participation in the program. In 2015 the credit was \$14,226.72 and in 2014 it was \$11,597.90.

Surplus

The City will be putting out an invitation to bid on miscellaneous equipment from all departments this month.

CITY OF CRAIG MEMORANDUM

To: Craig Mayor and City Council
From: Brian Templin, City Planner
Date: July 14, 2016
RE: Planning Department Staff Report – July 2016

1. Pending Land Leases/Land Sales
 - a. Land Sale to Tyler Rental. At the March 17, 2016 the council authorized negotiations with Tyler Rental of a sale of some portion of Lots D-1 and D-2, Crab Cove based on their request. We have come to a tentative agreement on the size and location of the parcel that Tyler is interested in. Tyler is now working on an appraisal and preliminary survey plat as part of the negotiations. Since this is their busy season, like many others, I expect that they will get back to work on this project after summer.
 - b. Trojan Lease. The council has approved negotiations of a lease with Richard Trojan of lands and tidelands adjacent to the public works shop area. Ron McIntosh and I have met with Richard on site and have provided a rough layout of the area that Rish wants to lease. Rich will work on the survey and appraisal of the area.
 - c. Land Sale to Troy and Di Thain. Troy and Di Thain have applied to purchase a piece of city owned land to allow for construction of a garage and some parking in front of their property on Hamilton Drive (previously owned by Ken Owen). That application is set for first reading of the authorizing ordinance at the meeting on July 21st and public hearing on August 18th.
 - d. Radio Site Lease. KTKN Radio in Ketchikan previously leased space from Craig Cable TV for equipment and an antenna to provide radio service to the Craig area. With Craig Cable being out of business they have requested placement of equipment and antenna on one of the poles that currently have our Tsunami sirens on them. They have not submitted an application yet. I will continue to work with them on this issue and anticipate that an application and ordinance will be sent to the council at a future date.
 - e. Tract 15 Development. I am working with AP&T to move some poles along Ptarmigan Street to accommodate the new street and expanded cul-de sac for Tract 15. The request for bids/proposals will be on the street the week of July 18th and will be advertised for a minimum of 21 days. The RFP/IFB will include construction of the subgrade of the new road (Willow Court) and expansion of the existing cul-de-sac on Ptarmigan Street. I will also include an additive alternate for demolition of the concrete pads and building at the Craig Cable TV site. Whether or not this alternate work is done by the contractor will largely depend on any final disposition of improvements and timing of the contractor. I will also bring a memo at a future council meeting asking the council to consider using land development funds to pave Willow Court and the expanded area of the Ptarmigan Street cul-de-sac during the Phase IV project. We are

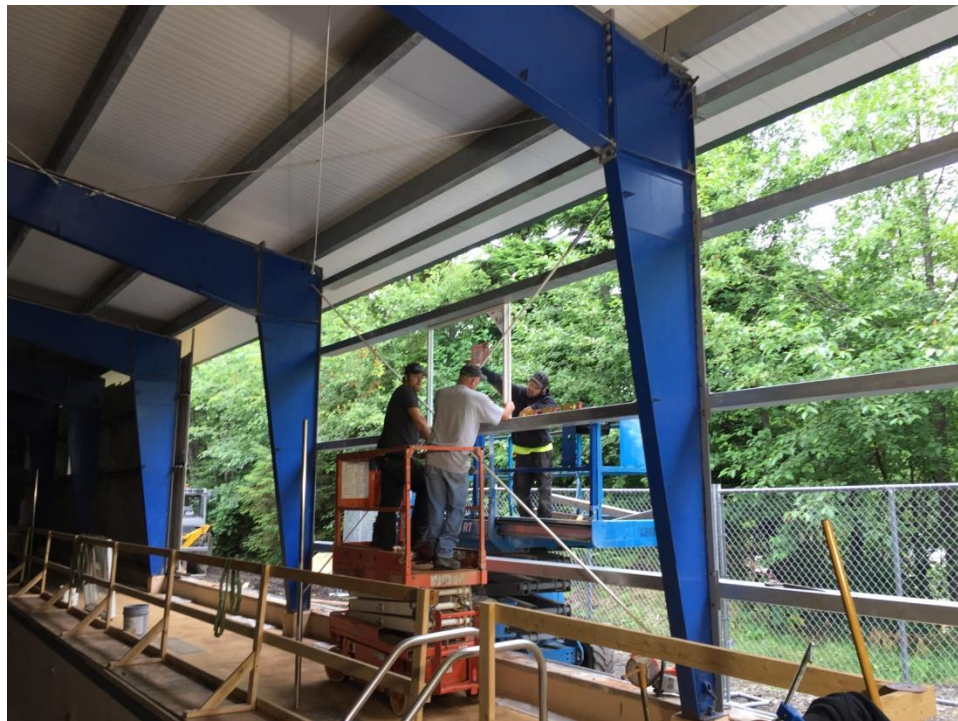
getting closer to getting these lots done and on the market. The progress has been somewhat slowed down waiting for court disposition on the Craig Cable issues.

2. Craig Aquatic Center Renovation. CBC has substantially completed the roof installation. New panels are on and CBC is waiting for the new structural beam to arrive before finishing the north end. Recently they started demolition and reframing of the east wall. The mechanical contractor has been at work demolishing the existing vents, ducts, air handling units and boilers. CBC has nearly completed the concrete work for the new mechanical room. Installation of the new mechanical systems should start in earnest in the next couple of weeks. The work has had a progress inspection by the structural engineer who did not find any problems to this point. We will have an updated schedule of work at the next progress meeting on July 21st. A change order to enclose the top of the walls around the women's locker room is submitted as a separate action item on the agenda for the meeting on July 21st.
3. Comprehensive Plan Update. After the discussion at the June 16th council meeting regarding an update to the city's comprehensive plan I have been working on updating the second section of the plan, which primary deals with demographic, housing, economic, transportation and other data. There is a full memo in the packet for the July 21st meeting regarding the comprehensive plan update, including a proposed schedule and methodology.
4. Prince of Wales Preparedness Fair. The Local Emergency Planning Committee has been working on the biennial area wide preparedness fair. The first fair was held in 2014. The fair will be held in September (National Preparedness Month) and will emphasize personal and family emergency preparedness. Following the model that we established in 2014 we will host island 3rd – 5th graders and have educational sessions, search and rescue dog demonstrations, a tour of emergency vehicles and the opportunity to experience the state's earthquake simulator on Friday, September 16th. In 2014 we had approximately 135 students and staff. On Friday night we will have a presentation on the Cascadia Subduction Zone and earthquake/tsunami threat on the west coast. On Saturday, September 17th we will have community classes and preparedness information booths set up for the community to visit. The State of Alaska has an earthquake simulator that they will be bringing to POW for this preparedness fair. We plan on making the simulator available at a number of events between September 16th and 20th.
5. Tract 18 Housing Project. Ron McIntosh, Dave Nelson and I met with Sam Thomas and other CTA employees and representatives of R&M Engineering for a preconstruction meeting on the Tract 18 project on East Hamilton Drive. CTA has started installing utilities as part of their multi family housing project on the site. Ron and I will keep the council updated as this project progresses.





East Wall Demolition and Reconstruction 7-15-16



East Wall Reconstruction – Fitting New Window 7-15-16



New Ductwork in Lobby 7-15-16



New AHU-1 Installed on Pad 7-15-16



Gap at top of North Women's Locker Room Wall 7-15-16



Gap at top of North Women's Locker Room Wall 7-15-16



June 23, 2016

To: Craig City Council

Re: Monthly Fire Department Report

Fire and EMS Responses:

1. Two EMS medical assist responses to provide manpower as requested.
2. Due to recent number of serious EMS calls, there has been a review and change of response policy. Per Chief Ely, whenever there is CPR in progress, an all-call will be dispatched and CVFD will respond. In addition, whenever more manpower is needed on EMS calls, CVFD will be paged to respond.

Training:

3. Firefighter training records have been created and will be maintained to reflect drills and training.
4. CPR skills are in the process of being updated with the goal of having current BLS certificates for all firefighters before the end of July.
5. The department is looking at adding AEDs on each fire truck as funding allows.
6. Drill on 6/21 at the Craig High School included emergency driving, pump and master stream appliances operation.
7. Interagency ladder training with Klawock VFD on May 11th. Joint operational training with Klawock will continue in order to maximize our effectiveness on the fireground.

Funding and Misc:

8. VFA (Volunteer Fire Assistance) grant received in the amount of \$9777.60 for assorted hand tools, wrenches, 4" hose and nozzles.
9. 4th of July parade participation discussed.
10. Discussion of Fire Department's budget.
11. 2016 calls in the National Fire Incident Reporting System (NFIRS) have been brought up-to-date and will continue to be manually entered per the guidelines of the Alaska Division of Fire and Life Safety by Lisa Omstead.

Harbor Department Report: June/July

Duties performed:

- 1) Fixed burnt electrical plug-ins #44,79,83, 67 and broken water pedestals on N.Cove/S.Cove
- 2) Pumped out breakwater
- 3) Changed out waste oil tank in N.Cove
- 4) Staff Hauled 16 boats and Splashed 18 boats in June
- 5) Working on Policies and Procedures for Harbor, Boatyard and Icehouse.
- 6) Pressure washing S.Cove & N.Cove
- 7) Staff fixed a major water leak in N.Cove
- 8) Staff replaced bad planking on Finger C in N.Cove
- 9) Staff has fixed the stairs leading to upstairs at the web loft
- 10) Staff cleaned out greywater tanks in N.Cove and False Island boatyard
- 11) Materials have been ordered in preparation of fixing the fractured beam this fall at city Dock
- 12) Removed impounded vehicles from Harbormaster parking lot
- 13) Ordered kingpin kits to fix boat hauler
- 14) Cut down brush along bank of S.Cove and trimmed trees around channel marker
- 15) Hauled out and pressure washed response boat and work skiff

5/25/16-7/13/16

Submitted by Kimberly Baxter

Volunteer Hours: 144

Patron Visits: 3,119

Circulation: 4473

Computer Usage: 1288

Tests Proctored: 2

Meetings: 2

Alaska Digital Library Downloads: 83

Programs/Events:

Get in the Game...Read! Our summer reading program is going strong with 95 participants. There are programs, activities and prizes for all ages.

July 16th: Book Club. Discussing: Harry Truman's Excellent Adventure

July 30th: Arctic Discoveries – videoconference about gray wolves with the Alaska Zoo

Child Care Story Time: Every Tuesday, 9:30

Preschool Story Time: Every Friday, 10:00am

Read 1000 Books Before Kindergarten (Ongoing)

OWL (Online With Libraries) Update:

"The Alaska OWL Program is funded by the State of Alaska to improve the computing capabilities of Alaska public libraries through bandwidth support for remote libraries, videoconferencing services for participating public libraries, and digital literacy training for library staff."

The OWL Program has been funded at \$681,000. The State will continue to provide broadband support for some libraries. Craig Public Library is included; we have signed a MOA with the State. The videoconferencing network will stay fully functional.

More information about the impacts to the program will be sent out to libraries in the coming weeks.

VISTA:

VISTA volunteer Emma Fisk is working on the ordering for the Crossett Grant for the STEM (Science, Technology, Engineering and Math) Backpack Program for the preschool age group. This grant was originally developed by the year one VISTA volunteer Katie George. We are looking at a launch party in early Sept.

Staff:

Part-Time Assistant Librarian Ray Golden left the library on Saturday, July 9th, to meet a shift change with his police dept. job. That role has now been filled by Michelle Winrod, who started on Wednesday, July 13th.

We welcome 4 new evening volunteers this month. We also have a dedicated group of young helpers checking in daily looking for jobs and tasks to help out at the library.

**CITY OF CRAIG
MEMORANDUM**



Date: July 5, 2016
To: Honorable Dennis Watson, Craig City Council
Fr: RJ Ely, Police Chief
Re: Staff Report / June 2016

RJ Ely

ACTIVITY

Activity from May 19th, 2016 through June 30, 2016. Dispatch Center took the following amount of calls for service:

Craig	1,062
Klawock	485
AST	14

DEPARTMENT OF MOTOR VEHICLES

Increasing road tests, written tests and overall lots of traffic

DISPATCHER(S)

Rebecca "Becky" Bateman has completed training and has been signed off.

Andria Skaflestad has resigned, taking a position in AZ in the medical field.

Rebecca Bateman has accepted the fulltime dispatching position.

Travis Tuttle has accepted the part time / fill in dispatching position and is currently in training.

OFFICER(S)

Ofc. Page has completed the Police Academy and is back working.

Ofc. Bixler is set to attend the Police Academy in Sitka, starting July 31, 2016.

OTHER

Court has again delayed their moving date and it will be late August or later, before they move.

Received Jail Contract and was able to obtain about \$36,000 dollars more than last year.

State of Alaska, Trooper Contract has been cut in half, from prior years. With new contract being cut, certain obligations from prior years will not be offered.

I will be out of town, from July 15, 2016 for a week, possibly two, depending on father's surgery & recovery.

Memo

To: Mr. Mayor, Craig City Council

From: Ron McIntosh, Public Works Director

CC: Jon Bolling, City Administrator

Date: July 15, 2016

Re: Public Works Council Report for July 21, 2016

Activities and status:

1. The City of Craig Phase 4 Paving Project is scheduled to begin in Mid August on utilities and grading. Paving is still scheduled for 2017. A meeting is set for the week of July 18th with Southeast Road Builders for updates.

Issues have arisen with the construction coordination pertaining to some alignment adjustments with regards to power poles and some additional unforeseen drainage requirements. This will result in some additional increases in cost for drainage structure.

2. Public Works and Facilities will install a boardwalk extension across the front of the Ruth Ann's Restaurant site, connecting the walking surface for pedestrians.
3. The water quality Consumer Confidence Report has been completed for 2015 and is part of the submitted information.
4. Alder trimming and signage repair and replacement are ongoing.
5. Illegal dumping and abandonment of old cars continue up at the burn pit. The most recent 3 vehicles have been disposed of with urging from enforcement.

