

**CITY OF CRAIG
COUNCIL AGENDA
DECEMBER 1, 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.

- City Council Meeting Minutes of October 20, 2016
- City Council Meeting Minutes of November 3, 2016

HEARING FROM THE PUBLIC

- Open for public comment

REPORTS FROM CITY OFFICIALS

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

READING OF CORRESPONDENCE

- APCM October Report
- Letter to Craig Waverunner's Swim Club
- Quarterly Expenditure Report for Southeast Senior Services
- Preliminary finding for North Hollis Timber Sale
- RCA Order Granting Petition to Intervene- AP&T
- November Alaska Economic Trends

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

UNFINISHED BUSINESS

- Notice of Non-Gaming Trust Land Acquisition Application
- Review revenue options for St. Nicholas Road maintenance costs

**CITY OF CRAIG
COUNCIL AGENDA
DECEMBER 1, 2016
COUNCIL CHAMBERS 7:00 P.M**

NEW BUSINESS

- Direction to staff on fisherman's memorial at cannery property
- Acquisition of heating unit for Public Works shop
- 2017 Municipal Land Sale

ADJOURNMENT

ROLL CALL

Mayor Dennis Watson called the meeting to order at 7:00 p.m. and the roll was taken. Present were, Jim See, Greg Dahl, Jan Trojan, Don Pierce, Hannah Bazinet and Mike Douville.

Staff present: Jon Bolling, City Administrator; Kassi Bateman, City Clerk; Brian Templin, City Planner; Douglas Ward, Parks and Public Facilities Manager; Chaundell Piburn, EMS Coordinator, Timothy O'Connor, Fire Chief; Mike Peel, Harbormaster; Ron McIntosh, Public Works Director; Kim Baxter, Librarian; Victoria Merritt, Parks and Recreation Director.

Audience present: Lisa Radke, Andy Deering, Jeff Lundberg, Doug Bennett, Ken Owen, Heidi Murray, Troy Thain, Frank Murray, Steve Stumpf, Forest Collins, Raymond Douville, Jessica Pinuick, Troy Pinuick, Karri Bennett, Sam Thomas, Clinton Cook.

Notice of Non-Gaming Trust Land Acquisition Application

Mayor Watson requested that the discussion on Notice of Non-Gaming Trust Land Application be moved to the beginning of the agenda due to Jon being ill. Jon explained that the land the Craig Tribal Association sits on may be accepted into a trust. Jon mentioned that once land goes into trust, the management changes substantially. The letter that the Bureau of Indian Affairs has submitted provides for a 30-day commenting period. Jon would like to draft a letter requesting more time to investigate what this change means for the City of Craig, and therefore request a longer deliberation period, namely 120 days from receipt of the requested information. Jon mentioned that it would be beneficial for the City, the Craig Tribal Association and the Bureau of Indian Affairs to work closely together to understand all aspects of this trust land application. Clinton Cook, Anna Guthrie, Sam Thomas and Fred Hamilton Jr were present to discuss the land trust application. Clinton commented that the Craig Tribal Association has been a good neighbor to the City of Craig. Clinton believes that the City and Tribe can work together on many issues, and that this trust application is an honor for a tribal entity. Mike Douville commented that he is a tribal member, and also serves on the council for the CTA, however, Mike noted that this is beneficial for the Tribe, but the City is within its rights to ask for more information. The Tribe is government funded, and becoming part of the trust means that the Tribe would be exempt from taxes which would be helpful especially due to the precarious funding situation in the upcoming years. Jim See would like to see the Tribe notify the BIA that there is support in the City requesting the additional time for more information. Clinton mentioned that the Tribe had originally planned to request both parcels of property owned, Tract 18 as well as the land the Craig Tribal Association building sits on, but decided against submitting Tract 18, to relieve some of the tax burden it may cause for the City. Mike Douville commented again that there may be a conflict of interest due to being a CTA member. The Council did not find a conflict.

PIERCE/DAHL

moved to direct staff to implement the four steps outlined in Jon's memo, in addition to asking the Bureau of Indian Affairs for and extension up to a 120-days.

MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA

PIERCE/DAHL

moved to approve the consent agenda.

Greg Dahl mentioned having viewed the Thain's new plan and it was very acceptable.

MOTION CARRIED UNANIMOUSLY

HEARING FROM THE PUBLIC

Kathy Peavey provided the Council with an update on the salmon can project. Kathy traveled to Juneau to research old fishing labels from processors in Craig. Kathy provided a copy of an old article regarding Craig's Lindenburger Cannery. Pat Repell's files were available at the library and Kathy was able to get some information and photos on the Cannery. Kathy is concerned that so much of Craig's history is being lost. Kathy also mentioned that the harbor parking is still an issue. The city gym is cleaned out, and looks great, but Kathy would also like to offer to help at the pool. Kathy is not happy with the condition of the gym at the pool. Mike Douville is aware that the harbor parking is an issue, and has spoken to the staff at the harbor, to no avail.

Brent Cole was present to speak on the PSN Road maintenance cost, and commented that himself, along with many others out the PSN road pay a lot of taxes to the city. The road that crosses Brent's property should not be the responsibility of the PSN residents. Brent is hoping that the process to determine the fees and the duration of the agreement, so that the residents out PSN have a chance to digest the information and have some input. Mayor Watson explained that this is just the beginning of the discussions regarding this potential fee and maintenance agreement. However, Mayor Watson doesn't believe it is fair for the residents of Craig pay for the fees to maintain the PSN road.

DJ Hansen spoke about the possibility of a toll booth, instead of just assessing fees on the residents, as many people who live within city limits utilize the road. DJ commented that this fee will only be assessed on some of the PSN residents, as there is an inability to collect.

Forest Collins commented that moving out to PSN was a decision his family made to be "off the grid" and not have to pay some of the fees and taxes.

Jessica Bennett commented that the ordinance proposed is not legal, as mentioned in State statute. The portion of the ordinance that mentions the consequences of not paying the fee levied by blocking driveways is not legal. Jessica mentioned that the City is interpreting State Statute in a very self-serving way. Jessica does not believe that the City can deny access to people's homes.

Mike Bobo explained that blocking the driveways would be detrimental to residents in the case of an emergency or a fire. Mike Bobo mentioned that he has been maintaining the roads on his own.

Sam Thomas mentioned that there is paving funding that the Craig Tribal Transportation Department has applied for, but that would put paving off until 2018.

Greg Boyd mentioned that the numbers that are projected may not be entirely accurate, and Greg would like to see the timeline for the fees cut back from 20 years maybe just to two years for a trial. Greg doesn't mind paying the fee, but would like to look at different options, like contracting the work out. Jon replied that it could be contracted out, and the amount of work that will be done to maintain the road depends on the type of winter Craig has.

Greg Boyd asked whether cutting back the maintenance, but the fees remain the same means that the money should be set aside for a bad winter, or for additional costs that may be incurred.

Barbie Armstrong asked if the leftover funds will be put back in the general fund or whether they will be kept in a separate account strictly for PSN road maintenance. Barbie doesn't want to see the rates go up and the funds run out because they went to other projects. Jon explained that the funds that are brought in from the fees on the PSN road will be kept in a separate account, and be included in the end of year report which will note what the funds were spent on. Barbie would like to have some representation on the council since the PSN residents are incurring the costs.

Chuck Haydu was present to comment on the PSN fee as well. Chuck has always paid to have vehicles repaired because it was the price paid to live out the road. Chuck is in favor of the toll booth due to the amount of traffic.

Mayor Watson commented that all suggestions and opinions will be taken into consideration during this long process of coming to an agreement about the road maintenance.

READING OF CORRESPONDENCE

Nothing to discuss.

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

None

UNFINISHED BUSINESS

None

NEW BUSINESS

Review revenue options for St. Nicholas Road maintenance costs

Discussed above.

Consider approval, AP&T pole placement agreement

PIERCE/BAZINET

moved to approve the attached AP&T pole placement agreement.

MOTION CARRIED UNANIMOUSLY

Review AP&T Rate increase to Regulatory Commission of Alaska

PIERCE/TROJAN

moved to contest the proposed increase in electric rates through the Regulatory Commission of Alaska.

MOTION CARRIED UNANIMOUSLY

Review General Fund revenue options from Craig Budget Committee

Mayor Watson is in favor of raising the sales tax across the board, but not splitting the sales tax by season, as this may prove difficult for business owners. The council requested a comparison of tax revenue with a 4% tax during the winter and a 6% tax in winter as well as a 5% tax in winter and 6% tax in summer before making a decision.