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

July 14, 2016 Submitted by Victoria Merritt

Craig Recreation Report to the Craig City Council and Mayor Watson,

Summer is here and flying by! The 4th of July was a great success. Thanks to the dedicated committee and their families, the volunteers and the community support. There were 3 days of events for the community to enjoy.

Soccer Season starts on Saturday with a sign up and Skills clinic. Jim and Jill Lucey will be helping out as coaches. They host the open soccer Sunday and Wednesdays at the Craig City Gym.

Summer fun days are for all school aged children, we meet at the Craig youth and Rec Center on Tuesday and we will skate at the gym at 4, and the big event is dodgeball with the Craig Police on Thursday. now we make cookies. A \$2 donation is requested.

Tonight is rollerskating or blading at 7pm, \$1 admission, \$2 rents skates or blades. I am hoping to get a grant to help with the summer camps I would like to hold from the POW Health network. For July and August there is a soccer camp, music camp and gymnastics in the works!

Activities continue at the Craig City Gym. Volleyball open gym is on Tuesdays and Thursdays. At 7pm for \$2 to play. Soccer is Wednesday at 8 to the Sunday at 6 line up. POW Salty Roller Girls Roller Derby team which meets on Monday and Wednesday at 6 to practice, adults are welcome. The next Swap meet will be on August 13 from 10 to 2 at the Craig City Gym.

There is still yoga on Tuesdays at 6:30 with a certified instructor for \$10. Spanish Conversation is on Wednesdays at 6pm for free! We need native speakers or beginners. Come join the fun. The interagency meeting is held there every 2nd Tuesday of the month at noon, which is a networking opportunity for the area agency's.

Skating or blading every Friday at 7pm , \$1 admission, \$2 rents skates or blades.

Lonnie Mills will open the gym at 8:30pm for youth basketball for 5th graders and middle schoolers! Loni Mills is going to be out new volunteer after school is out. Youth and Rec Center had magic and D and D Saturdays at 3 with Jon Wilburn.

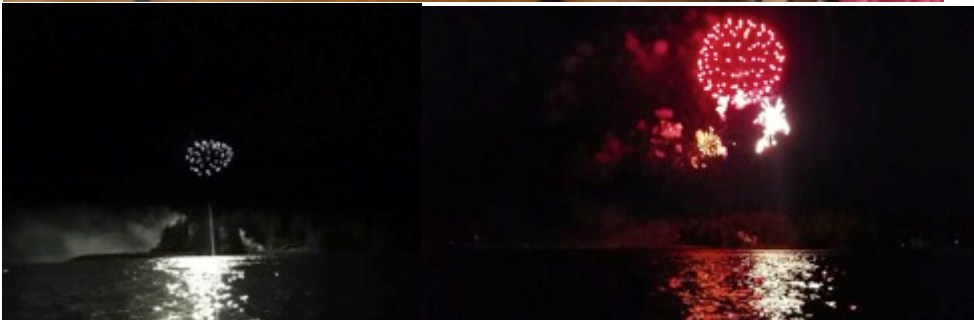
A heads up that the Craig Klawock King salmon derby has started! The first Derby is over with Selena Jaeger winning first place. The City of Craig will be running the derby this year, but all the prizes and rules are the same. Weigh in at Petro, or Black Bear and buy your tickets there, at the City, AC stores, the chamber Log Cabin in Craig or a lodge. The Salmon Derby Social will be on August 20th at the web loft at cannery point. Kathy Peavey has joined the committee!

I am spending all spare time on much needed cleaning. I was able to buy a lot of new equipment-basketballs that hold air, new skates and tables. I have help from Karate to wash the gym floors. I am looking to hire a part time helper to help keep up with the programs and the cleaning.

July 3rd 2016 Fishing Derby, Greasy Pole-Thanks Bo Rogers for the \$200 prize! \$50 to 2nd place won by the Smith Kids! Royalty Crowning and FIREWORKS! Great Volunteers. Public works, the Harbor department and Parks and Public facilities also lent a hand. Hannah Bazinet and Betty Kubik with Raina and Russ were the main stays. Jay and Rhonda Kingery helped with the Fishing Derby and Kim Baxter helped to measure the fish.



The Greasy Pole was won by Doug Smith JR with his sister Kya 2nd place. Bo Rogers donated the \$200 1st prize! He also contributed to the fireworks. The Pizza party for the Royalty was fun. Followed by an impressive fireworks display lit off by Karl Benolken, Virgil Burnhan and crew.



The parade was wonderful. Russ and Wanda set it up!



Then out to the ballpark! The Moose Beer garden and BBQ benefited EMS. Lots of booths, races and family fun.



Jim Seley was our announcer. Barb Stanley our ticket seller and clean up helper. Hannah and Betty and their families with Russ and Reaina also helped. The new inflatable slide was a hit, except for the broken arm. The day was ended by having the slide wet and giving all the kids a free ride on the wet slide. Vicki Hamilton was our grand prize winner, Kelsey Shaekly won 2nd, Lonnie Mills and Dina Merchant won the top 4 prizes. July 5th at 5:30 Scott Brookshire won the Duck race! \$2670. Now to put it all away and get ready for next year!

CITY OF CRAIG

Account Statement - Period Ending May 31, 2016



ACCOUNT ACTIVITY

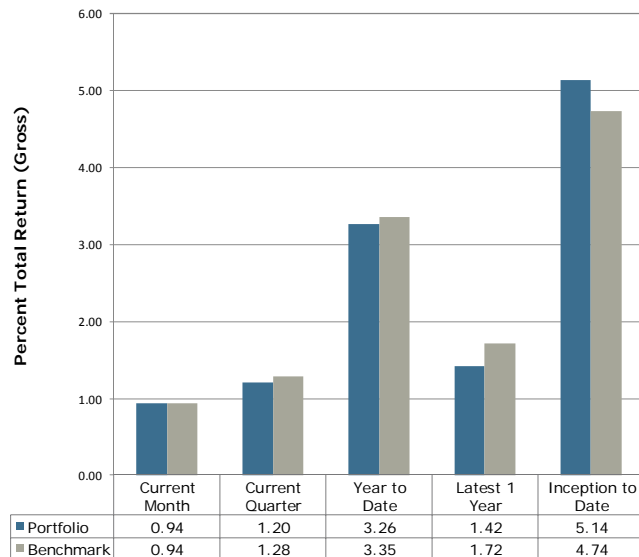
Portfolio Value on 04-30-16	9,363,993
Contributions	0
Withdrawals	-4,676
Change in Market Value	81,696
Interest	6,442
Dividends	0
Portfolio Value on 05-31-16	9,447,455

MANAGEMENT TEAM

Client Relationship Manager:	Amber Frizzell, AIF® Amber@apcm.net
Your Portfolio Manager:	Bill Lierman, CFA®
Contact Phone Number:	907/272 -7575

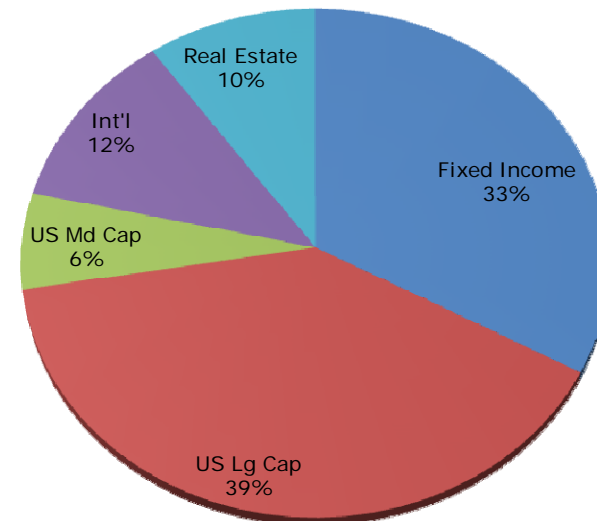
INVESTMENT PERFORMANCE

Current Account Benchmark:
Equity Blend



Performance is Annualized for Periods Greater than One Year

PORTFOLIO COMPOSITION



Alaska Permanent Capital Management Co.
PORTFOLIO SUMMARY AND TARGET
CITY OF CRAIG
May 31, 2016

Asset Class & Target	Market Value	% Assets	Range
FIXED INCOME (34%)			
US Fixed Income (34.0%)	3,046,487	32.2	20% to 45%
Cash (0.0%)	68,186	0.7	na
Subtotal:	3,114,674	33.0	
EQUITY (66%)			
US Large Cap (40.0%)	3,721,303	39.4	30% to 50%
US Mid Cap (6.0%)	577,034	6.1	0% to 10%
Developed International Equity (10.0%)	1,097,341	11.6	5% to 15%
Real Estate (10.0%)	937,104	9.9	5% to 15%
Subtotal:	6,332,781	67.0	
TOTAL PORTFOLIO	9,447,455	100	

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
CITY OF CRAIG
May 31, 2016

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
100,000	US TREASURY NOTES 0.625% Due 08-31-17	99.79	99,789	99.82	99,816	1.06	625	158	0.77
150,000	US TREASURY NOTES 1.875% Due 09-30-17	102.89	154,336	101.43	152,139	1.61	2,812	476	0.80
100,000	US TREASURY NOTES 3.750% Due 11-15-18	106.48	106,480	106.94	106,937	1.13	3,750	173	0.89
250,000	US TREASURY NOTES 1.500% Due 12-31-18	100.64	251,602	101.40	253,496	2.68	3,750	1,576	0.95
50,000	US TREASURY NOTES 1.500% Due 10-31-19	99.40	49,701	101.28	50,640	0.54	750	65	1.12
225,000	US TREASURY NOTES 1.250% Due 10-31-19	99.42	223,689	100.48	226,089	2.39	2,812	245	1.11
100,000	US TREASURY NOTES 3.500% Due 05-15-20	104.04	104,039	108.71	108,715	1.15	3,500	162	1.24
75,000	US TREASURY NOTES 1.375% Due 09-30-20	100.16	75,120	100.27	75,202	0.80	1,031	175	1.31
150,000	US TREASURY NOTES 1.750% Due 10-31-20	100.21	150,316	101.91	152,859	1.62	2,625	228	1.30
215,000	US TREASURY NOTES 2.125% Due 08-15-21	99.29	213,476	103.48	222,484	2.35	4,569	1,343	1.43
150,000	US TREASURY NOTES 2.000% Due 10-31-21	99.92	149,887	102.82	154,224	1.63	3,000	261	1.46
150,000	US TREASURY NOTES 1.625% Due 11-15-22	97.79	146,686	100.14	150,217	1.59	2,437	113	1.60
125,000	US TREASURY NOTES 2.500% Due 08-15-23	98.87	123,590	105.74	132,177	1.40	3,125	919	1.65
100,000	US TREASURY NOTES 2.375% Due 08-15-24	100.23	100,227	104.76	104,758	1.11	2,375	698	1.75
100,000	US TREASURY NOTES 2.000% Due 08-15-25	98.81	98,807	101.48	101,477	1.07	2,000	588	1.82
	Accrued Interest				7,179	0.08			
			2,047,745		2,098,413	22.21		7,179	
AGENCIES									
100,000	FHLMC 3.750% Due 03-27-19	101.41	101,410	107.31	107,312	1.14	3,750	667	1.11
	Accrued Interest				667	0.01			
			101,410		107,979	1.14		667	
FNMA & FHLMC									
9,264	FHLMC POOL G14203 4.000% Due 04-01-26	104.56	9,687	106.45	9,862	0.10	371	31	1.43

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
CITY OF CRAIG
May 31, 2016

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
	Accrued Interest				31	0.00			
			9,687		9,893	0.10		31	
CORPORATE BONDS									
50,000	STATOIL ASA 3.125% Due 08-17-17	107.07	53,533	102.25	51,125	0.54	1,562	451	1.24
100,000	UNITED PARCEL SERVICE 5.500% Due 01-15-18	121.23	121,230	107.05	107,051	1.13	5,500	2,078	1.10
100,000	WACHOVIA CORP 5.750% Due 02-01-18	99.57	99,572	106.99	106,990	1.13	5,750	1,917	1.48
75,000	UNITED HEALTH GROUP INC 6.000% Due 02-15-18	121.46	91,093	107.82	80,863	0.86	4,500	1,325	1.34
50,000	CHEVRON CORP 1.365% Due 03-02-18	99.86	49,928	100.16	50,079	0.53	682	169	1.27
50,000	TOYOTA MOTOR CREDIT CORP 2.100% Due 01-17-19	100.48	50,239	101.81	50,903	0.54	1,050	391	1.40
100,000	GOLDMAN SACHS GROUP INC. 7.500% Due 02-15-19	116.51	116,514	113.94	113,940	1.21	7,500	2,208	2.16
100,000	HSBC USA INC 2.375% Due 11-13-19	99.61	99,608	100.70	100,702	1.07	2,375	119	2.16
50,000	NBC UNIVERSAL MEDIA LLC 4.375% Due 04-01-21	109.20	54,602	110.99	55,494	0.59	2,187	365	1.98
50,000	AMERICAN EXPRESS CREDIT 2.250% Due 05-05-21	99.92	49,962	99.99	49,995	0.53	1,125	81	2.25
50,000	JPMORGAN CHASE & CO 3.875% Due 02-01-24	105.18	52,590	106.62	53,311	0.56	1,937	646	2.90
	Accrued Interest				9,749	0.10			
			838,873		830,203	8.79		9,749	
DOMESTIC LARGE CAP EQUITY FUNDS/ETF									
17,734	SPDR S&P 500 ETF	137.86	2,444,836	209.84	3,721,303	39.39	NA		
DOMESTIC MID CAP EQUITY FUNDS/ETF									
3,867	ISHARES CORE S&P MIDCAP 400 ETF	80.79	312,409	149.22	577,034	6.11	NA		
INTERNATIONAL EQUITY FUNDS/ETF									
29,982	VANGUARD FTSE DEVELOPED MARKETS ETF	37.53	1,125,368	36.60	1,097,341	11.62	NA		
REAL ESTATE									
11,200	VANGUARD REIT ETF	57.70	646,259	83.67	937,104	9.92	NA		

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
CITY OF CRAIG
May 31, 2016

<u>Quantity</u>	<u>Security</u>	<u>Average Cost</u>	<u>Total Average Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>Pct. Assets</u>	<u>Annual Income</u>	<u>Accrued Interest</u>	<u>Yield to Maturity</u>
CASH AND EQUIVALENTS									
	FEDERATED GOVERNMENT OBLIGATION		68,186		68,186	0.72			
TOTAL PORTFOLIO			7,594,773		9,447,455	100	77,453	17,626	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 05-01-16 To 05-31-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
CORPORATE BONDS				
05-18-16	05-23-16	AMERICAN EXPRESS CREDIT 2.250% Due 05-05-21	50,000	49,962.50
				49,962.50
DEPOSITS AND EXPENSES				
MANAGEMENT FEES				
05-31-16	05-31-16	MANAGEMENT FEES		2,361.86
				2,361.86
INTEREST				
CASH AND EQUIVALENTS				
05-02-16	05-02-16	FEDERATED GOVERNMENT OBLIGATION		0.30
CORPORATE BONDS				
05-13-16	05-13-16	HSBC USA INC 2.375% Due 11-13-19		1,187.50
FNMA & FHLMC				
05-01-16	05-14-16	FHLMC POOL G14203 4.000% Due 04-01-26		31.46
U.S. TREASURY				
05-16-16	05-16-16	US TREASURY NOTES 3.500% Due 05-15-20		1,750.00
05-16-16	05-16-16	US TREASURY NOTES 3.750% Due 11-15-18		1,875.00

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 05-01-16 To 05-31-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
05-16-16	05-16-16	US TREASURY NOTES 1.625% Due 11-15-22		1,218.75
				4,843.75
				6,063.01
PRINCIPAL PAYDOWNS				
FNMA & FHLMC				
05-01-16	05-14-16	FHLMC POOL G14203 4.000% Due 04-01-26	175.49	175.49
				175.49
PURCHASED ACCRUED INTEREST				
CORPORATE BONDS				
05-18-16	05-23-16	AMERICAN EXPRESS CREDIT 2.250% Due 05-05-21		56.25
				56.25
WITHDRAW				
CASH AND EQUIVALENTS				
05-02-16	05-02-16	CASH RECEIVABLE		375.00
05-02-16	05-02-16	CASH RECEIVABLE		1,500.00
05-02-16	05-02-16	CASH RECEIVABLE		1,406.25
05-02-16	05-02-16	CASH RECEIVABLE		1,312.50
05-18-16	05-18-16	FEDERATED GOVERNMENT OBLIGATION		2,335.19
05-18-16	05-18-16	FEDERATED GOVERNMENT OBLIGATION		2,341.00
				9,269.94
				9,269.94

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
CITY OF CRAIG
From 05-01-16 Through 05-31-16

Date	Quantity	Security	Avg. Cost Basis	Proceeds	Gain Or Loss
05-01-16	175.49	FHLMC POOL G14203 4.000% Due 04-01-26	183.50	175.49	-8.01
TOTAL GAINS					0.00
TOTAL LOSSES					-8.01
			183.50	175.49	-8.01

Alaska Permanent Capital Management Co.

CASH LEDGER

CITY OF CRAIG

From 05-01-16 To 05-31-16

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
CASH RECEIVABLE					
05-01-16			Beginning Balance		4,593.75
05-02-16	05-02-16	wd	Transfer to	FEDERATED GOVERNMENT OBLIGATION	-375.00
05-02-16	05-02-16	wd	Transfer to	FEDERATED GOVERNMENT OBLIGATION	-1,500.00
05-02-16	05-02-16	wd	Transfer to	FEDERATED GOVERNMENT OBLIGATION	-1,406.25
05-02-16	05-02-16	wd	Transfer to	FEDERATED GOVERNMENT OBLIGATION	-1,312.50
05-31-16			Ending Balance		0.00
FEDERATED GOVERNMENT OBLIGATION					
05-01-16			Beginning Balance		112,049.09
05-01-16	05-14-16	dp	Interest	FHLMC POOL G14203 4.000% Due 04-01-26	31.46
05-01-16	05-14-16	dp	Paydown	FHLMC POOL G14203 4.000% Due 04-01-26	175.49
05-02-16	05-02-16	dp	Transfer from	CASH RECEIVABLE	375.00
05-02-16	05-02-16	dp	Transfer from	CASH RECEIVABLE	1,500.00
05-02-16	05-02-16	dp	Transfer from	CASH RECEIVABLE	1,406.25
05-02-16	05-02-16	dp	Transfer from	CASH RECEIVABLE	1,312.50
05-02-16	05-02-16	dp	Interest	FEDERATED GOVERNMENT OBLIGATION	0.30
05-13-16	05-13-16	dp	Interest	HSBC USA INC 2.375% Due 11-13-19	1,187.50
05-16-16	05-16-16	dp	Interest	US TREASURY NOTES 3.500% Due 05-15-20	1,750.00

Alaska Permanent Capital Management Co.

CASH LEDGER

CITY OF CRAIG

From 05-01-16 To 05-31-16

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
05-16-16	05-16-16	dp	Interest	US TREASURY NOTES 3.750% Due 11-15-18	1,875.00
05-16-16	05-16-16	dp	Interest	US TREASURY NOTES 1.625% Due 11-15-22	1,218.75
05-18-16	05-23-16	wd	Purchase	AMERICAN EXPRESS CREDIT 2.250% Due 05-05-21	-49,962.50
05-18-16	05-23-16	wd	Accrued Interest	AMERICAN EXPRESS CREDIT 2.250% Due 05-05-21	-56.25
05-18-16	05-18-16	wd	Withdrawal	from Portfolio	-2,335.19
05-18-16	05-18-16	wd	Withdrawal	from Portfolio	-2,341.00
05-31-16			Ending Balance		68,186.40

CITY OF CRAIG

Account Statement - Period Ending June 30, 2016



ACCOUNT ACTIVITY

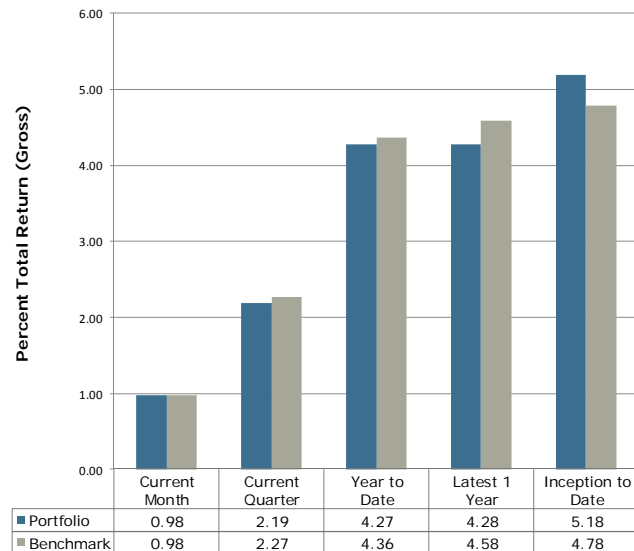
Portfolio Value on 05-31-16	9,447,455
Contributions	0
Withdrawals	-170,362
Change in Market Value	35,398
Interest	6,372
Dividends	49,932
Portfolio Value on 06-30-16	9,368,795

MANAGEMENT TEAM

Client Relationship Manager:	Amber Frizzell, AIF® Amber@apcm.net
Your Portfolio Manager:	Bill Lierman, CFA®
Contact Phone Number:	907/272 -7575

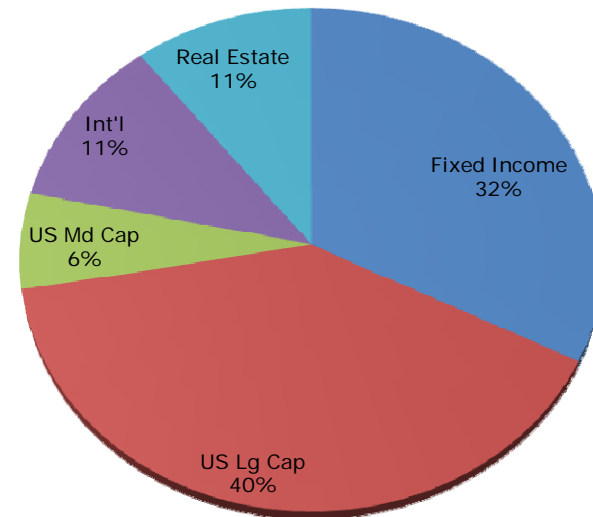
INVESTMENT PERFORMANCE

Current Account Benchmark:
Equity Blend



Performance is Annualized for Periods Greater than One Year

PORTFOLIO COMPOSITION



Alaska Permanent Capital Management Co.
PORTFOLIO SUMMARY AND TARGET
CITY OF CRAIG
June 30, 2016

Asset Class & Target	Market Value	% Assets	Range
FIXED INCOME (34%)			
US Fixed Income (34.0%)	2,984,231	31.9	20% to 45%
Cash (0.0%)	61,139	0.7	na
Subtotal:	3,045,370	32.5	
EQUITY (66%)			
US Large Cap (40.0%)	3,714,830	39.7	30% to 50%
US Mid Cap (6.0%)	577,691	6.2	0% to 10%
Developed International Equity (10.0%)	1,037,800	11.1	5% to 15%
Real Estate (10.0%)	993,104	10.6	5% to 15%
Subtotal:	6,323,425	67.5	
TOTAL PORTFOLIO	9,368,795	100	

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
CITY OF CRAIG
June 30, 2016

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
150,000	US TREASURY NOTES 1.875% Due 09-30-17	102.89	154,336	101.64	152,455	1.63	2,812	707	0.56
100,000	US TREASURY NOTES 3.750% Due 11-15-18	106.48	106,480	107.39	107,387	1.15	3,750	479	0.61
250,000	US TREASURY NOTES 1.500% Due 12-31-18	100.64	251,602	102.11	255,264	2.72	3,750	10	0.65
50,000	US TREASURY NOTES 1.500% Due 10-31-19	99.40	49,701	102.33	51,164	0.55	750	126	0.79
225,000	US TREASURY NOTES 1.250% Due 10-31-19	99.42	223,689	101.57	228,541	2.44	2,812	474	0.77
100,000	US TREASURY NOTES 3.500% Due 05-15-20	104.04	104,039	109.91	109,914	1.17	3,500	447	0.89
75,000	US TREASURY NOTES 1.375% Due 09-30-20	100.16	75,120	101.82	76,362	0.82	1,031	259	0.94
150,000	US TREASURY NOTES 1.750% Due 10-31-20	100.21	150,316	103.44	155,156	1.66	2,625	442	0.94
215,000	US TREASURY NOTES 2.125% Due 08-15-21	99.29	213,476	105.38	226,573	2.42	4,569	1,720	1.04
150,000	US TREASURY NOTES 2.000% Due 10-31-21	99.92	149,887	104.74	157,107	1.68	3,000	505	1.08
150,000	US TREASURY NOTES 1.625% Due 11-15-22	97.79	146,686	102.36	153,538	1.64	2,437	311	1.24
125,000	US TREASURY NOTES 2.500% Due 08-15-23	98.87	123,590	108.33	135,415	1.45	3,125	1,176	1.27
100,000	US TREASURY NOTES 2.375% Due 08-15-24	100.23	100,227	107.64	107,641	1.15	2,375	894	1.38
100,000	US TREASURY NOTES 2.000% Due 08-15-25	98.81	98,807	104.54	104,543	1.12	2,000	753	1.47
	Accrued Interest				8,304	0.09			
			1,947,956		2,029,365	21.66		8,304	
AGENCIES									
100,000	FHLMC 3.750% Due 03-27-19	101.41	101,410	107.97	107,968	1.15	3,750	979	0.81
	Accrued Interest				979	0.01			
			101,410		108,947	1.16		979	
FNMA & FHLMC									
9,041	FHLMC POOL G14203 4.000% Due 04-01-26	104.56	9,453	106.65	9,642	0.10	362	30	1.43
	Accrued Interest				30	0.00			
			9,453		9,672	0.10		30	

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
CITY OF CRAIG
June 30, 2016

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
CORPORATE BONDS									
50,000	STATOIL ASA 3.125% Due 08-17-17	107.07	53,533	102.41	51,204	0.55	1,562	582	0.98
100,000	UNITED PARCEL SERVICE 5.500% Due 01-15-18	121.23	121,230	107.03	107,026	1.14	5,500	2,536	0.90
100,000	WACHOVIA CORP 5.750% Due 02-01-18	99.57	99,572	107.02	107,023	1.14	5,750	2,396	1.26
75,000	UNITED HEALTH GROUP INC 6.000% Due 02-15-18	121.46	91,093	107.83	80,875	0.86	4,500	1,700	1.12
50,000	CHEVRON CORP 1.365% Due 03-02-18	99.86	49,928	100.55	50,274	0.54	682	226	1.03
50,000	TOYOTA MOTOR CREDIT CORP 2.100% Due 01-17-19	100.48	50,239	102.31	51,153	0.55	1,050	478	1.18
100,000	GOLDMAN SACHS GROUP INC. 7.500% Due 02-15-19	116.51	116,514	114.36	114,361	1.22	7,500	2,833	1.87
100,000	HSBC USA INC 2.375% Due 11-13-19	99.61	99,608	100.80	100,801	1.08	2,375	317	2.13
50,000	NBC UNIVERSAL MEDIA LLC 4.375% Due 04-01-21	109.20	54,602	112.06	56,028	0.60	2,187	547	1.72
50,000	AMERICAN EXPRESS CREDIT 2.250% Due 05-05-21	99.92	49,962	101.77	50,887	0.54	1,125	175	1.87
50,000	JPMORGAN CHASE & CO 3.875% Due 02-01-24 Accrued Interest	105.18	52,590	108.03	54,016	0.58	1,937	807	2.70
			838,873		836,246	8.93		12,597	
DOMESTIC LARGE CAP EQUITY FUNDS/ETF									
17,734	SPDR S&P 500 ETF	137.86	2,444,836	209.47	3,714,830	39.65	NA		
DOMESTIC MID CAP EQUITY FUNDS/ETF									
3,867	ISHARES CORE S&P MIDCAP 400 ETF	80.79	312,409	149.39	577,691	6.17	NA		
INTERNATIONAL EQUITY FUNDS/ETF									
20,000	ISHARES ETF CORE MSCI EAFE	54.26	1,085,120	51.89	1,037,800	11.08	NA		
REAL ESTATE									
11,200	VANGUARD REIT ETF	57.70	646,259	88.67	993,104	10.60	NA		
CASH AND EQUIVALENTS									
	DIVIDEND ACCRUAL		19,125		19,125	0.20			