Consider change order 5, Craig Aquatic Center Project

PIERCE/DOUVILLE

moved to execute Change Order 5 to the pool renovation project, increasing the project cost by an amount not to exceed \$24,718.95 using funds drawn from the city's endowment fund.
MOTION CARRIED UNANIMOUSLY

Consider donation to POW Health Network

DAHL/PIERCE

moved to approve a \$2,500 donation to the Prince of Wales Health Network.
MOTION CARRIED UNANIMOUSLY

ADJOURNMENT

DOUVILLE/DAHL

moved to adjourn at 8:52 p.m.
MOTION CARRIED

APPROVED _____

MAYOR DENNIS WATSON

ATTEST _____
KASSI BATEMAN, CITY CLERK

ROLL CALL

Mayor Dennis Watson called the meeting to order at 7:00 p.m. and the roll was taken. Present were, Greg Dahl, Jan Trojan, Don Pierce and Hannah Bazinet, Jim See and Mike Douville.

Staff present: Jon Bolling, City Administrator; Kassi Bateman, City Clerk; Brian Templin, City Planner; Douglas Ward, Parks and Public Facilities Manager; Chaundell Piburn, EMS Coordinator, Mike Peel, Harbormaster; Ron McIntosh, Public Works Director; Kim Baxter, Librarian; Victoria Merritt, Parks and Recreation Director.

Audience present: Lisa Radke, Andy Deering, Troy Thain, Forest Collins, Tony Nelson, Leonard Williams, Dawn Nelson, Mary Hailey, Greg Boyd, Brian Castle, Kevin Castle, Barbie Armstrong, Sally Burch, Kim Patotzka, Jessica Pinnick, Kay Schrammeck.

CONSENT AGENDA

PIERCE/DAHL

moved to approve the consent agenda.

MOTION CARRIED UNANIMOUSLY

HEARING FROM THE PUBLIC

Barbie Armstrong expressed concerns over the Port St. Nicholas road maintenance costs. Barbie believes that the PSN residents shouldn't be responsible for 100% of the road maintenance costs, and would like for the City to make the maintenance costs fair. Barbi commented that she would like to see some more proposals than the costs that the City is basing the fees at. Jon Bolling replied, that there are options for submitting bids on the work that will need to be done. The detailed costs to date are included in the memo. Barbie is also concerned about the water utility repair costs being included into the PSN maintenance fees for residents. Mayor Watson commented that there will be more discussions prior to writing an actual ordinance to lay out the fees.

Andy Deering commented that in order for the City to impose a fee, there should be an agreement between the city and the PSN residents. Andy believes that the City is providing a service whether the residents like it or not. Andy also suggested that after the council discusses an issue but before they vote, if Mayor Watson could ask for public input. Mayor Watson explained that the council requests that the public comment during hearing from the public, and voice concerns at that time. Mayor Watson does allow the public to speak prior to the vote, however it is technically considered "out of order at a meeting". Andy also commented on the agenda item regarding potential tax revenue sources for the City. Andy is concerned that the City is not discussing the possible reduction of expenditures prior to increasing taxes. Andy doesn't believe that the City should pay for a City lobbyist. Jim See commented about all the funding the city lobbyist has initiated for the city.

Leonard Williams asked how many contractors can bid on a city project. Mayor Watson replied that there is no limit, however the City will rebid a project if they only have one bid.

Mike Douville commented that the council is looking for suggestions or solutions to the PSN road maintenance fees. Mike commented that the cost shouldn't be placed on the city tax payers alone.

Brian Castle mentioned that there isn't one person that wouldn't pay the fee, but the PSN residents are looking for a fair deal. Brian suggested a "road service area" which is a group of people who are affected by the road service area, and they manage the money and the maintenance of the road. This is an option for the city to not have to worry about the road maintenance. Brian did comment that this doesn't solve the utility system issue. Mayor Watson would like to check into this possibility, and suggested that the PSN residents form a homeowner's association. Brian commented that the residents have never been sure who is responsible for the road.

Forest Collins commented that the city didn't try to make the ordinance appealing to the PSN residents. Forest would like to see a ledger that shows how many hours and how much money was put into the Port St. Nicholas road in 2015 and 2014. Jon will prepare a summary of the costs. Mayor Watson commented that this topic started off on the wrong foot, and the city wants to work cooperatively with the residents to solve this problem. Mayor Watson also suggested speaking with Ron McIntosh in regards to the proposed costs of the maintenance. Jim See commented that the water tower was supposed to be within city limits, but was put out PSN for availability to PSN residents.

Kay Schrammeck mentioned the importance of understanding the conveyance and historic portion of development of the city, as there was nowhere to grow, therefore the main waterlines were put out PSN. Kay feels that Port St. Nicholas is a vital town with nearly 300 residents and need to be viewed as such. They are a large contributor to the sales tax revenue in Craig.

Mary Hailey commented that due to the cost of water service and the lack of representation on the council, there is a need for the city and the residents of PSN to work together. When a tax is imposed on people, they need the right for representation, even just as a member at large. Mary would like to see some discussion including PSN residents outside of the council meetings, maybe in a committee capacity. Mayor Watson would like to see a committee formed with some of the PSN residents and some open discussion with the city. Jon will work to set this up.

Gary Barlow commented that the residents would like to be treated as part of the community. There are many energetic people outside the city limits, and many who are maintaining a lot of the road already, and Gary would like to see these people involved in the system of putting these fees together.

Kim Patotzka has no personal stake in PSN but commented that the prices of the road maintenance are set to cover incidentals as well. Kim doesn't believe these funds should go back into the general fund, but should stay in a separate PSN fund. Mayor Watson commented that this issue was addressed at the prior meeting, and the funds would, of course, stay in a separate account for PSN.

Barbie Armstrong asked if the city had not gone out to five miles for city water, what would have the water source been? Mayor Watson commented that the water treatment plant would have been in town. This was so the treated water from 5.5 mile into town could be provided to the residents. Barbie commented that the chlorine in the water out PSN is too strong. Mayor Watson commented that the treatment to the water has to last all the way through town, which is a large reason why the water is more chlorinated.

Kevin Castle didn't know that the funding was pulled until last year when paving was stopped. Mike Douville mentioned that the Craig Tribal Association (CTA) went as far as they could. The CTA, agreed to maintain the road while under the construction contract and chose to

end the contract due to non-funding. This put the road maintenance in the City's hands. The City had no funding options available for the road maintenance, so the fee is the best option. Kevin is willing to pay the fee, and would even pay for gravel and dirt now to maintain the road.

Sally Burch commented that there are several different issues at hand in dealing with the PSN fees- water line maintenance, paving, ownership, and safety. Sally mentioned that the right of way belongs to the city, but the easement that the city has through properties means that residents have a stake in the discussion. The waterline needs to be replaced, and the city needs the revenue to fix it, but Sally believes that there should be money aside already for replacement of the waterline, not funded through PSN road maintenance costs. Mayor Watson commented that the agreement prior to the conveyance to the property allowed the city to work on the waterline. Sally is still upset that the draft ordinance was published, as it felt like a personal attack on the residents out PSN. Sally encourages the city to get together and work out amongst themselves.

Jessica Pinnick commented that there was a gap in the 14C3 paperwork. Jessica found in the annexation paperwork from 1994, that the road was annexed to a certain degree 11 feet to 3.6 miles. That easement was conveyed, but is not the right of way. Jessica has spoken with many surveyors with no definite answer. The Boundary Commission commented that the purpose of this was to maintain a bit of control. Jessica commented that there should be a separation between the road and utility. Many residents don't have city water, and Jessica is wondering if the city believes those residents shouldn't have to pay to maintain the city water supply. Jessica also commented that paving over a utility that is not upgraded is a bad practice, and the city needs to look at doing the work efficiently and effectively and maybe maintaining a utility underneath a gravel road would be beneficial to the City. Mayor Watson commented that the utility doesn't have to be replaced now, but there have been some vetting issues underneath. Jon commented that there has been some confusion about the state of the water main, and although from time to time some spots need replaced, but the whole line is not faulty or in bad shape.

Sally Burch was curious whether there were funds for maintenance on the waterline already in place. Mayor Watson explained that there are not enough funds set aside for replacement of the system as a whole. The council strives to maintain enterprise funds at a high level, but sometimes must draw from the general fund to compensate.

Forest's report will be available in the next week or two, and the PSN committee will schedule a meeting in the upcoming week.

Allison Weyhmilller was present on behalf of the Craig Childcare Center to express the daycare's gratitude for Mike Douville and Jon Bolling meeting with the board to discuss the playground equipment at the daycare, as well as the maintenance of the Craig Child Care Center building.

REPORTS FROM CITY OFFICIALS

Mayor/IFA- Mayor Watson will be traveling to the Alaska Municipal League conference in a week, and there will be lengthy discussions on the Trust Land issue the City is currently investigating. The Bureau of Indian Affairs will be traveling to Craig in the next week to explain the process for trust land acquisition and what it means for the City of Craig. The DEC Tier 3 water designation will also be discussed at the AML Conference as well as the Heroin epidemic that is affecting all cities in Alaska. The IFA is a little behind this month, but still ahead for the year.