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
CITY OF CRAIG
June 30, 2016

<u>Quantity</u>	<u>Security</u>	<u>Average Cost</u>	<u>Total Average Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>Pct. Assets</u>	<u>Annual Income</u>	<u>Accrued Interest</u>	<u>Yield to Maturity</u>
	FEDERATED GOVERNMENT OBLIGATION		42,014		42,014	0.45			
			61,139		61,139	0.65			
TOTAL PORTFOLIO			7,447,456		9,368,795	100	76,819	21,910	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 06-01-16 To 06-30-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
INTERNATIONAL EQUITY FUNDS/ETF				
06-01-16	06-06-16	ISHARES ETF CORE MSCI EAFE	20,000.0000	1,085,120.00
				1,085,120.00
TRANSFERS OUT				
CASH AND EQUIVALENTS				
06-23-16		FEDERATED GOVERNMENT OBLIGATION		168,000.00
				168,000.00
DEPOSITS AND EXPENSES				
MANAGEMENT FEES				
06-30-16	06-30-16	MANAGEMENT FEES		2,342.20
				2,342.20
DIVIDEND				
DOMESTIC LARGE CAP EQUITY FUNDS/ETF				
06-17-16	07-29-16	SPDR S&P 500 ETF		19,125.09
DOMESTIC MID CAP EQUITY FUNDS/ETF				
06-27-16	06-27-16	ISHARES CORE S&P MIDCAP 400 ETF		2,341.84
INTERNATIONAL EQUITY FUNDS/ETF				
06-28-16	06-28-16	ISHARES ETF CORE MSCI EAFE		19,908.24
REAL ESTATE				
06-27-16	06-27-16	VANGUARD REIT ETF		8,556.80
				49,931.97

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 06-01-16 To 06-30-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
INTEREST				
CASH AND EQUIVALENTS				
06-01-16	06-01-16	FEDERATED GOVERNMENT OBLIGATION		0.87
FNMA & FHLMC				
06-15-16	06-15-16	FHLMC POOL G14203 4.000% Due 04-01-26		30.88
U.S. TREASURY				
06-30-16	06-30-16	US TREASURY NOTES 1.500% Due 12-31-18		1,875.00
				1,906.75
PRINCIPAL PAYDOWNS				
FNMA & FHLMC				
06-15-16	06-15-16	FHLMC POOL G14203 4.000% Due 04-01-26	223.13	223.13
				223.13
SALES, MATURITIES, AND CALLS				
INTERNATIONAL EQUITY FUNDS/ETF				
06-01-16	06-06-16	VANGUARD FTSE DEVELOPED MARKETS ETF	29,982.0000	1,096,237.94
U.S. TREASURY				
06-14-16	06-15-16	US TREASURY NOTES 0.625% Due 08-31-17	100,000	99,953.13
				1,196,191.07

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 06-01-16 To 06-30-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
SOLD ACCRUED INTEREST				
U.S. TREASURY				
06-14-16	06-15-16	US TREASURY NOTES 0.625% Due 08-31-17		181.73
				181.73
WITHDRAW				
CASH AND EQUIVALENTS				
06-15-16	06-15-16	FEDERATED GOVERNMENT OBLIGATION		2,361.86
				2,361.86

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
CITY OF CRAIG
From 06-01-16 Through 06-30-16

Date	Quantity	Security	Avg. Cost Basis	Proceeds	Gain Or Loss
06-01-16	29,982.0000	VANGUARD FTSE DEVELOPED MARKETS ETF	1,125,367.86	1,096,237.94	-29,129.92
06-14-16	100,000	US TREASURY NOTES 0.625% Due 08-31-17	99,789.06	99,953.13	164.07
06-15-16	223.13	FHLMC POOL G14203 4.000% Due 04-01-26	233.31	223.13	-10.18
TOTAL GAINS					164.07
TOTAL LOSSES					-29,140.10
			1,225,390.23	1,196,414.20	-28,976.03

Alaska Permanent Capital Management Co.

CASH LEDGER**CITY OF CRAIG**

From 06-01-16 To 06-30-16

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
DIVIDEND ACCRUAL					
06-01-16			Beginning Balance		0.00
06-17-16	07-29-16	dp	Dividend	SPDR S&P 500 ETF	19,125.09
06-30-16			Ending Balance		19,125.09
FEDERATED GOVERNMENT OBLIGATION					
06-01-16			Beginning Balance		68,186.40
06-01-16	06-06-16	wd	Purchase	ISHARES ETF CORE MSCI EAFE	-1,085,120.00
06-01-16	06-06-16	dp	Sale	VANGUARD FTSE DEVELOPED MARKETS ETF	1,096,237.94
06-01-16	06-01-16	dp	Interest	FEDERATED GOVERNMENT OBLIGATION	0.87
06-14-16	06-15-16	dp	Sale	US TREASURY NOTES 0.625% Due 08-31-17	99,953.13
06-14-16	06-15-16	dp	Accrued Interest	US TREASURY NOTES 0.625% Due 08-31-17	181.73
06-15-16	06-15-16	dp	Paydown	FHLMC POOL G14203 4.000% Due 04-01-26	223.13
06-15-16	06-15-16	wd	Withdrawal	from Portfolio	-2,361.86
06-15-16	06-15-16	dp	Interest	FHLMC POOL G14203 4.000% Due 04-01-26	30.88
06-23-16	06-23-16	lo	Withdrawal	from Portfolio	-168,000.00
06-27-16	06-27-16	dp	Dividend	ISHARES CORE S&P MIDCAP 400 ETF	2,341.84
06-27-16	06-27-16	dp	Dividend	VANGUARD REIT ETF	8,556.80
06-28-16	06-28-16	dp	Dividend	ISHARES ETF CORE MSCI EAFE	19,908.24

Alaska Permanent Capital Management Co.

CASH LEDGER

CITY OF CRAIG

From 06-01-16 To 06-30-16

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
06-30-16	06-30-16	dp	Interest	US TREASURY NOTES 1.500% Due 12-31-18	1,875.00
06-30-16			Ending Balance		42,014.10

Prince of Wales



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

July 13, 2016

Mayor Watson and Craig City Council
 Craig, Alaska 99921

Mayor Watson and Council Members,

Below are the preliminary chinook and coho returns for 2016:

2016 PSN Chinook Salmon Contribution

Site	Coffman Cove	# Tags	Contribution
Brood Year	2010	2	7
	2012	11	50
	2013	1	13
Cost Recovery			29
Total		14	99

Site	PSN	# Tags	Contribution
Brood Year	2010	5	17
	2011	7	11
	2012	29	420
Cost Recovery			468
Total		41	916

2016 Klawock Hatchery Coho Contribution

Row Labels	Count of Contribution	Sum of Contribution2
KLAWOCK ESTUARY 103-60	17	5,133
KLAWOCK LK 103-60	60	16,124
Grand Total	77	21,257

Prince of Wales



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

Date: 7/15/16
To: Jon Bolling
From: Jeff Lundberg
Re: FY 16 4th Quarter Report

Jon,

Below are the current sizes, population, and densities of brood year 2015 chinook currently rearing at PSN as of July 10, 2016:

Production

Pond	Number	Size (g)	Density (M ³)
RP 1 (PSN)	49,312	5.3	5.2
RP 2 (PSN)	50,643	6.2	6.2
Total	99,955		
RP 3 (CC)	20,442	3.7	3.7
RP 4 (CC)	19,668	3.5	3.8
Total	40,110		

2016 Chinook Salmon Contribution

Site	Coffman		
	Cove	# Tags	Contribution
Brood Year	2010	2	7
	2012	11	50
	2013	1	13
Cost Recovery			29
Total		14	99
Site	PSN		
	Cove	# Tags	Contribution
Brood Year	2010	5	17
	2011	7	11
	2012	29	420
Cost Recovery			468
Total		41	916

Income and Expense Report

PSN BUDGET						
FY16						
07/01/2015 - 06/30/2016						
	FY16 Total	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total Remaining
PERMANENT SALARY	\$33,400.00	\$10,644.04	\$8,288.12	\$7,966.40	\$8,150.24	-\$1,648.80
TEMPORARY SALARY	\$12,387.00	\$2,421.75	\$375.43	\$2,173.01	\$759.99	\$6,656.82
EMPLOYEE BENEFITS	\$6,875.00	\$1,035.14	\$1,552.71	\$1,511.65	\$1,491.12	\$1,284.38
EMPLOYER TAXES	\$4,428.00	\$1,214.14	\$607.80	\$914.35	\$789.22	\$902.49
WORKERS COMP	\$3,663.00	\$950.37	\$988.77	\$1,271.83	\$1,140.58	-\$688.55
BUILDING INSURANCE	\$525.00	\$0.00	\$0.00	\$0.00	\$566.50	-\$41.50
TAGGING WIRE	\$6,300.00	\$0.00	\$6,225.00	\$0.00	\$0.00	\$75.00
TELEPHONE AND INTERNET	\$2,034.00	\$272.80	\$485.74	\$412.34	\$413.93	\$449.19
LICENSES & PERMITS	\$350.00	\$0.00	\$0.00	\$1,500.00	\$1,050.00	-\$2,200.00
MATERIALS & SUPPLIES	\$2,625.00	\$572.03	\$913.61	\$592.02	\$437.96	\$109.38
FISH FOOD	\$7,568.00	\$2,468.00	\$0.00	\$1,087.17	\$688.82	\$3,324.01
FREIGHT	\$2,804.00	\$0.00	\$75.04	\$22.18	\$100.52	\$2,606.26
						\$0.00
TOTALS	\$82,959.00	\$19,578.27	\$19,512.22	\$17,450.95	\$15,588.88	\$10,828.68

The PSN account balance is \$101,737.05 as of 14 July 2016.



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Environmental
Conservation

DIVISION OF WATER
Alaska Pollutant Discharge Elimination System Program

410 Willoughby Avenue, Suite 303
Juneau, Alaska 99811-1800
Main: 907.465.5180
Fax: 907.465.5177
www.dec.alaska.gov

RECEIVED

JUN 27 2016

June 21, 2016

Subject: Early notification of wastewater discharge permit for the Pesticide General Permit (AK870000)

Dear Local and Tribal Government Leaders:

The Alaska Department of Environmental Conservation (DEC) proposes to reissue an Alaska Pollutant Discharge Elimination System (APDES) general permit (AK870000) to regulate source discharges of pollutants associated with the application of biological pesticides or chemical pesticides that leave a residue. This permit is commonly called the Pesticide General Permit (PGP). The PGP would apply statewide except for lands within the Metlakatla Indian Reserve and the Denali National Park Preserve.

The PGP covers point source discharges of pollutants associated with the application of biological pesticides or chemical pesticides that leave a residue from the following use patterns: 1) mosquito and other flying insect pest control; 2) aquatic weed and algae control; 3) aquatic nuisance animal control; and 4) forest canopy pest control. The proposed 2016 PGP will remain largely unchanged from the 2011 PGP that was previously issued by EPA in 2011, from which Alaska assumed transfer of program responsibilities in October 2012 as part of the APDES program. The 2011 PGP expires on October 31, 2016. The current 2011 PGP and information can be found at <http://dec.alaska.gov/water/wnpssc/stormwater/PesticideGP.html>. No mixing zone is proposed in the PGP.

DEC strives to notify any local or tribal government that may be affected by a permitted activity early in the permitting process. This letter is intended as an early notice to assist you in determining whether your community may be affected and inform you of the opportunity to provide traditional, cultural, or other local information DEC should consider as part of the reissuance process for this APDES permit.

Opportunities for tribal and local government participation in this permitting decision

DEC recognizes rural Alaska has unique needs and considerations with regard to pesticides and strives to issue permits that reflect a full understanding of local conditions. DEC would appreciate knowing how your area and resources may be affected by this permitting action.

I will provide the public notice for the permit and Fact Sheet by mail at the start of the public comment period and can provide the draft documents upon request. I can also provide notice of the preliminary draft and proposed final review periods, but due to the short timeframes for review (ten days and five days, respectively), notices are not sent by mail. Please provide an email address or fax



Kasaan Haida Heritage Foundation

RECEIVED
JUN 16 2016



June 7, 2016

*City of Craig
P.O. Box 725
Craig, AK 99921*

Subject: Náay Í'waans Rededication Invitation

The Organized Village of Kasaan, Kavilco, Incorporated and the Kasaan Haida Heritage Foundation are very pleased to announce the completion of the second restoration of Náay Í'waans. It was built around 1880 for Sanixaat (Son-i-Hat), a Yaadaas Eagle nobleman from Old Kasaan. Náay Í'waans, meaning The Great House, nicknamed "Whale House," is the only surviving traditional Haida building in the United States.

Please come and help celebrate our proud symbol of the Haida Nation. Join us for this one-day rededication and feast on September 3, 2016 at 12:00 pm, in Kasaan, Alaska. Check for updates at www.kasaan.org.

*We will enjoy seeing you here!**

Sincerely,

*Ronald Leighton,
President Organized Village of Kasaan*

** This is an alcohol and drug free event. Overnight accommodations are limited and self-arranged.*

2015 Annual Drinking Water Quality Report

Public Water System ID# AK2120193

City of Craig, Alaska

In 1996 amendments were made to the Safe Drinking Water Act and passed by Congress that required the Environmental Protection Agency (EPA) to mandate the requirement of public water systems to provide each customer with an annual water quality report. Therefore, in compliance with that requirement, the City of Craig Water Department is proud to present to you the 2015 Annual Drinking Water Quality Report. This report is designed to inform you about the quality of water and services we deliver to you every day. Our constant goal is to provide you with a safe and dependable supply of drinking water. We want you to understand the efforts we make to continually improve the water treatment process and to protect our water resources. We are committed to ensure the quality of the drinking water for the City of Craig.