Administrator- Jon provided a written report and mentioned participating in a TLMP objectors meeting. The meeting was concerning, as the environmental groups oppose recognizing biomass as a renewable heating source. This may change the dynamic for the people, schools and businesses on Prince of Wales that utilize biomass heating. Jon will be following the process and keeping the council informed.

Treasurer- Joyce reported that sales tax revenue is down 15% from last year, and even back to 2011. Christine was here conducting the annual financial audit, and had no reportable questions. Kim Patotska asked if the drop in tax revenue was in fishing, or the businesses in Craig. Joyce responded that just about everything was down, and much of the drop was due to Silver Bay not operating this year.

Aquatic Manager- Excused.

City Clerk- Kassi didn't have anything new to report, aside from the next meeting scheduled for November 17th, and the General Election will be held at Craig City Hall Tuesday November 8.

City Planner- Brian submitted a written report and encouraged the council and public to complete the Craig Community Survey.

EMS Coordinator- Provided a written report, and noted that the haunted house went well, and the department is meeting with a new potential sponsor, Dr. Bowman.

Harbormaster- Mike Peel provided a written report and plans to begin on the dock repair tentatively towards the end of the month, depending on the geoduck season.

Library- Kim provided a written report.

Police Chief- Absent excused.

Public Works- Ron provided a written report. Mayor Watson requested that Ron be available for the PSN Road Maintenance meetings as needed to answer questions.

Parks and Rec- Victoria reported that Parks and Public Facilities staff have repainted the gym, and it looks great. Victoria is prepping for the upcoming bazaars.

Parks and Public Facilities- Doug provided a written report and reported that the sauna heater has been replaced.

READING OF CORRESPONDENCE

Jim See would like to be present during the jail site visit, and explained why large portions of SB91 should be repealed.

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

Ordinance 693, Troy and Di Thain Land Purchase

DAHL/PIERCE

moved to adopt Ordinance 693.

Brian commented that Cheryl Fecko submitted comments which have been dispersed to the council and added into the public packet.

Kim Patotzka feels that the ordinance shouldn't be approved due to the city property that the public will be giving up, as it is used primarily for recreation. Kim mentioned that the parking lot is already encroaching on city property, and has been paved. Kim doesn't feel that the community should sacrifice the land used for recreation to enhance personal property.

Mike Douville opposes the ordinance as well, with unwillingness to give up any of the few city properties left.

Kim Baxter commented that as a neighbor in the area for 26 years, she shares Mike's opposition to the ordinance.

Jim See was in opposition to the ordinance at first as well, but after seeing what city property is being used by the property owners nearby, for free in the past, and realizing that the Thain's will pay property tax on the property, Jim is in favor of approving the updated design.

Troy Thain commented that the design does not include the beachfront property, and the beach access and park will not be affected by the ordinance at all.

Mike Douville commented that anything sold must be sold for appraised value, and the terms will come back before the council.

MOTION CARRIED BY ROLL CALL VOTE

Mike Douville-No

Jan Trojan- Yes

Jim See- Yes

Don Pierce- Yes

Hannah Bazinet- Yes

Greg Dahl- No

UNFINISHED BUSINESS

Review revenue options for St. Nicholas Road maintenance costs

PIERCE/DAHL

moved to table the review of revenue options for Port St. Nicholas road maintenance costs.

MOTION CARRIED UNANIMOUSLY

Notice of Non-Gaming Trust Land Acquisition Application

The Bureau of Indian Affairs is traveling to Craig to address the letter Jon sent to them earlier this month. The BIA staff plans to be here the Wednesday following Election Day. The BIA will grant additional time for comments, however it will only be extended 30 days. Clinton Cook of Craig Tribal Association provided the CTA's letters mentioned in the previous meeting, which have been included in this packet.

Review General Fund revenue options from the Craig Budget Committee

The City staff prepared information for the council regarding potential revenue sources, due to the decrease in sales tax, and lack of state funding. Mayor Watson suggested postponing this discussion until the community surveys are received.

Discussion on wolf harvest levels, Game Unit 2

Jon explained that the goal for this topic is to bump the quota levels up the current 11 to 22, which is what the State would normally allow without the 50% reduction for other human-cause mortality. Jon received a written response from the State, where the State responded to several questions staff asked in the letter. Since the District Ranger has the option to close the season, Jon believes that the best avenue would be to work through the Federal Subsistence Board. The Craig Tribal Association is working with managers on the level of which the quota is set. Jon expects some in-person meetings within the next couple weeks. The council was in support of Jon working on this project further.

NEW BUSINESS

Consider approval of purchase of playground equipment at Craig Child Care Center

PIERCE/SEE

moved to approve purchase option 3 for the
Craig Child Care Center.

Allison Weyhmiller was present to discuss the state of the playground equipment at the Craig Child Care Center. Allison mentioned the age appropriate equipment that the daycare would like to purchase, and the need for equipment geared towards toddler age children.

MOTION CARRIED UNANIMOUSLY

ADJOURNMENT

DOUVILLE/DAHL

moved to adjourn at 8:39 p.m.

MOTION CARRIED

APPROVED _____

MAYOR DENNIS WATSON

ATTEST _____
KASSI BATEMAN, CITY CLERK

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Jon Bolling, City Administrator
Date: November 23, 2016
RE: December Staff Report

1. USFS Landscape Assessment Project

As reported to the council in prior staff reports, the USFS has announced its intent to write what it calls a landscape assessment for POW and the surrounding islands. The assessment will apparently identify specific land use and resource projects to occur on national forest lands on POW over the next 10-15 years. In adopting a landscape assessment, the Forest Service intends to complete the required NEPA process for all projects identified in the assessment. It is hoped that by doing so the agency can avoid multiple NEPA processes for these same projects, the outcome of each of which is uncertain. Membership in the POW Landscape Assessment Team is made up of a wide range of interests. The team hopes to complete its work in May 2017.

The POW Landscape Assessment Team met most recently on November 4. The group identified many resource issues it would like information on as it prepares to deliberate on the value of specific projects that may become a part of the assessment document. The team also approved a resolution that authorizes it to enter into a facilitation agreement with The Nature Conservancy to assist in the preparation for its meetings and ultimately for the proposals it will make to the USFS for including in an eventual landscape level assessment document for POW Island.

The POWLAT meets again on December 15 at the CTA Tribal Hall, where the team members will interact with USFS staff at various stations set up in the hall. Each station will provide information on resources in the POW area. The intent of this format is to allow POWLAT members, and the broader public, receive a broad understanding of existing conditions on the forest, and learn about specific past, present, and planned future projects on national forest lands in the POW area. Team members will use this information as it works toward developing its own proposals for the USFS to consider for inclusion in an eventual landscape assessment document for the Craig and Thorne Bay Ranger Districts.

2. AP&T Tariff Increase Proposal

The city attorney is working on submitting its initial documentation to the Regulatory Commission of Alaska regarding Alaska Power & Telephone's filing to increase local electrical rates. Our attorney also represents the cities of Skagway and Gustavus, so it is likely that we will coordinate our efforts and make the case to RCA that the current rates are already high enough.

Most recently, the city filed its motion to intervene in the rate case. This step is required by the RCA to fully participate in the rate case. AP&T opposed the city's petition to intervene, and the Alaska Attorney General's office filed a non-opposition to the petition. We were notified on November 7 that the hearing officer ruled that Craig, Gustavus, and Skagway may intervene in the rate case. At this point staff will need to spend more time

on this complex issue to assist the city attorney in making the city's case to the RCA to limit another rate hike.

3. Craig Cable TV Settlement

The city recently accepted title to a Freightliner bucket truck from Craig Cable TV as full settlement of the debt owed by the company to the City of Craig. The truck is in fair condition, and staff estimates the value of the truck at between \$15,000 and \$25,000. That amount is well short of the judgement of approximately \$59,600 awarded by the Alaska Superior Court. However, our likelihood of collecting on the full amount of that judgement was very low. I will talk with the city's department heads about the merits of selling the bucket truck versus retaining it for use by staff.

4. Wolf Management Meeting

At the invitation of the Craig Tribal Association, I attended a government to government meeting with the CTA and US Forest Service staff regarding the current year's wolf season. The meeting centered on the low allowable quota of wolves for the current season, and new information available to game managers that the tribe hopes will result in a higher quota of animals this year, perhaps up to 22 animals. The season is managed jointly by the Alaska Department of Fish and Game and the US Forest Service. Particularly at issue is the managers' decision to reduce the harvest level from the regulatory permitted 22 animals to only 11 to account for human caused mortality apart from those wolves killed and properly reported.

The CTA is likely to file what is called a special action request with the federal agencies asking them to reconsider the fifty percent reduction in the regulatory permitted quota. The federal resource agencies will then respond to the tribe's request in an expedited manner. A request to the State of Alaska Board of Game for a change to restore the regulatory-permitted take from twenty percent back to the prior standard of thirty percent of the estimated wolf population each year will likely follow.

On a related note, the Southeast Alaska Subsistence Regional Advisory Council will meet here in Craig in March. Among agenda items will be a discussion of wolf management in Game Unit 2. That meeting will be an opportunity for island residents to weigh in with the board on local interest in setting season quotas and other wolf management measures.

5. POWCAC Meeting

The POW Community Advisory Council is set to meet on Tuesday, November 29 in Klawock. Among the topics of discussion is a review of what's call the Alaska Plan for development of telecommunications on POW Island, and an update on POWLAT.

6. AP&T Pole Placement Agreement

On November 22, 2016 I signed the city council-approved pole placement agreement between the City of Craig and Alaska Power and Telephone. That agreement is now in effect and will expire in 2046.

7. Travel/Leave Schedule

December: To Ketchikan December 15, and again December 26 for personal travel.

City of Craig
Cash Balances
10/31/2016

General Fund

Deposit Clearing Account	93,925.08
Checking - First Bank	2,782,154.28
Checking - Wells Fargo	99,684.62
Petty Cash	300.00
Petty Cash-Harbors	200.00
Petty Cash- Aquatic Center	250.00
Petty Cash - Police	150.00
Petty Cash- Library	50.00
Specail Recreation Savings	<u>1,939.04</u>
Total	<u>2,978,653.02</u>

Restricted Fund

Cash, , Police Fund	3,422.11
Cash Evidence, Police	4,393.28
Police Petty Cash	5,000.00
Cash	204,335.16
Cash Hatchery Salmon Derby	119,402.83
Cash Aquatic Center Bond Fund	976,409.69
MM Hatchery Funds	(976,559.82)
MM Park Funds	12,578.84
Fish Quota Funds	15,480.35
MM POW Clinic Funds	39,153.06
MM INVEST MUNI LAND	528,667.85
CASH MMkt NFR -School FB	1,717,778.60
CD /NFR SCHOOL ProEquities	<u>2,279,352.27</u>
Total	<u>4,929,414.22</u>

Endowment

Cash Held Endowment	365,528.01
CD Invest, Endowment	502,952.76
Fixed Inc. Investment Endowment	2,845,923.55
Accr. Int., Endowment	21,910.00
Equity Invest., Endowment	4,078,543.08
Unrealized Gain/Loss Endowment	33,452.44
Unrealized Gain/Loss Equity, Endowment	<u>2,063,713.62</u>
Total	<u>9,912,023.46</u>

Enterprise Fund

Debt Service Savings	14,973.25
Water & Wastewater Cash	4,463.77
Harbor Reserve MM Acct.	<u>148,627.81</u>
Total	<u>168,064.83</u>

City of Craig
04. Craig Gov Revenue

October 31, 2016

	M-T-D Actual	Y-T-D Actual	Budget	Variance	% of Budget
01 00.4000.00 000 Property Tax	0	615,102	595,000	20,102	103
01 00.4050.00 000 Sales Tax	512,234	902,897	1,500,000	(597,103)	60
01 00.4055.00 000 Delinquent Sales Tax	0	245	2,000	(1,755)	12
01 00.4060.00 000 Liquor Sales Tax	35,623	64,199	120,000	(55,801)	54
01 00.4070.00 000 Property Tax Penalties	3,654	3,654	2,000	1,654	183
01 00.4080.00 000 Sales Tax Penalties	0	2,117	0	2,117	0
Total Local Taxes	551,511	1,588,214	2,219,000	(630,786)	72
01 00.4100.00 000 Property PILT Funding	0	295,383	270,000	25,383	109
01 00.4110.00 000 State Revenue Sharing	0	96,626	96,661	(35)	100
01 00.4111.00 000 Liquor Revenue Sharing	0	0	5,000	(5,000)	0
01 00.4112.00 000 Fish Bus Tax - DOR	0	0	250,000	(250,000)	0
01 00.4120.00 000 Shared Fish Tax - DCED	0	0	4,000	(4,000)	0
Total State Revenue	0	392,009	625,661	(233,652)	63
01 00.4220.00 000 EMS Service Fees	6,301	18,687	30,000	(11,313)	62
01 00.4250.00 000 EMS Training Fees	0	2,345	1,000	1,345	235
01 00.4260.00 000 Aquatic Center Revenue	2,993	5,512	50,000	(44,488)	11
01 00.4270.00 000 Library Fees	108	856	1,000	(145)	86
01 00.4275.00 000 Recreation Revenue	2,059	5,467	12,000	(6,533)	46
01 00.4280.00 000 Senior Card Fees	60	340	1,000	(660)	34
01 00.4620.00 000 Taxi Permit Fees	0	0	100	(100)	0
01 00.4640.00 000 Building Permit Fees	90	240	1,000	(760)	24
01 00.4644.00 000 Access Permit Fees	0	4,050	7,000	(2,950)	58
Total Permits & Fees	11,611	37,497	103,100	(65,604)	36
01 00.4300.00 000 Property Lease/Rentals	4,316	14,940	53,000	(38,060)	28
01 00.4400.00 000 Material Sales	0	0	1,000	(1,000)	0
01 00.4420.00 000 Dump Waste Fees	2,446	2,446	0	2,446	0
01 00.4450.00 000 K Salmon Hatchery Support	0	2,225	0	2,225	0
Total Local Revenue	6,762	19,611	54,000	(34,389)	36
01 00.4700.00 000 Police-Fines,Citation	900	1,165	10,000	(8,835)	12
01 00.4703.00 000 Motor Vehicle Commission	5,246	22,369	60,000	(37,631)	37
01 00.4704.00 000 Dog Licenses	0	55	0	55	0
01 00.4650.00 000 State Trooper Dispatch	0	1,250	10,000	(8,750)	13
01 00.4660.00 000 State Jail Contract Revenue	80,681	161,362	286,584	(125,222)	56
01 00.4665.00 000 Klawock Dispatch	0	13,272	50,000	(36,728)	27
01 00.4670.00 000 Forest Service Dispatch	0	3,000	3,000	0	100
Total Public Safety Funds	86,827	202,473	419,584	(217,111)	48
01 00.4800.00 000 Interest Income (CKNG & CD)	0	5	0	5	0
01 00.4820.00 000 Interest Income (A/R)	660	1,825	1,000	825	183
01 00.4900.00 000 Misc Revenue	16	763	5,000	(4,237)	15
Total Other Revenue	676	2,593	6,000	(3,407)	43
Total Revenues	\$ 657,387	\$ 2,242,397	\$ 3,427,345	\$ (1,184,949)	\$ 65

City of Craig
Revenue and Expense MTD and YTD
October 31, 2016

	Month to Date	Y-T-D Current Year	Y-T-D Encumbrance	Total	Budget	Variance	% of Budget
	13	52	0	52	300	248	17.33
Total Expenses	0	0	0	0	0	0	0.00
Capital Expenses	0	0	0	0	0	0	0.00
Total Expenditures	9,873	41,786	1,261	43,047	147,621	104,574	29.16
13 Planning							
Personnel Expenses							
Total Expenses	4,774	21,483	0	21,483	50,619	29,136	42.44
Personnel Benefits Expenses							
Total Expenses	2,648	11,496	0	11,496	38,313	26,817	30.01
Contract Expenses							
Total Expenses	5,810	5,851	0	5,851	180	(5,671)	(3,249.56)
Personnel Misc Expenses							
Total Expenses	0	63	0	63	0	(63)	0.00
Material & Supplies Expenses							
Total Expenses	345	345	0	345	800	455	43.13
Utilities Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Maintenance Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Misc Expenses							
Total Expenses	98	272	0	272	1,384	1,112	19.65
Capital Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Total Expenditures	13,675	39,510	0	39,510	91,296	51,786	43.28
14 Parks & Facilities							
Personnel Expenses							
Total Expenses	8,383	46,768	0	46,768	131,330	84,562	35.61
Personnel Benefits Expenses							
Total Expenses	6,465	29,912	0	29,912	91,477	61,565	32.70
Contract Expenses							
Total Expenses	498	1,904	(75)	1,829	7,200	5,371	25.40
Personnel Misc Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Material & Supplies Expenses							
Total Expenses	(702)	14,635	224	14,859	6,760	(8,099)	(218.81)