We are pleased to report that our drinking water is safe and meets both Federal and State requirements.

WATER SYSTEM

A **Sanitary Survey** of Craig's water system was completed and submitted by the engineering firm of DOWL HKM on December 2, 2014. The purpose of this survey was to conduct an onsite review of the water source, and the facilities, equipment, operation, and maintenance of the public water system. No deficiencies were noted. The survey is routine and required by law every 3 years. The next Sanitary Survey is currently scheduled for 2017.

Also, a **Status Component Inspection** of our public water treatment system was conducted by a three person ADEC Drinking Water Program inspection team on May 3rd, 2010, the goal of which was to provide us with an assessment of our current operational status and most importantly provide us with a current assessment of the filtration and inactivation credits for our system. This helps to clarify the current status of our system, and provides needed information for any future plant upgrades, modifications, or planned development that would affect treatment capacity and long term sustainability. Based on the inspection, our system was awarded treatment credits equal to or above the minimum requirements for Filtration of both *Giardia* and *Cryptosporidium* and also Total Inactivation of *Giardia* and Virus. What this means according to the report from ADEC dated January 21, 2011 is that at the time of the inspection, our system was in full compliance with existing surface water treatment rules.

WATER SOURCE

Our water source is surface water drawn from North Fork Lake, located 10-½ miles from Craig, previously at an elevation of 660ft at the original dam in the Saint Nicholas drainage basin. In 2015, Construction of a new dam increasing the height by 4' was completed, increasing the 104 acre reservoir to 128 acres. The 3.42 square mile watershed is in a roadless area on National Forest Land. A security gate is at 1.8 mi of the waterline spur road. Access is restricted to the lake and impoundment area. Access beyond the gate is allowed on a case by case basis and arrangements must be made either through the City of Craig at 907-826-3405 or Shaan Seet Incorporated at 907-826-3251. A 4.5 mile long 12" Ductile Iron water lines carries raw water from the lake to the City of Craig Water Treatment plant where it is then filtered and pumped to the 870,000 gallon water storage tank in town, for water to be distributed to the consumer. The Tongass Land Management Plan classifies this area as a Municipal Watershed Land Use Designation. Information on the Municipal Watershed LUD can be obtained by contacting Matt Anderson, Craig District Ranger at 826-3271.

The Alaska Department of Environmental Conservation completed a **Source Water Assessment** for our

public drinking water on March 14, 2003. This assessment defines the area around our drinking water source. The assessment identifies potential and existing sources of contamination within this area. Based on the information gathered, ADEC rated our drinking water source susceptibility to contaminants “**very high**”, (*A rating of high to very high is typical for all systems with surface water catchment areas*). The assessment identified potential and current sources of contaminants that include a gravel road, possible lake turnover, landslide possibility, and beaver habitat. Combining the susceptibility of the surface water source with the contaminant risk, the water system received a vulnerability rating of “**medium**” for volatile organic compounds, synthetic organic chemicals, other organic chemicals, and heavy metals, cyanide and other inorganic chemicals. The vulnerability rating of “**very high**” is for bacteria, viruses, nitrates and/or nitrites.

The City of Craig does testing for all of these contaminants on a regular basis. Vulnerability assessments for public water systems can be used by local governments and community groups to decide where efforts are needed to protect their sources of public drinking water from contamination. Copies of the completed assessment for our water system are available to the public at the following locations:

- ❖ Craig City Hall, 500 Third Street;
- ❖ Craig Public Library, 504 Third Street;
- ❖ Craig City Shop, 202 Cold Storage Road; and
- ❖ Craig Water Treatment Plant, 5 ¼ mile Port Saint Nicholas Road

NEED MORE INFORMATION?

If you have any questions about this report, and want to learn more about your drinking water or your water utility, please contact Treatment Plant Operator, Les Nelson (826-3406) or Public Works Director, Ron McIntosh (826-3405). The Craig City Council is the governing body for our water system. For the opportunity to participate in decision making you can attend any of the regularly scheduled council meetings. Meetings are normally held on the first and third Thursdays each month at 7PM in the Council Chambers at 500 Third Street.

ABOUT DRINKING WATER

Sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and, in some cases, radioactive material and can pick up substances resulting from the presence of animals or from human activity. Contaminants that may be present in source water before we treat it include:

- ❖ Microbial contaminants, such as viruses and bacteria, which may come from human activities or wildlife.
- ❖ Inorganic contaminants, such as salts, fluoride and metals, which can be naturally occurring or result from mining or industrial activities. Craig water is no longer tested for asbestos since there is no asbestos pipe in the distribution system. Fluoride occurs naturally at about 0.2 mg/L
- ❖ Pesticides and herbicides, which may come from a variety of sources such as agriculture, urban stormwater runoff and residential uses. (Pesticides and herbicides have never been detected in our source water).
- ❖ Organic chemical contaminants, including synthetic and volatile organic chemicals, which are byproducts of industrial processes and petroleum production, and can also come from gas stations, urban stormwater runoff and septic systems or disinfection byproducts, such as Total Trihalomethane (TTHM) and Haloacetic Acid (HAA5). These byproducts are a result of using chlorine to disinfect the city’s drinking water. Of the over 60 VOCs tested, TTHMs and HAA5s are the only VOCs detected and have been at a level below the MCL in all but three of the quarterly samples since testing began. They are not considered an immediate health risk at these levels.
- ❖ Radioactive contaminants, which can be naturally occurring or be the result of oil and gas production and mining activities. (Radioactive contaminants have never been detected in our source).

In order to ensure that tap water is safe to drink, the Environmental Protection Agency prescribes regulations, which limit the amount of certain contaminants in water provided by public water systems. Food and Drug Administration regulations establish limits for contaminants in bottled water, which must provide the same protection for public health.

WATER QUALITY

All drinking water, including bottled water, may contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the EPA's Safe Drinking Water Hotline at 1-800-426-4791.

TEST RESULTS TABLE

The City of Craig routinely monitors for over 60 constituents in your drinking water according to Federal and State laws. The State allows us to monitor for some contaminants less than once per year because the concentrations of these contaminants do not change frequently. Some of our data, though representative, is more than one year old. Our sampling frequency complies with Federal and State drinking water regulations.

For your information the table below lists all the regulated drinking water contaminants that we detected during the 2015 calendar year. The presence of these contaminants in the water does not necessarily indicate that the water poses a health risk. The table contains goals for public health (MCLG), the amount detected, and the usual sources of such contamination. Definitions for the abbreviations used in the table are listed following the table.

REQUIRED MONITORING

TABLE OF DETECTED REGULATED CONTAMINANTS								
Contaminant	Units	MCL	MCLG	Craig Water	Range of detection's	Sample Date	Violation	Typical Source of Contaminant
Inorganic Contaminants - Reduced Monitoring in Effect - 1 complete analysis every 9 years (next due: by 2019)								
Gross Alpha & Uranium – Next Sample Date to be Determined								
Combined Uranium	ug/L	30	N/A	-0.04	N/A	4/11/2005	No	Naturally present in the environment
Radium-226	pCi/L	5	N/A	-0.01	N/A	4/11/2005	No	Naturally present in the environment
Radium-228	pCi/L	5	N/A	-0.90	N/A	4/11/2005	No	Naturally present in the environment
Gross Alpha, Incl. Radon	pCi/L	15	N/A	0.17	N/A	4/11/2005	No	Naturally present in the environment
TTHM's & HAA5s - one sample quarterly								
Total Trihalomethanes (TTHM)	UG/L	80	N/A	76.78	22.70-97.30	Running Annual Average	NO	By-product of drinking water chlorination
Halocetic Acids (HAA5)	UG/L	60	N/A	44.10	16.50-77.10	Running Annual Average	NO	By-product of drinking water chlorination
Total Organic Carbon								
Source Water TOC	ppm	N/A	N/A	5.13	3.54-7.15	Running Annual Average	NO	Naturally present in the environment
Treated Water TOC	ppm	TT	N/A	0.95	0.75-1.81	Running Annual Average	NO	Naturally present in the environment
Source Water Alkalinity	ppm	N/A	N/A	0.00	0.0-0.0	Running Annual Average	NO	Naturally present in the environment

TOC Removal (TT)	ppm	40 %	N/A	83.94	45% MIN	Running Annual Average	NO	TOC provides a medium for the formation of disinfection by-products. Removal rates reflect the optimization of our treatment process.
VOCs – one complete sample annually								
Volatile Organic Contaminants	ppb	Variable	N/A	0	N/D	6/22/15	NO	By-products of drinking water chlorination & discharge from chemical plants or other Industry
Lead & Copper (Tap water samples were collected from 10 area residences as required. None were found to exceed the Action Level in 2014. 90th percentile values are shown.)								
Sample Dates	Units	AL	MCLG	# Of sites above the AL	90%	Violation		
June 2014- Copper	ppm	1.3	1.3	0	0.01850	NO		Corrosion of household plumbing systems, erosion of natural deposits
June 2014- Lead	ppm	.015	.015	0	0.00096	NO		Corrosion of household plumbing systems, erosion of natural deposits
Turbidity - for the period January 1, 2015 - December 31, 2015 (continuous monitoring)								
	MCL	MCLG	Level found	Range	Sample Date	Violation	Typical Source of Contaminant	
Turbidity	TT = 5 NTU	0	0.35 NTU	N/A		NO	Soil runoff	
	TT = percentage of samples <0.3 NTU		100.00 %	N/A				

DEFINITIONS

In the table above you found many terms and abbreviations you might not be familiar with.

To help you better understand these terms we've provided the following definitions:

Action Level (AL) - The concentration of a contaminant, which, if exceeded, triggers treatment or other requirements that a water system must follow.

Maximum Contaminant Level - The “Maximum Allowed” (MCL) is the highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.

Maximum Contaminant Level Goal - The “Goal” (MCLG) is the level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

Parts per million (ppm) or Milligrams per liter (mg/l) - One part per million corresponds to one minute in two years or a single penny in \$10,000.

Parts per billion (ppb) or Micrograms per liter - One part per billion corresponds to one minute in 2,000 years, or a single penny in \$10,000,000.

Nephelometric Turbidity Unit (NTU) - Nephelometric turbidity unit is a measure of the clarity of water. Turbidity in excess of 5 NTU is just noticeable to the average person.

Non-regulated Contaminant (NrC) – Monitoring is voluntary

Treatment Technique (TT) - A treatment technique is a required process intended to reduce the level of a contaminant in drinking water.

Micrograms per liter (µg/L)– One Microgram per liter is 100 times a milligram per liter (mg/l).

ABOUT MCL'S

MCL's are set at very stringent levels. To understand the possible health effects described for many regulated constituents, a person would have to drink 2 liters, (7.57 gallons), of water every day at the MCL level for a lifetime to have a one-in-a-million chance of having the described health effect.

WHAT DOES THIS MEAN?

As you can see by the table on pages 3 and 4, our system had no monitoring violations of regulated contaminants. We're proud that your drinking water meets or exceeds most all Federal and State requirements. We have learned through our monitoring and testing that some constituents have been detected. The EPA has determined that your water IS SAFE at these levels.

SPECIAL HEALTH CONCERNS

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA/CDC guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline (800-426-4791).

IMPORTANT INFORMATION ABOUT YOUR DRINKING WATER

TTHM's & HAA5's

On January 1, 2004 quarterly sampling for Total Trihalomethanes and Haloacetic Acid contaminants became required for our drinking water. The Maximum Contaminant Level for Trihalomethanes was set at 80ppb in 2005. The Maximum Contaminant Level for Haloacetic Acids is set at 60ppb. The city sampled for these contaminants in our distribution system where the water remains the longest, (maximum residence time) in 2011.

Compliance for these contaminants is based on an average of the past four quarterly samples. We monitor for Total Organic Carbon and Alkalinity Quarterly and also continue disinfection profiling on a weekly basis. We will continue to monitor for these additional contaminants as required by state and federal law in order to provide you with the best water possible.

What should I do?

No action on the part of the public is required unless you have questions or concerns, in which case you can call City Hall at 826-3275

Lead and Copper Testing

EPA's national primary drinking water regulations require all public water systems serving 50,000 or fewer people to keep copper concentrations below 1.3 parts per million (ppm) and lead concentrations below 15 parts per billion (ppb) in more than 90 percent of tap water samples (the EPA "action level"). In the 2011 round of sampling, all samples for lead and copper were below the EPA action level. The optimal corrosion control treatment achieved during this test cycle allows us to continue reduced monitoring. The next lead and copper sampling will occur in the summer of 2017.

Information regarding Lead in Drinking Water

If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. The City of Craig is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking.

If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline at 1-800-426-4791 or on the web at www.epa.gov/safewater/lead.

Comprehensive Performance Evaluation

A comprehensive performance evaluation or (CPE) is a thorough evaluation and analysis of the design, administration, operation, and maintenance practices of a water treatment facility as these components relate to achieving optimized performance at the facility. The objective of a CPE is to determine if significant improvements in performance can be achieved without major capital expenditure. With support from City of Craig personnel, the Alaska Department of Environmental Conservation and the Alaska Training and Technical Assistance Center, (ATTAC), conducted a training workshop at the City of Craig Water Treatment Facility from April 25th to April 28th, 2006 and produced a report on the results of their CPE. A Copy of that report can be obtained by contacting the City of Craig, Public Works Department.

For more information on this subject or any other water related subject please contact Ron McIntosh at 826-3405, Leslie Nelson at 826-3406, or write to City of Craig, P.O. Box 725, Craig AK 99921 You may also contact Eric Burg with the ADEC Drinking Water Program at 907 262-3420 or write to Dept. of Environmental Health, Drinking Water Program P.O. Box, 43335, Soldotna, AK 99669, for any technical questions you may have.

The Craig public water system currently holds monitoring waivers for:

2014-2016	Synthetic Organic Contaminants including Pesticides and Herbicides
Indefinite	Asbestos
2011-2019	Inorganics

The Craig public water system currently has sample reductions for:

Nitrates	Reduced to once annually
VOC's	Reduced to once annually
Lead & Copper	Reduced to 10 samples once every 3 years, (Next due in 2017).
TOC/Alkalinity	Reduced to one sample set per quarter

2015 Accomplishments for the Water Treatment Plant & System Upgrades & Projects

- ❖ Continued upgrades to the Supervisory Control and Data Acquisition (SCADA) system.
- ❖ Completion of construction for the North Fork Lake dam raising project.
- ❖ Completion of the Port St. Nicholas Water Main Replacement project.
- ❖ Completion of the Water/Wastewater Master Plan.

Current & Future Water Treatment Plant & System Upgrade Needs & Projects

- ❖ Annual Sacrificial Cathodic Protection System inspection of 836,000 gal PSN water storage tank.
- ❖ Spruce Street Tank Renovation.
- ❖ Replacement of corroded 12" DI raw water supply main from North Fork Lake to the water treatment plant.
- ❖ Seeking funding for infrastructure upgrades and replacement as well as feasibility study for additional/alternate water sources.

The City of Craig Water Department will do everything possible to keep the highest possible quality and quantity of water flowing to all of its customers this summer.

CITY OF CRAIG MEMORANDUM

To: Mayor and City Council, Planning Commission
From: Brian Templin, City Planner
Date: July 14, 2016
RE: Craig Comprehensive Plan and Overall Economic Development Plan (OEDP)

At the June 16, 2016 Craig City Council meeting the council discussed updating the Craig Comprehensive Plan. The current Craig Comprehensive Plan was written by contractor HDR Alaska Inc. with mapping support from Resource Data Inc. and was adopted in 2000. The plan was originally written using funding from the Alaska Coastal Management Program.

Comprehensive plans are required for most cities and boroughs in Alaska, including first class cities like Craig. Alaska Statute Section 29.40.030 states that:

(a) The comprehensive plan is a compilation of policy statements, goals, standards and maps for guiding the physical, social, and economic development, both private and public, of first or second class borough, and may include, but is not limited to, the following:

- (1) Statements of policies, goals and standards;
- (2) A land use plan;
- (3) A community facilities plan;
- (4) A transportation plan; and
- (5) Recommendations for implementation of the comprehensive plan.

(b) With the recommendations of the planning commission, the assembly shall adopt by ordinance a comprehensive plan. The assembly shall, after receiving the recommendations of the planning commission, periodically undertake an overall review of the comprehensive plan and update the plan as necessary.

Even though section (a) states that this applies to first or second class boroughs the requirements also applies to first class cities per AS 29.35.260(c) and AS 29.35.180(a).

The current comprehensive plan is divided into two primary sections:

- Section One: Issues, Goals, Strategies and Land Use Maps
- Section Two: Background Study

The background study is primarily historical and demographic data that can be compiled by staff members using available local, state and federal data sets. Section one involves identification of issues, development of goals and strategies and development of land use maps. Land use maps can be produced by the city planner using available data and resources.

Development of issues, goals and objectives is a public intensive process and will be developed using numerous methods that may include:

- Surveys
- Public Scoping Meetings
- Focus Groups/Committees
- Discussion and review at public meetings held by the planning commission and city council

The Overall Economic Development Plan (OEDP) is part of an economic development planning process that was required by the Economic Development Administration for years. The OEDP and subsequent Community Economic Development Strategy (CEDS) committee plans were no longer required after about 2012. Some council members and planning commissioners may be familiar with this process as participants in the CEDS committee over the years. The OEDP information should be incorporated into the updated comprehensive plan and should reference the CEDS process to allow for annual opportunities for public input and adjustment of shorter term economic development strategies and goals.

A total update of the comprehensive plan is a lengthy and involved process. It is likely that I will put together a planning committee comprised of volunteers from the planning commission, city council, city staff and the general public to help with drafting and reviewing sections of the plan. If the city council would like to proceed I would propose the following schedule:

1. Update Background Study. The background study should be updated in order to provide empirical data used in the development of the issues, goals and objectives
 - a. Review current plan, gather updated data and rewrite background study (July 1, 2016 – August 31, 2016)
 - b. Present updated background study to planning commission and city council for review (October 2016)
2. Update Land Use Maps (August – September 2016)
3. Public Survey
 - a. Prepare Survey (July – August 2016)
 - b. Survey to planning commission and city council for review (Sept 2016)
 - c. Distribute, collect and compile survey results (Oct – Nov 2016)
 - d. Present survey results to planning commission and city council (November 2016)
4. Prepare draft issues, goals and strategies based on 2000 Comp Plan and survey results (November – December 2016)
5. Conduct scoping meetings with public, planning commission and city council to review and amend draft sections for land use, community facilities, economy, recreation and natural environment sections (November 2016 – January 2017)
6. Complete draft Issues, Goals and Strategies section of Comp Plan and present to planning commission and city council (February – March 2017)

Recommendation: Direct staff to proceed with an update to the Craig Comprehensive Plan. The council may also choose to meet in the meantime to set short term goals.

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: July 15, 2016
RE: Request for Utility Refund

Attached is a letter from Mr. Kim Patotzka requesting a refund for three years of water and sewer utility overbilling of account No. 19960. The account is for a trailer space rental on one of Mr. Patotzka's Beach Road lots. Mr. Patotzka and staff estimate the overbilling for the three years totals about \$1,500.

Sections 3.12.020 and 3.12.030 of the city's municipal code provides for refunds for utility overbilling if the refund request is filed within one year of the due date of the overbilled amount. The text of the ordinance is shown below.

3.12.020 Sewers.

A claim for sewer utility charge refund must be filed within one year from the due date of the monthly billing upon which refund is sought or the refund claim is forever barred. The intent of this section is to preclude presentment of stale claims. [Ord. 163 § 6, 1979.]

3.12.030 Water.

A claim for water utility charge refund must be filed within one year from the due date of the monthly billing upon which refund is sought or the refund claim is forever barred. The intent of this section is to preclude presentment of stale claims. [Ord. 163 § 7, 1979.]

Staff is prepared to refund Mr. Patotzka the amount overbilled for the past year, in compliance with the city's refund ordinance. Mr. Patotzka requests here a refund going back three years. Staff is not able to refund the three year amount and comply with the municipal code.

The council is bound by the ordinance provision. A refund beyond one year can be provided for with a change to 3.12 of the Craig Municipal Code.

Please note that Mr. Patotzka's letter references attached records, but he did not deliver any attachments with his letter. I asked the finance department staff to print a summary of all utility payments since January 2013 to provide some back up documentation.

Recommendation

That the council provide staff direction as to Mr. Patotzka's attached request.

RECEIVED

JUL 13 2016

**CITY OF CRAIG
CRAIG, ALASKA**

July 13, 2016

To: City of Craig, Alaska

RE: Over billing

Location: Sealaska Office

I have been over billed for three years and the attached records will clearly show the oversight.

This has been an ongoing issue for sometime and there has been no effort on your part to correct this error. The City Clerk claims that only one year can be reimbursed without City Council approval. I request a prompt response and a full refund for the three years of inaccurate billing in the amount of \$1,500.00. T

Sincerely,

Kim Patotzka

A handwritten signature in cursive script that reads "Kim Patotzka". The signature is written in black ink and is positioned to the right of the printed name.

1/1/2013 to 7/15/16 Charge Detail

City of Craig

Name	Activity Date	Location	Billing	Amount
[19960] Patotzka Rentals	1/31/2013	613 BEACH RD	1006	43.00
[19960] Patotzka Rentals	2/28/2013	613 BEACH RD	1006	43.00
[19960] Patotzka Rentals	3/31/2013	613 BEACH RD	1006	43.00
[19960] Patotzka Rentals	4/30/2013	613 BEACH RD	1006	43.00
[19960] Patotzka Rentals	5/31/2013	613 BEACH RD	1006	43.00
[19960] Patotzka Rentals	7/31/2013	613 BEACH RD	1006	33.84
[19960] Patotzka Rentals	8/31/2013	613 BEACH RD	1006	16.24
[19960] Patotzka Rentals	9/30/2013	613 BEACH RD	1006	14.32
[19960] Patotzka Rentals	10/31/2013	613 BEACH RD	1006	16.56
[19960] Patotzka Rentals	11/30/2013	613 BEACH RD	1006	17.20
[19960] Patotzka Rentals	12/31/2013	613 BEACH RD	1006	42.80
[19960] Patotzka Rentals	1/31/2014	613 BEACH RD	1006	31.28
[19960] Patotzka Rentals	2/28/2014	613 BEACH RD	1006	42.16
[19960] Patotzka Rentals	3/31/2014	613 BEACH RD	1006	17.52
[19960] Patotzka Rentals	4/30/2014	613 BEACH RD	1006	18.16
[19960] Patotzka Rentals	5/31/2014	613 BEACH RD	1006	28.08
[19960] Patotzka Rentals	6/30/2014	613 BEACH RD	1006	26.16
[19960] Patotzka Rentals	7/31/2014	613 BEACH RD	1006	36.72
[19960] Patotzka Rentals	8/31/2014	613 BEACH RD	1006	42.16
[19960] Patotzka Rentals	9/30/2014	613 BEACH RD	1006	30.64
[19960] Patotzka Rentals	10/31/2014	613 BEACH RD	1006	31.60
[19960] Patotzka Rentals	11/30/2014	613 BEACH RD	1006	22.64
[19960] Patotzka Rentals	12/31/2014	613 BEACH RD	1006	28.72
[19960] Patotzka Rentals	1/31/2015	613 BEACH RD	1006	14.96
[19960] Patotzka Rentals	2/28/2015	613 BEACH RD	1006	18.48
[19960] Patotzka Rentals	3/31/2015	613 BEACH RD	1006	19.12
[19960] Patotzka Rentals	4/30/2015	613 BEACH RD	1006	16.88
[19960] Patotzka Rentals	5/31/2015	613 BEACH RD	1006	28.72
[19960] Patotzka Rentals	6/30/2015	613 BEACH RD	1006	25.84
[19960] Patotzka Rentals	7/31/2015	613 BEACH RD	1006	22.64
[19960] Patotzka Rentals	8/31/2015	613 BEACH RD	1006	63.92
[19960] Patotzka Rentals	9/30/2015	613 BEACH RD	1006	14.32
[19960] Patotzka Rentals	10/31/2015	613 BEACH RD	1006	14.32
[19960] Patotzka Rentals	11/30/2015	613 BEACH RD	1006	14.32
[19960] Patotzka Rentals	12/31/2015	613 BEACH RD	1006	14.00
[19960] Patotzka Rentals	1/31/2016	613 BEACH RD	1006	14.00
[19960] Patotzka Rentals	2/29/2016	613 BEACH RD	1006	14.00
[19960] Patotzka Rentals	3/31/2016	613 BEACH RD	1006	14.96

City of Craig

Charge Detail

<u>Name</u>	<u>Activity Date</u>	<u>Location</u>	<u>Billing</u>	<u>Amount</u>
[19960] Patotzka Rentals	4/30/2016	613 BEACH RD	1006	14.96
[19960] Patotzka Rentals	5/31/2016	613 BEACH RD	1006	14.32
[19960] Patotzka Rentals	6/30/2016	613 BEACH RD	1006	14.00
[19960] Patotzka Rentals	1/31/2013	613 BEACH RD	2005	70.00
[19960] Patotzka Rentals	2/28/2013	613 BEACH RD	2005	70.00
[19960] Patotzka Rentals	3/31/2013	613 BEACH RD	2005	70.00
[19960] Patotzka Rentals	4/30/2013	613 BEACH RD	2005	70.00
[19960] Patotzka Rentals	5/31/2013	613 BEACH RD	2005	70.00
[19960] Patotzka Rentals	7/31/2013	613 BEACH RD	2005	47.84
[19960] Patotzka Rentals	8/31/2013	613 BEACH RD	2005	30.24
[19960] Patotzka Rentals	9/30/2013	613 BEACH RD	2005	28.32
[19960] Patotzka Rentals	10/31/2013	613 BEACH RD	2005	30.56
[19960] Patotzka Rentals	11/30/2013	613 BEACH RD	2005	31.20
[19960] Patotzka Rentals	12/31/2013	613 BEACH RD	2005	56.80
[19960] Patotzka Rentals	1/31/2014	613 BEACH RD	2005	45.28
[19960] Patotzka Rentals	2/28/2014	613 BEACH RD	2005	56.16
[19960] Patotzka Rentals	3/31/2014	613 BEACH RD	2005	31.52
[19960] Patotzka Rentals	4/30/2014	613 BEACH RD	2005	32.16
[19960] Patotzka Rentals	5/31/2014	613 BEACH RD	2005	42.08
[19960] Patotzka Rentals	6/30/2014	613 BEACH RD	2005	40.16
[19960] Patotzka Rentals	7/31/2014	613 BEACH RD	2005	50.72
[19960] Patotzka Rentals	8/31/2014	613 BEACH RD	2005	56.16
[19960] Patotzka Rentals	9/30/2014	613 BEACH RD	2005	44.64
[19960] Patotzka Rentals	10/31/2014	613 BEACH RD	2005	45.60
[19960] Patotzka Rentals	11/30/2014	613 BEACH RD	2005	36.64
[19960] Patotzka Rentals	12/31/2014	613 BEACH RD	2005	42.72
[19960] Patotzka Rentals	1/31/2015	613 BEACH RD	2005	28.96
[19960] Patotzka Rentals	2/28/2015	613 BEACH RD	2005	32.48
[19960] Patotzka Rentals	3/31/2015	613 BEACH RD	2005	33.12
[19960] Patotzka Rentals	4/30/2015	613 BEACH RD	2005	30.88
[19960] Patotzka Rentals	5/31/2015	613 BEACH RD	2005	42.72
[19960] Patotzka Rentals	6/30/2015	613 BEACH RD	2005	39.84
[19960] Patotzka Rentals	7/31/2015	613 BEACH RD	2005	36.64
[19960] Patotzka Rentals	8/31/2015	613 BEACH RD	2005	77.92
[19960] Patotzka Rentals	9/30/2015	613 BEACH RD	2005	28.32
[19960] Patotzka Rentals	10/31/2015	613 BEACH RD	2005	28.32
[19960] Patotzka Rentals	11/30/2015	613 BEACH RD	2005	28.32
[19960] Patotzka Rentals	12/31/2015	613 BEACH RD	2005	28.00