City of Craig
Revenue and Expense MTD and YTD
October 31, 2016

	Month to Date	Y-T-D Current Year	Y-T-D Encumbrance	Total	Budget	Variance	% of Budget
Utilities Expenses							
Total Expenses	1,636	4,071	0	4,071	12,200	8,129	33.37
Maintenance Expenses							
Total Expenses	738	738	(738)	0	11,900	11,900	0.00
Misc Expenses							
Total Expenses	556	2,224	0	2,224	8,025	5,801	27.71
Capital Expenses							
Total Expenses	0	4,062	(4,064)	(2)	7,570	7,572	(0.03)
Total Expenditures	17,574	104,314	(4,653)	99,661	276,462	176,801	36.05
15 Public Works							
Personnel Expenses							
Total Expenses	9,891	48,806	0	48,806	128,984	80,178	37.84
Personnel Benefits Expenses							
Total Expenses	6,596	31,801	0	31,801	94,598	62,797	33.62
Contract Expenses							
Total Expenses	80	80	0	80	500	420	16.00
Personnel Misc Expenses							
Total Expenses	0	0	0	0	675	675	0.00
Material & Supplies Expenses							
Total Expenses	1,690	8,541	170	8,712	15,600	6,888	55.85
Utilities Expenses							
Total Expenses	1,112	3,543	0	3,543	18,600	15,057	19.05
Maintenance Expenses							
Total Expenses	8,159	18,956	1,883	20,840	24,500	3,660	85.06
Misc Expenses							
Total Expenses	302	1,228	0	1,228	5,653	4,425	21.72
Capital Expenses							
Total Expenses	0	1,252	794	2,046	1,500	(546)	(135.40)
Total Expenditures	27,830	114,207	2,847	117,056	290,610	173,554	40.28
16 Police							
Personnel Expenses							
Total Expenses	41,288	179,750	0	179,750	505,810	326,060	35.54
Personnel Benefits Expenses							
Total Expenses	25,151	107,795	40	107,835	347,357	239,522	31.04
Contract Expenses							

City of Craig
Revenue and Expense MTD and YTD
October 31, 2016

	Month to Date	Y-T-D Current Year	Y-T-D Encumbrance	Total	Budget	Variance	% of Budget
Total Expenses	400	630	271	901	1,800	899	50.06
Personnel Misc Expenses							
Total Expenses	0	1,275	0	1,275	2,000	725	63.75
Material & Supplies Expenses							
Total Expenses	3,286	18,801	184	18,985	39,000	20,015	48.68
Utilities Expenses							
Total Expenses	2,163	7,995	0	7,995	25,018	17,023	31.96
Maintenance Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Misc Expenses							
Total Expenses	2,187	6,155	278	6,433	9,471	3,038	67.92
Capital Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Total Expenditures	<u>74,475</u>	<u>322,401</u>	<u>773</u>	<u>323,174</u>	<u>930,456</u>	<u>607,282</u>	<u>34.73</u>
17 EMS							
Personnel Expenses							
Total Expenses	6,112	29,357	0	29,357	88,196	58,840	33.29
Personnel Benefits Expenses							
Total Expenses	3,186	13,263	0	13,263	48,278	35,015	27.47
Contract Expenses							
Total Expenses	704	1,268	0	1,268	2,500	1,232	50.72
Personnel Misc Expenses							
Total Expenses	0	221	0	221	6,320	6,100	3.50
Material & Supplies Expenses							
Total Expenses	1,445	4,538	2,595	7,133	13,900	6,767	51.32
Utilities Expenses							
Total Expenses	581	1,576	0	1,576	4,300	2,724	36.65
Maintenance Expenses							
Total Expenses	0	0	0	0	750	750	0.00
Misc Expenses							
Total Expenses	293	1,322	0	1,322	4,520	3,198	29.25
Capital Expenses							
Total Expenses	0	990	1,048	2,038	1,500	(538)	(134.87)
Total Expenditures	<u>12,321</u>	<u>52,535</u>	<u>3,643</u>	<u>56,178</u>	<u>170,264</u>	<u>114,088</u>	<u>32.99</u>
18 Fire Department							

City of Craig
Revenue and Expense MTD and YTD
October 31, 2016

	Month to Date	Y-T-D Current Year	Y-T-D Encumbrance	Total	Budget	Variance	% of Budget
Personnel Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Personnel Benefits Expenses							
Total Expenses	175	700	0	700	4,186	3,486	16.72
Contract Expenses							
Total Expenses	0	0	0	0	3,600	3,600	0.00
Personnel Misc Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Material & Supplies Expenses							
Total Expenses	52	119	0	119	0	(119)	0.00
Utilities Expenses							
Total Expenses	109	721	0	721	3,800	3,080	18.97
Maintenance Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Misc Expenses							
Total Expenses	356	1,404	0	1,404	4,020	2,616	34.93
Capital Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Total Expenditures	692	2,944	0	2,944	15,606	12,663	18.86
19 Library							
Personnel Expenses							
Total Expenses	4,548	20,201	0	20,201	60,750	40,549	33.25
Personnel Benefits Expenses							
Total Expenses	3,139	12,717	0	12,717	46,625	33,908	27.28
Contract Expenses							
Total Expenses	80	665	0	665	1,350	685	49.26
Personnel Misc Expenses							
Total Expenses	0	75	0	75	235	160	31.91
Material & Supplies Expenses							
Total Expenses	223	1,200	67	1,267	10,215	8,948	12.40
Utilities Expenses							
Total Expenses	401	(4,883)	0	(4,883)	8,460	13,343	(57.72)
Maintenance Expenses							
Total Expenses	0	0	0	0	1,803	1,803	0.00
Misc Expenses							
Total Expenses	40	180	0	180	0	(180)	0.00

City of Craig
Revenue and Expense MTD and YTD
October 31, 2016

	Month to Date	Y-T-D Current Year	Y-T-D Encumbrance	Total	Budget	Variance	% of Budget
Capital Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Total Expenditures	8,431	30,155	67	30,222	129,438	99,216	23.35
24 Recreation							
Personnel Expenses							
Total Expenses	3,766	15,741	0	15,741	44,524	28,783	35.35
Personnel Benefits Expenses							
Total Expenses	2,910	11,780	0	11,780	31,920	20,140	36.90
Contract Expenses							
Total Expenses	1,309	1,929	0	1,929	4,900	2,971	39.37
Personnel Misc Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Material & Supplies Expenses							
Total Expenses	217	946	0	946	1,665	719	56.82
Utilities Expenses							
Total Expenses	1,053	2,652	0	2,652	12,500	9,848	21.22
Maintenance Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Misc Expenses							
Total Expenses	217	868	0	868	3,340	2,472	25.99
Capital Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Total Expenditures	9,472	33,916	0	33,916	98,849	64,933	34.31
25 Aquatic Center							
Personnel Expenses							
Total Expenses	9,280	24,232	0	24,232	139,452	115,220	17.38
Personnel Benefits Expenses							
Total Expenses	3,963	15,305	0	15,305	104,038	88,733	14.71
Contract Expenses							
Total Expenses	217	580	0	580	4,000	3,420	14.50
Personnel Misc Expenses							
Total Expenses	0	0	0	0	5,020	5,020	0.00
Material & Supplies Expenses							
Total Expenses	509	10,145	1,717	11,862	21,720	9,858	54.61
Utilities Expenses							

City of Craig
Revenue and Expense MTD and YTD
October 31, 2016

	Month to Date	Y-T-D Current Year	Y-T-D Encumbrance	Total	Budget	Variance	% of Budget
Personnel Misc Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Material & Supplies Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Utilities Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Maintenance Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Misc Expenses							
Total Expenses	0	0	0	0	0	0	0.00
Capital Expenses							
Total Expenses	271	844	0	844	26,948	26,104	3.13
Total Expenditures	271	844	0	844	26,948	26,104	3.13

City of Craig
Revenue and Expense MTD and YTD
October 31, 2016

	M-T-D Actual	Y-T-D Actual	Y-T-D Encumbrance	Y-T-D Budget	Variance	% Budget
Sewer						
Total Revenues	\$ 21,122.22	\$ 91,605.37	\$ 0.00	\$ 275,000.00	\$ (183,394.63)	(33.31)
Personnel Expenditures						
Total Personnel Expenditures	6,103.87	29,727.82	0.00	113,430.00	83,702.18	26.21
Benefits Expenditures						
Total Benefits Expenditures	3,402.53	15,218.97	0.00	64,929.00	49,710.03	23.44
Contract Expenditures						
Total Contract Expenditures	291.00	880.20	0.00	5,100.00	4,219.80	17.26
Travel & Ed Expenditures						
Total Travel & Expenditures	0.00	134.00	0.00	825.00	691.00	16.24
Materials Expenditures						
Total Materials Expenditures	233.99	2,057.09	149.71	9,900.00	7,693.20	22.29
Utilities Expenditures						
Total Utilities Expenditures	2,572.74	9,584.77	0.00	39,700.00	30,115.23	24.14
Repairs & Maint Expenditures						
Total Repairs & Maint Expenditures	171.00	598.91	(171.00)	11,000.00	10,572.09	3.89
Other Expenditures						
Total Other Expenditures	513.02	2,242.21	0.00	10,588.00	8,345.79	21.18
Capital & Debt Expenditures						
Total Capital & Debt Expenditures	0.00	60,560.23	0.00	59,997.00	(563.23)	(99.94)
Total Expenditures	\$ 13,288.15	\$ 121,004.20	\$ (21.29)	\$ 315,469.00	\$ 194,486.09	\$ 38.35
Excess Revenue Over (Under) Expenditures	7,834.07	(29,398.83)	21.29	(40,469.00)	(377,880.72)	(72.59)
Water						
Total Revenues	\$ 19,367.23	\$ 91,744.93	\$ (450.00)	\$ 260,500.00	\$ (169,205.07)	(35.05)
Personnel Expenditures						
Total Personnel Expenditures	12,930.58	50,667.16	0.00	117,423.00	66,755.84	43.15
Benefits Expenditures						
Total Benefits Expenditures	6,471.14	23,953.78	0.00	63,906.00	39,952.22	37.48
Contract Expenditures						
Total Contract Expenditures	0.00	890.00	0.00	6,100.00	5,210.00	14.59
Travel & Ed Expenditures						
Total Travel & Expenditures	0.00	335.00	315.00	1,190.00	540.00	54.62
Materials Expenditures						

City of Craig
Revenue and Expense MTD and YTD
October 31, 2016

	M-T-D Actual	Y-T-D Actual	Y-T-D Encumbrance	Y-T-D Budget	Variance	% Budget
Total Materials Expenditures	227.19	11,178.90	856.44	38,650.00	26,614.66	31.14
Utilities Expenditures						
Total Utilities Expenditures	3,573.92	13,291.37	0.00	61,100.00	47,808.63	21.75
Repairs & Maint Expenditures						
Total Repairs & Maint Expenditures	45.00	7,668.92	(45.00)	6,000.00	(1,623.92)	(126.07)
Other Expenditures						
Total Other Expenditures	542.02	2,348.21	0.00	8,935.00	6,586.79	26.28
Capital & Debt Expenditures						
Total Capital & Debt Expenditures	0.00	22,101.29	1,030.92	23,835.00	702.79	97.05
Total Expenditures	\$ 23,789.85	\$ 132,434.63	\$ 2,157.36	\$ 327,139.00	\$ 192,547.01	\$ 41.14
Excess Revenue Over (Under) Expenditures	(4,422.62)	(40,689.70)	(2,607.36)	(66,639.00)	(361,752.08)	(64.97)
Garbage						
Total Revenues	\$ 24,513.40	\$ 100,564.60	\$ 0.00	\$ 290,000.00	\$ (189,435.40)	\$ (34.68)
Personnel Expenditures						
Total Personnel Expenditures	2,379.56	12,611.11	0.00	38,205.00	25,593.89	33.01
Benefits Expenditures						
Total Benefits Expenditures	1,889.99	9,977.39	0.00	32,436.00	22,458.61	30.76
Contract Expenditures						
Total Contract Expenditures	16,687.80	57,484.96	0.00	221,500.00	164,015.04	25.95
Travel & Ed Expenditures						
Total Travel & Expenditures	0.00	0.00	0.00	0.00	0.00	0.00
Materials Expenditures						
Total Materials Expenditures	510.59	2,382.48	544.81	8,800.00	5,872.71	33.26
Utilities Expenditures						
Total Utilities Expenditures	0.00	0.00	0.00	0.00	0.00	0.00
Repairs & Maint Expenditures						
Total Repairs & Maint Expenditures	0.00	0.00	650.00	2,500.00	1,850.00	26.00
Other Expenditures						
Total Other Expenditures	361.02	1,624.19	0.00	6,004.00	4,379.81	27.05
Capital & Debt Expenditures						
Total Capital & Debt Expenditures	0.00	2,650.00	0.00	0.00	(2,650.00)	0.00
Total Expenditures	\$ 21,828.96	\$ 86,730.13	\$ 1,194.81	\$ 309,445.00	\$ 221,520.06	\$ 28.41

City of Craig
Revenue and Expense MTD and YTD
October 31, 2016

	M-T-D Actual	Y-T-D Actual	Y-T-D Encumbrance	Y-T-D Budget	Variance	% Budget
Excess Revenue Over (Under) Expenditures	2,684.44	13,834.47	(1,194.81)	(19,445.00)	(410,965.46)	65.00
Harbor						
Total Revenues	\$ 91,044.80	\$ 148,483.87	\$ 0.00	\$ 268,500.00	\$ (120,016.13)	\$ (55.30)
Personnel Expenditures						
Total Personnel Expenditures	8,691.87	48,147.54	0.00	112,771.00	64,623.46	42.69
Benefits Expenditures						
Total Benefits Expenditures	5,833.99	26,674.26	0.00	58,954.00	32,279.74	45.25
Contract Expenditures						
Total Contract Expenditures	40.00	349.99	0.00	0.00	(349.99)	0.00
Travel & Ed Expenditures						
Total Travel & Expenditures	0.00	150.00	0.00	0.00	(150.00)	0.00
Materials Expenditures						
Total Materials Expenditures	2,268.89	10,823.90	1,715.85	5,500.00	(7,039.75)	(227.00)
Utilities Expenditures						
Total Utilities Expenditures	1,757.26	8,307.86	0.00	27,100.00	18,792.14	30.66
Repairs & Maint Expenditures						
Total Repairs & Maint Expenditures	911.89	11,493.31	2,854.04	16,620.00	2,272.65	86.33
Other Expenditures						
Total Other Expenditures	1,451.26	16,769.20	0.00	24,805.00	8,035.80	67.60
Capital & Debt Expenditures						
Total Capital & Debt Expenditures	0.00	0.00	1,095.00	3,000.00	1,905.00	36.50
Total Expenditures	\$ 20,955.16	\$ 122,716.06	\$ 5,664.89	\$ 248,750.00	\$ 120,369.05	\$ 51.61
Excess Revenue Over (Under) Expenditures	70,089.64	25,767.81	(5,664.89)	19,750.00	(240,385.18)	(101.79)
JTB Industrial Park						
Total Revenues	\$ 354,685.32	\$ 443,488.93	\$ 0.00	\$ 409,031.00	\$ 34,457.93	\$ 107.42
Personnel Expenditures						
Total Personnel Expenditures	7,424.07	25,905.35	0.00	53,286.00	27,380.65	48.62
Benefits Expenditures						
Total Benefits Expenditures	2,398.68	7,664.35	0.00	34,098.00	26,433.65	22.48
Contract Expenditures						
Total Contract Expenditures	41.60	91.60	0.00	1,800.00	1,708.40	5.09
Travel & Ed Expenditures						

City of Craig
Revenue and Expense MTD and YTD
October 31, 2016

	M-T-D Actual	Y-T-D Actual	Y-T-D Encumbrance	Y-T-D Budget	Variance	% Budget
Total Expenditures	\$ 169.37	\$ 388.25	\$ 0.00	\$ 5,181.00	\$ 4,792.75	7.49
Excess Revenue Over (Under) Expenditures	273.03	3,107.20	0.00	(3,181.00)	(3,297.30)	97.68

City of Craig Memorandum

Date: November 18, 2016
To: Mayor Watson and Craig City Council
From: Kassi Bateman, City Clerk
Re: Clerks Report

Clerks Conference

I had the opportunity to attend the Clerk's Conference in Anchorage November 13-15th. This conference was very informative, and I enjoyed the opportunity to get more job training, as well as network with other clerks around the State.

Time Management-Jan Harrison

Time Management was the academy course that I attended the day prior to the actual conference. This course will provide me with points to apply towards my Master Municipal Clerk designation, should I decide to pursue it. Aside from the "credits", this course had so much great information in it. Jan brought up some of the everyday tasks in the clerk world that many of the clerks in attendance didn't realize were taking up valuable time. As one of the many liaisons for the public, the city clerk has many disruptions. Jan gave some great suggestions for ways to dissuade interruptions while still maintaining the integrity of the position. Jan also had the clerks in attendance write out a mission statement as it pertains to their individual municipalities. This was beneficial for us to really look at how we would describe our positions, what tasks are essential, what is time sensitive and what can be delegated or turned down. This course gave the attendees information and suggestions for dissuading extra work when it is unnecessary, which is something that I struggle with at times as well. I was thankful to be able to attend the academy prior to the conference.

Ethics and Open Meetings Act-Michael Gatti and Rene Broker

This course wasn't quite as beneficial as some of the others. Michael spoke directly from his presentation, and most all were cases that have happened in Alaska regarding the Open Meetings Act. Rene could provide scenarios that tied the Open Meetings Act to situations that would be more likely to happen in our municipality. All-in-all, this was not one of the better courses in my opinion.