City of Craig

Charge Detail

<u>Name</u>	<u>Activity Date</u>	<u>Location</u>	<u>Billing</u>	<u>Amount</u>
[19960] Patotzka Rentals	1/31/2016	613 BEACH RD	2005	28.00
[19960] Patotzka Rentals	2/29/2016	613 BEACH RD	2005	28.00
[19960] Patotzka Rentals	3/31/2016	613 BEACH RD	2005	28.96
[19960] Patotzka Rentals	4/30/2016	613 BEACH RD	2005	28.96
[19960] Patotzka Rentals	5/31/2016	613 BEACH RD	2005	28.32
[19960] Patotzka Rentals	6/30/2016	613 BEACH RD	2005	28.00
[19960] Patotzka Rentals	1/31/2013	613 BEACH RD	3000	56.00
[19960] Patotzka Rentals	2/28/2013	613 BEACH RD	3000	56.00
[19960] Patotzka Rentals	3/31/2013	613 BEACH RD	3000	56.00
[19960] Patotzka Rentals	4/30/2013	613 BEACH RD	3000	56.00
[19960] Patotzka Rentals	5/31/2013	613 BEACH RD	3000	56.00
[19960] Patotzka Rentals	7/31/2013	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	8/31/2013	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	9/30/2013	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	10/31/2013	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	11/30/2013	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	12/31/2013	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	1/31/2014	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	2/28/2014	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	3/31/2014	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	4/30/2014	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	5/31/2014	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	6/30/2014	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	7/31/2014	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	8/31/2014	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	9/30/2014	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	10/31/2014	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	11/30/2014	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	12/31/2014	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	1/31/2015	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	2/28/2015	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	3/31/2015	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	4/30/2015	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	5/31/2015	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	6/30/2015	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	7/31/2015	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	8/31/2015	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	9/30/2015	613 BEACH RD	3000	28.00

City of Craig

Charge Detail

<u>Name</u>	<u>Activity Date</u>	<u>Location</u>	<u>Billing</u>	<u>Amount</u>
[19960] Patotzka Rentals	10/31/2015	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	11/30/2015	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	12/31/2015	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	1/31/2016	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	2/29/2016	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	3/31/2016	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	4/30/2016	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	5/31/2016	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	6/30/2016	613 BEACH RD	3000	28.00
[19960] Patotzka Rentals	1/31/2013	613 BEACH RD	3001	21.00
[19960] Patotzka Rentals	2/28/2013	613 BEACH RD	3001	21.00
[19960] Patotzka Rentals	3/21/2013	613 BEACH RD	3001	-21.00
[19960] Patotzka Rentals	2/28/2014	613 BEACH RD	3001	14.00
[19960] Patotzka Rentals	1/31/2013	613 BEACH RD	8900	8.45
[19960] Patotzka Rentals	2/28/2013	613 BEACH RD	8900	8.45
[19960] Patotzka Rentals	3/31/2013	613 BEACH RD	8900	8.45
[19960] Patotzka Rentals	4/30/2013	613 BEACH RD	8900	8.45
[19960] Patotzka Rentals	5/31/2013	613 BEACH RD	8900	8.45
[19960] Patotzka Rentals	7/31/2013	613 BEACH RD	8900	5.48
[19960] Patotzka Rentals	8/31/2013	613 BEACH RD	8900	3.72
[19960] Patotzka Rentals	9/30/2013	613 BEACH RD	8900	3.54
[19960] Patotzka Rentals	10/31/2013	613 BEACH RD	8900	3.76
[19960] Patotzka Rentals	11/30/2013	613 BEACH RD	8900	3.82
[19960] Patotzka Rentals	12/31/2013	613 BEACH RD	8900	6.38
[19960] Patotzka Rentals	1/31/2014	613 BEACH RD	8900	5.22
[19960] Patotzka Rentals	2/28/2014	613 BEACH RD	8900	6.32
[19960] Patotzka Rentals	3/31/2014	613 BEACH RD	8900	3.86
[19960] Patotzka Rentals	4/30/2014	613 BEACH RD	8900	3.92
[19960] Patotzka Rentals	5/31/2014	613 BEACH RD	8900	4.90
[19960] Patotzka Rentals	6/30/2014	613 BEACH RD	8900	4.72
[19960] Patotzka Rentals	7/31/2014	613 BEACH RD	8900	5.78
[19960] Patotzka Rentals	8/31/2014	613 BEACH RD	8900	6.32
[19960] Patotzka Rentals	9/30/2014	613 BEACH RD	8900	5.16
[19960] Patotzka Rentals	10/31/2014	613 BEACH RD	8900	5.26
[19960] Patotzka Rentals	11/30/2014	613 BEACH RD	8900	4.36
[19960] Patotzka Rentals	12/31/2014	613 BEACH RD	8900	4.98
[19960] Patotzka Rentals	1/31/2015	613 BEACH RD	8900	3.60
[19960] Patotzka Rentals	2/28/2015	613 BEACH RD	8900	3.94

City of Craig

Charge Detail

<u>Name</u>	<u>Activity Date</u>	<u>Location</u>	<u>Billing</u>	<u>Amount</u>
[19960] Patotzka Rentals	3/31/2015	613 BEACH RD	8900	4.02
[19960] Patotzka Rentals	4/30/2015	613 BEACH RD	8900	3.78
[19960] Patotzka Rentals	5/31/2015	613 BEACH RD	8900	4.98
[19960] Patotzka Rentals	6/30/2015	613 BEACH RD	8900	4.68
[19960] Patotzka Rentals	7/31/2015	613 BEACH RD	8900	4.36
[19960] Patotzka Rentals	8/31/2015	613 BEACH RD	8900	8.50
[19960] Patotzka Rentals	9/30/2015	613 BEACH RD	8900	3.54
[19960] Patotzka Rentals	10/31/2015	613 BEACH RD	8900	3.54
[19960] Patotzka Rentals	11/30/2015	613 BEACH RD	8900	3.54
[19960] Patotzka Rentals	12/31/2015	613 BEACH RD	8900	3.50
[19960] Patotzka Rentals	1/31/2016	613 BEACH RD	8900	3.50
[19960] Patotzka Rentals	2/29/2016	613 BEACH RD	8900	3.50
[19960] Patotzka Rentals	3/31/2016	613 BEACH RD	8900	3.60
[19960] Patotzka Rentals	4/30/2016	613 BEACH RD	8900	3.60
[19960] Patotzka Rentals	5/31/2016	613 BEACH RD	8900	3.54
[19960] Patotzka Rentals	6/30/2016	613 BEACH RD	8900	3.50
[19960] Patotzka Rentals	1/31/2013	613 BEACH RD	9900	0.00
WATER	0.00	SEWER	0.00	
WATER OTHER	0.00	SEWER OTHER	0.00	
GARBAGE	1,288.00		Total Charged	4,296.09

CITY OF CRAIG MEMORANDUM

To: Mayor and City Council
From: Brian Templin, City Planner
Date: July 14, 2016
RE: Craig Aquatic Center Renovation – Change Order 3

Work on the aquatic center is progressing on schedule and as planned. The contractor has completed installation of all of the roof panels and structural purlins. The council may recall that the original roof design contained traditional metal panels on the inside and outside with structural purlins (Z shaped sheet metal purlins) and insulation between the metal panels. Due to problems with the traditional metal skinned insulation we decided to use preinsulated panels for the roof and tube steel purlins under the panels. These panels will require much less maintenance and in the pool environment will have a much longer life expectancy since there is no chance of water accumulation inside of the roof panels like there was on the old roof.

After the panels were installed we observed that there was a gap between the top of the existing walls in the lobby/locker room areas. In particular the new purlin/roof panel design leaves a 12” gap between the top of the existing wall and the bottom of the roof panel on the walls that separate the lobby from the men’s/women’s locker rooms and the wall between the women’s locker room and the mechanical room.

To reduce transient noise between the lobby, locker rooms, and mechanical room we proposed filling the 12” gap with a short section of newly constructed wall. We asked the contractor to provide a proposal and price to complete that work.

The contractor has stated that there is enough remainder pieces of preinsulated roof panels and panels from the east wall construction to fill the space. The contractor has also proposed to trim and paint the installed panels to blend with the existing walls.

The contractor proposes to supply all materials and labor to complete this change for \$4,650.

I will make photos available at the July 21, 2016 council meeting showing the gap left between the top of the wall and the roof panel

This change is not structurally necessary but will ensure privacy of the locker rooms and provide sound dampening between spaces in the building.

Recommended Motion: I move to approve a change order to the Craig Aquatic Center Renovation contract with CBC Construction to increase the total contract amount not to exceed \$4,650.00. I further move to direct staff to draw additional funds from the Craig endowment fund for the cost of the contract increase.

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: July 15, 2016
RE: 2016-2017 Operating Agreement, Port St. Nicholas King Salmon Hatchery

Attached you will find the operating agreement for the Port St. Nicholas king salmon hatchery.

Each year the city enters into an operating agreement with the POW Hatchery Association and the City of Coffman Cove to delineate the responsibilities needed to operate the hatchery. Those prior agreements look very much like the one attached here for council consideration. In short, the agreements detail the work that POWHA performs to raise and release the king salmon, and the contributions made by the cities of Craig and Coffman Cove to support the effort.

The attached draft agreement for the coming fiscal year replaces POWHA with the Southern Southeast Regional Aquaculture Association (SSRAA), which as the council is aware is preparing to assume operations at the Klawock River hatchery and the king facility at Port St. Nicholas. Based on my conversations with its staff, SSRAA is prepared to continue production of king salmon based on largely the same terms as the city had with POWHA.

In recent years, the City of Craig and the City of Coffman Cove have worked toward splitting the operating cost of the PSN facility based on the percentage of fish each city received from the total king salmon release. The attached agreement continues that approach. Craig is scheduled to see a release of 100,000 king salmon smolts next year, out of a total production of 134,000 fish. Accordingly the city will pay to SSRAA 75 percent of the total production cost, and the City of Coffman Cove will pay the balance. For the coming year, the city's share amounts to \$60,471. Staff hopes to offset as much of this cost as possible through the PSN cost recovery program, and through the Craig-Klawock king salmon derby. Still, the city's general fund will have to be tapped to support the cost of PSN hatchery operations. A copy of the proposed coming year's operating budget is attached.

The Coffman Cove city council has yet to approve the attached agreement. They are scheduled to consider approval of the agreement on July 21. The city has expressed some concern about the rising cost of their share of the program. I will continue to work with Coffman Cove on this matter with the goal of having all parties reach agreement soon.

Recommendation

Approve the 2016-2017 PSN king salmon hatchery operating agreement.

OPERATION AGREEMENT Between the
CITY OF COFFMAN COVE, CITY OF CRAIG, & SOUTHERN SOUTHEAST REGIONAL
AQUACULTURE ASSOCIATION
For the operation of the
PORT ST. NICHOLAS/COFFMAN COVE KING SALMON PROGRAM
July 1, 2016 through June 30, 2017

The City of Coffman Cove, City of Craig, and Southern Southeast Regional Aquaculture Association (SSRAA) agree to perform the following tasks by June 30, 2017, in support of the Port St. Nicholas (PSN)/Coffman Cove King Salmon Programs.

Section 1. The parties agree to perform the following tasks.

SSRAA Agrees To:

- Hire, train and manage employment of a Fisheries Technician for the site; this is a full time job.
- Perform coded wire tagging every year, scheduled through SSRAA Otolith Lab.
- Provide qualified personnel for hatchery maintenance and repairs, when necessary.
- Purchase all needed supplies on a yearly basis (fish food, chemicals, tools, etc.).
- Provide eyed eggs each fall, for yearly production of chinook fry.
- Hatch, rear, transport, and release chinook smolts each year, as outlined in Annual Management Plan with ADF&G: 34,000 smolts per year to Coffman Cove; and 100,000 smolts per year to City of Craig.
- Install and maintain weir on Port Saint Nick River.
- Provide technical and logistical support to both Craig and Coffman Cove for duration of the project.
- Provide quarterly financial reports to the City of Coffman Cove and the City of Craig showing operating costs for PSN.
- Unless POWHA returns prior to transfer of operation, return the existing reserve monies from grant funding now held by POWHA to the City of Craig and City of Coffman Cove and no longer hold that reserve account.

City of Craig Agrees To:

- Provide continuous supply of biologically safe, high pressure water for hatchery operations;
- Perform yearly maintenance on pressure reducing valves in Mechanical Room of hatchery
- Provide electricity, diesel fuel, and propane for the hatchery site
- Continue to donate the \$1.00 per year for the lease to the grounds of the facility
- Perform cost recovery
- Reimburse SSRAA for 75 % of quarterly operating costs not to exceed sixty thousand four hundred seventy one dollars (\$ 60,471) per annum, less any net amounts received by SSRAA for cost recovery efforts, if any.
- Furnish reimbursements to SSRAA for operating costs in a timely manner upon receipt of quarterly financial reports.

City of Coffman Cove Agrees To:

- Continue to allow SSRAA the use of all hatchery equipment purchased by the City of Coffman Cove (Dodge flatbed truck, fish transfer trailer system, fish pump, fish counter, etc.) as outlined in "Inventory List" to be used for the transfer and care of fish.

- Reimburse SSRAA for 25 % of the quarterly operating costs, not to exceed twenty thousand one hundred fifty seven dollars (\$ 20,157) per annum.
- Furnish reimbursements to SSRAA for operating costs in a timely manner upon receipt of quarterly financial reports.
- Install and maintain weir on the Coffman Cove Creek, and perform cost recovery operations. Funds generated through cost recovery to go into the City of Coffman Cove Fish Savings Bank Account to be used for yearly operating costs of the Coffman Cove Fish Enhancement project.