Parliamentary Procedure Parts 1,2,3- Nancy Sylvester

Nancy Sylvester was fantastic. Nancy could take a subject matter that is difficult for many to follow, and break it down into manageable bites. Nancy's presentation was clear, the visual aids were beneficial, and I walked away from that course much more confident in my "parliamentarian duties" than I did prior to the conference. Nancy would be a great asset for anyone who has questions regarding Roberts Rules of Order, as she is a Certified Professional Parliamentarian (CPP) and Certified Professional Teacher of Parliamentary Procedure (CPP-T) through the American Institute of Parliamentarians as well as a Professional Registered Parliamentarian (PRP) through the National Association of Parliamentarian. She has served as the Parliamentarian for the National Association of Parliamentarians multiple times, thus serving as the parliamentarians' parliamentarian (her own words).- In other words, she knows her stuff.

City of Craig Memorandum

Social Media-Allie Ferko and Paul Ewers

The first portion of this session was very useful, and Allie did a great job with delivery. Our municipality has a Facebook and Twitter account, so I received a lot of information that was much needed. The templates for social media policies will be beneficial for transferring to the City of Craig. This will be an upcoming project for Brian and myself.

Paul's portion was difficult to follow, and didn't contain a lot of necessary information, in my opinion. Paul didn't have a lot of direction in his presentation, and used a lot of stories that didn't pertain to the subject matter. I would love to receive more pertinent information regarding the legality of social media postings/accounts.

Marijuana Regulations Update-Cynthia Franklin

Cynthia was hilarious. I loved this course because it was easy to understand the regulations, process and what the new substances are a look like with Cynthia's direction. I had no idea what kind of new products were being included in these regulations, because I have never seen or looked at any. Cynthia provided photos to accompany her slides that explained what the retail stores will need to look like under this new legislation, and what substances will be sold in the stores. Cynthia was great to answer questions, and explain what other municipalities are doing to work through these new regulations.

Public Speaking-Marsha Olson

Public speaking is something that I dread. I always have, in fact it's quite lucky that I made it through a two-year degree and one public speaking course. However, Marsha was so engaging and excited about her topic, it was easy to listen to her tips for public speaking as well as outlines for a good speech and not feel more at ease about the subject. I don't have to speak in public often, aside from a few words at each council meeting, but I believe I am much more prepared after taking this course than I was previously. I could bring home materials from this course for refreshers.

I also attended "speed dating" with a couple of vendors that were at the conference. One of the vendors we utilize for our code publishing, which is Code Publishing. They are enhancing the online platform, and many municipalities use Code Publishing for their online code versions. It was interesting to view some of the changes, and keep this extension of their services in mind for the future.

As with all conferences, and extra training that I am lucky to attend, I would thank the Council and Administration for allowing me to continue my education in this position. Attendance at the conference always reminds me that other clerks must plead their case to attend the continuing education courses, I appreciate all the support I receive here.

CITY OF CRAIG MEMORANDUM

To: Craig Mayor and City Council
From: Brian Templin, City Planner
Date: November 23, 2016
RE: Planning Department Staff Report – December 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 continuing to work on the details from their end. I expect to meet with DJ Hansen in the next two weeks regarding this sale.
 - 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 Rich wants to lease. Rich is still working on the survey and appraisal of the area.
 - c. Land Sale to Troy and Di Thain. Troy and Di Thain are working on the appraisal and survey.
 - 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. I will continue to work with them on this issue.
 - e. Tract 15 Development. Pole relocations and utility lines have been moved. SE Roadbuilders has completed subgrade of the new road and it will be finished in early 2017. I currently have a request for proposals to surplus the Craig Cable TV building from the site. I plan on procuring bids to remove the satellite dishes and concrete pads in December/January. Details on the land sale are on the agenda for approval at the December 1st meeting.
 - f. Quigley Lease. The council has approved negotiations with Mr. Quigley. Staff has had some preliminary conversation regarding the location of the boat haulout trailer building in relation to Mr. Quigley's proposed use of the leased area. No other action has been taken on this lease to date.
2. Craig Aquatic Center Renovation. CBC and their subcontractors have substantially completed all of the contracted work. The completion of the punchlist has been going slow but is getting closer to final. Most structural and mechanical punchlist items have been completed. I will continue to work with Jensen Yorba Lott and our staff to get the project punchlist items completed by the contractor.
3. Comprehensive Plan Update. The initial draft of the background section is complete. The background section will be updated after the community survey results are compiled. The community survey was mailed to all Craig PO boxes on October 27th. An online version of the survey has also been posted and can be accessed through the city's web page or Facebook page. The survey will be open

- until November 30th. I am working on the land use maps. Public meetings will be scheduled starting in December after the community survey results are compiled.
4. Tract 18 Housing Project. CTA is continuing to work on the project at Tract 18. Currently they are installing various utility lines on the site and connecting the utility mains at East Hamilton Drive. I recently met with Craig Moore and Sam Bergeron of Tlingit Haida Regional Housing Authority about the project. They are working with CTA to start construction of the 4-plex on the site and submission of the cooperative agreement with the city.
 5. Access Road on Tract P, USS 2327. The city provides access across Tract P, USS 2327 (Public Work shop yard). Currently this road winds across Tract P and accesses a couple of floathouses and the rear of CTA's building on Tract Q3. The city has been discussing design and construction of a new road with CTA for the past several years. Currently CTA has contracted with R&M Engineering to do preliminary surveying and design of the new road from Cold Storage Road all the way to Easy Street. The design is being funded completed by CTA. The new road will run directly adjacent to the property line between Tract P and lots in Tract Q (Thompson House, Post Office parking lot, CTA building). The new proposed road will connect to an existing access easement platted on Tract R (Sampson yard and Victoria's Design) to Easy Street if the design along the edge of the tideland is buildable. If the road is not buildable to Easy Street then likely a cul-de-sac will be design on Tract P. CTA is working on the design and is discussing future funding through tribal sources. No city funds for the project have been requested or appropriated. I will continue to work with the Public Works Director and CTA as the design work proceeds.
 6. Fiber Optic Internet Cable. The city is currently working with Byte Networking LLC out of Juneau to provide better internet capability to the library. Byte Networking intends to install a buried fiber optic cable from the library to the tower located at Spruce and 5th Street. During the upcoming installation we will also discuss the opportunity of connecting city hall, the old clinic building (EMS office and CPD video conferencing room), and the Craig Police Department building. We are looking at installation costs and monthly fees. If the city decides to proceed with connecting these other city buildings it may result in better internet capacity at a similar cost. We are currently waiting on written cost estimates from Byte Networking. Byte Networking is also interested in looking at potential sites to install microwave equipment to expand internet availability in Craig.
 7. Travel Schedule. I will be out of the office from December 5-9 on personal leave.

10/26/16-11/22/16

Submitted by Kimberly Baxter

Volunteer Hours: 50

Patron Visits: 1268

Circulation: 2445

Computer Usage: 444

Tests Proctored: 0

Meetings: 1

Alaska Digital Library Usage: 71

Upcoming Programs/Events:

- Nov 24th & 25th Library Closed for Thanksgiving.
- Dec 1st: Winter Reading Program starts.
- Dec 2nd: Ethics Training Class via OWL video conference, 12:30-4:10. Public use computer area will be closed for this class.
- Dec 5th: Polar Express OWL video conference, 10:30
- Dec 12th: Pioneer Christmas with Charles Ingles OWL video conference, 10:00
- Dec 13th: Cub Scout meeting 5:00 pm
- Dec 15th: Hank the Cowdog Holiday Special OWL video conference, 10:00
- Dec 17th: Book Club discusses At The Water's Edge by Sarah Gruen, 10:30
- Dec 23rd: Knit Night 6:00-8:00 pm
- Dec 21st: Holiday Crafts for elementary ages 11:00am
- Lost Book/Materials Drive. For the month of November fines will be forgiven for late/lost materials.
- Every Monday 9:00AM Soundtrap Studio

Head Start Story Time: Every Thursday, 10:00am

Preschool Story Time: Every Friday, 10:00am

Read 1000 Books Before Kindergarten (Ongoing)

Inventory was completed 11/14/16.

The Winter Reading Program will run Dec 1st – Jan 31st. For each book read the patron will get a ticket to enter into a prize drawing. There will be two drawings, one on Dec 31st and the other on Jan 31st. There will be several choices of prizes at each drawing.

**CITY OF CRAIG
MEMORANDUM**



Date: November 23, 2016
To: Honorable Dennis Watson, Craig City Council
Fr: RJ Ely, Police Chief
Re: Staff Report / November 2016

RJ Ely

ACTIVITY

Activity from October 26, 2016 through November 23, 2016. Dispatch Center took the following amount of calls for service:

Craig	671
Klawock	298
AST	12

DEPARTMENT OF MOTOR VEHICLES

DMV cancelled waivers for myself and Sgt. Medina to be able to conduct road testing. I'm in process of getting staff certified, in order to continue providing this service.