Section 2. The parties hereto expressly agree that the Southern Southeast Regional Aquaculture Association shall be and is an independent contractor and is not an employee or agent of the City of Coffman Cove or the City of Craig, and is, therefore, entitled to no insurance coverage, whether worker's compensation or otherwise and no other benefits accorded to city employees. No withholding, FICA, or other taxes (whether income sales or otherwise) or other amounts will be withheld from payments due to the Hatchery, it being understood that the Hatchery is solely responsible.

Section 3. 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, done or furnished by the Hatchery, will be allowed or paid by the Cities, and Hatchery expressly waives any claim therefore.

Section 4. SSRAA agrees to keep and maintain in full force during the entire period of the project or work called for herein, broad form comprehensive public liability insurance with limits of not less than three hundred thousand (\$300,000.00) combined single limit insuring Hatchery, and include the City of Coffman Cove and the City of Craig as an additional named insured, from any and all claims for bodily injury and death, and for property damage, that may arise out of, or in relation to, this Agreement. Such insurance shall require the insurance company give not less than thirty (30) days prior written notice to Cities prior to any cancellation, non-renewal or reduction in the amount of coverage of such insurance coverage. Each policy, or certificate of the policy, together with evidence of payment of premiums, shall be deposited with the cities prior to execution of this Agreement by the cities, and on renewal of the policy not less than twenty (20) days before expiration of the term of the policy.

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

City of Craig, Alaska

**Southern Southeast Regional
Aquaculture Association**

By: _____
Jon Bolling, City Administrator Date

By: _____
David Landis, General Manager Date


City of Coffman Cove

By: _____
Sharon Toman, Mayor Date

PSN BUDGET
FY17
07/01/2016 - 06/30/2017

	FY17 Total	FY16 Total	Difference	
PERMANENT SALARY	\$33,400.00	\$33,400.00	\$0.00	
TEMPORARY SALARY	\$12,387.00	\$12,387.00	\$0.00	
EMPLOYEE BENEFITS	\$6,200.00	\$6,875.00	(\$675.00)	
EMPLOYER TAXES	\$4,428.00	\$4,428.00	\$0.00	
WORKERS COMP	\$4,270.00	\$3,663.00	\$607.00	
BUILDING INSURANCE	\$600.00	\$525.00	\$75.00	Cost of insurance in FY 16 was \$556
TAGGING WIRE	\$6,300.00	\$6,300.00	\$0.00	
TELEPHONE/INTERNET	\$1,800.00	\$2,034.00	(\$234.00)	bandwidth limit decreased
LICENSES/PERMITS	\$750.00	\$350.00	\$400.00	\$250 for Coffman weir, \$250 for PSN pens, \$250 for PSN weir
MATERIALS/SUPPLIES	\$2,925.00	\$2,625.00	\$300.00	Increase for shipping costs that used to be in freight
FISH FOOD	\$7,568.00	\$7,568.00	\$0.00	
FREIGHT	\$0.00	\$2,804.00	(\$2,804.00)	Freight is no longer a necessary budget item
TOTALS	\$80,628.00	\$82,959.00	(\$2,331.00)	

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator 
Date: July 14, 2016
RE: Consider Bid Award, Fire Department Equipment

The City of Craig recently received a grant award totaling \$9,777.60 from the State of Alaska Department of Natural Resources to purchase firefighting equipment. The Craig Volunteer Fire Department solicited bids from vendors to purchase the equipment authorized by the grant. Solicitations were sent out to three vendors. Two of those responded to the solicitation.

Of the two, the response from Darley & Company did not include bids on nine of the 22 items in the solicitation, and did not include a cost estimate to deliver the equipment to Seattle. The other response, from L.N. Curtis, was the only complete proposal.

The L.N. Curtis bid totals \$10,465.69. The difference between the grant funding available and the bid amount will be made up by the Craig Fire Department's general fund budget, or by the \$28,000 balance in the fire department's checking account.

Recommendation

Award equipment purchase bid to L.N. Curtis & Sons in the amount of \$10,465.69.

Ph: 206-622-2875
 TF: 800-426-6633
 Fax: 206-622-2723
 nwsales@lncurtis.com
 DUNS#: 00-922-4163

CURTIS

TOOLS FOR HEROES

Northwest Division
 629 So. Industrial Way
 Seattle, WA 98108
 www.LNCURTIS.com
 Quotation No. 38057

Quotation

CUSTOMER:	SHIP TO:	QUOTATION NO.	ISSUED DATE	EXPIRATION DATE
CRAIG CITY P.O. BOX 23 CRAIG AK 99921	CRAIG CITY P.O. BOX 23 CRAIG AK 99921	38057	06/23/2016	08/22/2016
		SALESPERSON	CUSTOMER SERVICE REP	
		John Cefalu jcefalu@lncurtis.com 206-661-3296	Michael Duncan mduncan@lncurtis.com 206-596-7904	

REQUISITION NO.	REQUESTING PARTY	CUSTOMER NO.	TERMS	OFFER CLASS
	Robert Omstead	C30871	Net 30	FR
F.O.B.	SHIP VIA	REQ. DELIVERY DATE		
SP	Best Way			

NOTES & DISCLAIMERS

THANK YOU FOR THIS OPPORTUNITY TO QUOTE. WE ARE PLEASED TO OFFER REQUESTED ITEMS AS FOLLOWS. IF YOU HAVE ANY QUESTIONS, NEED ADDITIONAL INFORMATION, OR WOULD LIKE TO PLACE AN ORDER, PLEASE CONTACT YOUR SALESPERSON OR CUSTOMER SERVICE REP AS NOTED ABOVE.

LN	QTY	UNIT	PART NUMBER	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	2	EA	CT42FSS	42" PICK & SHOVEL COMBINATION TOOL WITH WOOD HANDLE FSS	\$66.51	\$133.02
2	2	EA	HFH	ADZE TOOL W/ 34" WOOD HNDL	\$62.72	\$125.44
3	2		F80R HOGUE	8' HOE WITH 42" FIBERGLASS HANDLE	\$40.25	\$80.50
4	2	EA	22000601 PARA	36" HOOLIGAN TOOL STD CLAW	\$214.70	\$429.40
5	2	EA	13120 NUP	RM2 2# RUBBER Mallet	\$17.70	\$35.40
6	2	EA	35259 NUP	CWH6Y 6' FL CELING/WALL HOOK	\$71.70	\$143.40
7	2	EA	36551 NUP	RH5D 5' ROOF VENT HOOK WITH D-GRIP	\$60.51	\$121.02
8	6	EA	61301 STRMLIT	ARGO LUXEON LED HEADLAMP W/ ELASTIC&RUBBER STRPS	\$24.77	\$148.62
9	2	EA	375MA	3.75# PULASKI MATTOCK AX 36" WOOD HNDL- 38PE136	\$35.61	\$71.22
10	2	EA	BFG	ROUND POINT FIRE SHOVEL # 1237500	\$45.02	\$90.04
11	2	EA	33145 NUP	BHS32 BUSH HOOK SINGLE EDGE	\$46.76	\$93.52
12	2	EA	HH1	11" HAY HOOK- # 52131	\$4.45	\$8.90
13	2	EA	27710 NUP	BD10ECS 10# SLEDGE HAMME W/32" HANDLE AND CS GRI	\$37.90	\$75.80
14	2	EA	22000680 PARA	30" HOOLIGAN TOOL FORGED STEEL	\$248.90	\$497.80
15	2		F70HR ROGUE	TRAILBUILDING HOE WITH 48" FIBERGLASS HANDLE	\$56.10	\$112.20

Ph: 206-622-2875
TF: 800-426-6633
Fax: 206-622-2723
nwsales@lncurtis.com
DUNS#: 00-922-4163

CURTIS

TOOLS FOR HEROES

Northwest Division
629 So. Industrial Way
Seattle, WA 98108
www.LNCURTIS.com
Quotation No. 38057

LN	QTY	UNIT	PART NUMBER	DESCRIPTION	UNIT PRICE	TOTAL PRICE
16	2		70HRS ROGUE	SHEATH FOR F70HR HOE	\$42.68	\$85.36
17	8	EA	HFX40X50R40N AAH	4X50' CPLD 4NH RED HFX SJ NITR HOSE	\$359.00	\$2,872.00
18	2	EA	S5440S25N	S54 4STZX2.5NHFLH STORZ TO SWIVEL FEMALE ADAPTER	\$101.40	\$202.80
19	15	EA	FSW ZICO FOLDING	FOLDING SPANNER WRENCH	\$18.95	\$284.25
20	4	EA	FTS250PS TFT	1.5NH THNDRFOG 95-250GPM NOZZLE WITH SHUTOFF & GRIP	\$752.50	\$3,010.00
21	2	EA	JTS250PF TFT	2.5NH THUNDERFOG 95-250GPM NOZZLE WITH GRIP	\$822.50	\$1,645.00

SMALL BUSINESS
CAGE CODE: 5E720
DUNS NUMBER: 009224163
SIC CODE: 5099
FEDERAL TAX ID: 94-1214350

THIS PRICING REMAINS FIRM UNTIL 08/22/2016. CONTACT US FOR UPDATED PRICING AFTER THIS DATE.

Subtotal	\$10,265.69
Tax Total	\$0.00
Transportation*	\$0.00
*(to be added when order ships)	
Total	\$10,265.69

Jon Bolling

From: Michael Duncan <mduncan@lncurtis.com>
Sent: Thursday, June 30, 2016 9:41 AM
To: jbolling@aptalaska.net
Subject: Estimated Freight for quote #38057

Hi John, I was going over the quote we put together for you and we do have some of the items in stock, but the majority we will need to order and have brought in to Seattle since they are non-stock items.

In order to keep the freight charges down, we would probably want to add those items we don't have on the shelf to one of our stocking orders. In some instances we can have the freight paid if we meet a minimum order amount.

Once everything was in, we would have our warehouse drop off to one of the shippers here in Seattle.

I would estimate freight would be around \$200.

Please let me know if you have any additional questions or concerns.

Thank you,

Michael Duncan
Customer Service Specialist

o: 206.596.7904

f: 206.622.2723

mduncan@lncurtis.com

L.N.CURTIS & SONS

TOOLS FOR HEROES®

since 1929



W.S. Darley & Company
 Karen Catanese
 325 Spring Lake Dr.
 Itasca, IL 60143
 800-323-0244 or 708-273-6927
 708-345-8993

QUOTATION

DATE
 7/5/2016

Expires
 8/5/2016

Customer REF #
 CRAIG, AK

FOB
 our supplier

TERMS
 NET 15

BILL TO:

SHIP TO:

CITY OF CRAIG, ALASKA
 P.O. BOX 725
 CRAIG, AK 99921

TO BE DETERMINED

ITEM	Part Number	Qty.	DESCRIPTION		AMOUNT
1	BN228	2	BAR, 36" LEATHERHEAD	\$190.00	\$380.00
2	AJ307	2	HOOK, DRY WALL 6'/W GAS SHUTOFF END	\$92.00	\$184.00
3	DWH55 W/RAM KNOB	2	HOOK, DRY WALL 5'/W RAM KNOB END BY FIRE HOOKS UNLMTD, Solid Fiberglass, 1" diameter, celtex grips, ram knob end	\$87.50	\$175.00
4	AW283	6	HEADLAMP, LED TRIDENT	\$21.00	\$126.00
5	X586	2	PULASKI, TOOL	\$41.00	\$82.00
6	AZ378	2	SHOVEL, ROUND POINT, 48" HANDLE	\$33.15	\$66.30
7	D115	2	AXE, BUSH	\$41.20	\$82.40
8	BN227	2	30" HALLIGAN BAR	\$190.00	\$380.00
8	AC67002	8	DARLEY LDH, 4" RUBBER COVERED, YELLOW/NST/ALUM	\$327.50	\$2,620.00
9	AG7334025	2	ADAPTER, 4" STORZ X 2.5" SWIVEL FEMALE, THREADED	\$87.50	\$175.00
9	AZ357	15	SPANNER,, FOLDING	\$27.35	\$410.25
10	AC707	4	THUNDERFOG, 1.5", W/PISTOL GRIP, FIXED TEETH	\$806.95	\$3,227.80
11	JTS250PF	2	THUNDERFOG, 2.5" W/PISTOL GRIP, FIXED TEETH	\$881.95	\$1,763.90
				Freight	TBD
					\$9,672.65

COMMENTS:

We would have to consolidate this order here and then ship to Alaska. Because many of the items are not stock, calculating the freight, in advance, is difficult. Because of that, we are unable to quote freight in advance of the shipment.

Jon Bolling

From: Karen Catanese <karencatanese@darley.com>
Sent: Wednesday, July 06, 2016 8:24 AM
To: Jon Bolling
Subject: RE: Request for Quote - City of Craig, Alaska
Attachments: CRAIG AK.xls

Importance: High

Jon:

I have attached a quote for the items that you requested. I was not able to quote the complete list. Also, we would have to consolidate this order here and then ship to Alaska. Because many of the items are not stock, calculating the freight, in advance, is difficult. Because of that, we are unable to quote freight in advance of the shipment

Please direct all inquiries/orders regarding this quote to my attention.

Thank you for this opportunity.

Karen Catanese
Equipment Sales
W. S. Darley & Company
Direct 708-273-6927
Fax 630-735-3560
kcat@darley.com

Visit our website at www.edarley.com for all your firefighting needs.

From: Jon Bolling [<mailto:jbolling@aptalaska.net>]
Sent: Wednesday, June 29, 2016 6:39 PM
To: Karen Catanese
Subject: Request for Quote - City of Craig, Alaska

Dear Ms. Catanese:

The City of Craig, Alaska seeks quotes for the equipment specified in the attached spreadsheet.

Please review the attachment and reply to this e-mail address with your bid.

You may substitute an equivalent item for each item specified.

If you are not able to return a quote, please reply with a brief statement that you decline to submit a quote for the attached list. Quotes are due 5:00 p.m. local time Friday, July 13, 2016. Please quote prices FOB Seattle, WA dock.

If you have questions about the attached spreadsheet, feel free to contact me.

Thank you,

Jon Bolling, City Administrator
City of Craig, Alaska
PO Box 725
Craig, AK 99921
907-826-3275
907-401-0393
jbolling@aptalaska.net