DISPATCHER(S)

Patricia "Trish" Kastl hired as Part Time / Fill In Dispatcher and is currently in training.

Lee Martynuik has resigned, last day will be January 1, 2017. He has agreed to continue conducting CDL Road Testing and Motorcycle Testing.

OFFICER(S)

Ofc. Bixler has graduated the Police Academy, has completed the Patrol Rifle Training and has returned to work.

OTHER

Craig Officers will be attending ARIDE (Advanced Roadside Impaired Driving Enforcement) Training, P.O.W. in December. AST is bringing training to P.O.W. and several agencies will be attending this training.

I was able to meet with new director of A.P.S.C., in Juneau, while I was traveling.

Funding secured for upgrading the paging system within the Dispatch Center. \$150,000 dollars. An additional \$30,000 dollars is also available to purchasing portable radios and mobile radios. C.T.A. heading grant and PD/City Hall assisted.

Kimberly Rice has been appointed as the new Juvenile Probation Officer, for P.O.W.

I will be attending Chiefs meetings, Contract Jail, APSC and others in Anchorage, first of December.

Memo

To: Mr. Mayor, Craig City Council

From: Ron McIntosh, Public Works Director

CC: Jon Bolling, City Administrator

Date: November 23, 2016

Re: Public Works Council Report for December 2, 2016

Activities and status:

1. The City of Craig Phase 4 Paving Project. Shut down until Spring 2017.
2. Public Works and Facilities completed the boardwalk extension next to the fuel dock.
3. Coordination continues with CTA on Tract 18.

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



Parks & Public Facilities

11/23/2016

Staff Report - November 2016

To: Craig Mayor and City Council

From: Douglas Ward

Projects completed:

- Board walk in front of Ruth Anne's. Joint project with Public Works
- Health Clinic HVAC computer replacement
- Made Wood Boiler chip drying system functional
- Exterior lighting upgrade to LED Public Works building

Projects currently in progress:



















- Paint City Gym.
- Triangle Park slope removal.
- Tree work and undergrowth removal at Ralph James Park.
- Chemical storage building @ Aquatic center
- Playground equipment preparations for Ralph James Park

Work Orders Completed This Month:



Parks & Public Facilities

11/23/2016

-  High-1381-replace emergency lights in Natatorium.xls
-  High-1397-Wire up motor for AHU at woodboiler.xls
-  High-1399-Replace exterior entrance light fixture at city gym front door.xls
-  High-1401-Take chemicals to pool.xls
-  High-1402-Adjust roll up door .xls
-  High-1403-Check water heaters at city gym.xls
-  High-1405-Troubleshoot and repair unleaded gasoline pump.xls
-  High-1406-Shave Door Down on Womens Restroom.xls
-  High-1407-put up wave runner sign in entryway at Aquatic Center.xls
-  High-1408-Fill waste oil burner with oil.xls
-  High-1409-Replace GFI outlet with regular for Gym parking lights.xls
-  High-1410-Change front entrance light bulbs.xls
-  High-1411-Pull out old barbeque stands to prep for new ones.xls
-  High-1413-Repair noisy TOYO stove.xls
-  High-1414-Replace new clinic HVAC computer.xls
-  High-1415-Put exterior lights on Photo eye controller. (Remove from Timer).xls
-  High-1416-service cement mixer.xls
-  Medium-1383-Replace exterior lighting with LED..xls

CITY OF CRAIG

Account Statement - Period Ending October 31, 2016



**ALASKA PERMANENT
CAPITAL MANAGEMENT**
Registered Investment Adviser

ACCOUNT ACTIVITY

Portfolio Value on 09-30-16	9,577,507
Contributions	0
Withdrawals	-1,131
Change in Market Value	-179,283
Interest	6,055
Dividends	0

Portfolio Value on 10-31-16

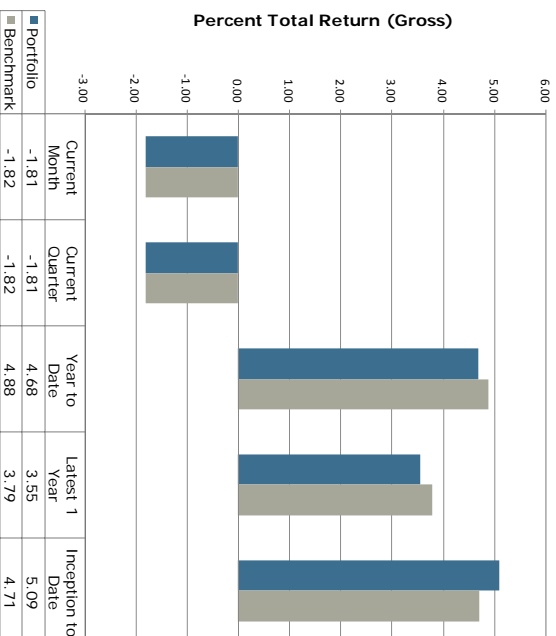
9,403,148

MANAGEMENT TEAM

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

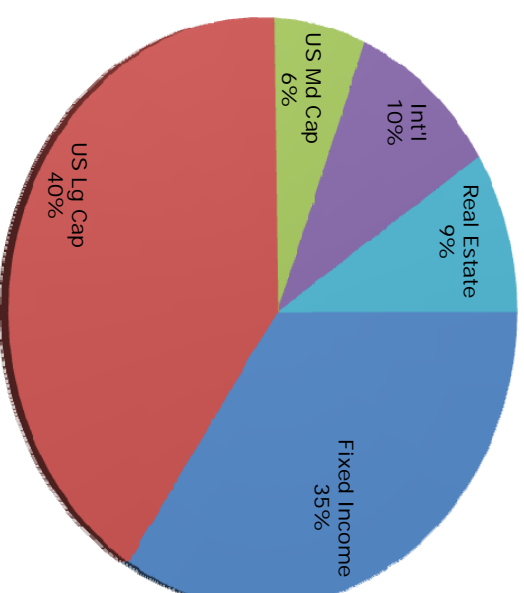
INVESTMENT PERFORMANCE

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
October 31, 2016

Asset Class & Target	Market Value	% Assets	Range
FIXED INCOME (34%)			
US Fixed Income (34.0%)	2,895,363	30.8	20% to 45%
Cash (0.0%)	365,528	3.9	na
Subtotal:	3,260,891	34.7	
EQUITY (66%)			
US Large Cap (40.0%)	3,769,362	40.1	30% to 50%
US Mid Cap (6.0%)	557,109	5.9	0% to 10%
Developed International Equity (10.0%)	932,778	9.9	5% to 15%
Real Estate (10.0%)	883,008	9.4	5% to 15%
Subtotal:	6,142,257	65.3	
TOTAL PORTFOLIO	9,403,148	100	

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

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
250,000	US TREASURY NOTES 1.500% Due 12-31-18	100.64	251,602	101.24	253,105	2.69	3,750	1,264	0.92
50,000	US TREASURY NOTES 1.500% Due 10-31-19	99.40	49,701	101.43	50,713	0.54	750	2	1.02
225,000	US TREASURY NOTES 1.250% Due 10-31-19	99.42	223,689	100.71	226,600	2.41	2,812	8	1.01
100,000	US TREASURY NOTES 3.500% Due 05-15-20	104.04	104,039	108.19	108,188	1.15	3,500	1,617	1.13
75,000	US TREASURY NOTES 1.375% Due 09-30-20	100.16	75,120	100.67	75,504	0.80	1,031	91	1.20
150,000	US TREASURY NOTES 1.750% Due 10-31-20	100.21	150,316	102.10	153,153	1.63	2,625	7	1.21
215,000	US TREASURY NOTES 2.125% Due 08-15-21	99.29	213,476	103.63	222,802	2.37	4,569	968	1.34
150,000	US TREASURY NOTES 2.000% Due 10-31-21	99.92	149,887	103.07	154,611	1.64	3,000	8	1.36
150,000	US TREASURY NOTES 1.625% Due 11-15-22	97.79	146,686	100.57	150,861	1.60	2,437	1,126	1.53
125,000	US TREASURY NOTES 2.500% Due 08-15-23	98.87	123,590	105.77	132,212	1.41	3,125	662	1.60
200,000	US TREASURY NOTES 1.375% Due 08-31-23	99.92	199,844	98.52	197,032	2.10	2,750	471	1.61
100,000	US TREASURY NOTES 2.375% Due 08-15-24	100.23	100,227	104.96	104,965	1.12	2,375	503	1.69
100,000	US TREASURY NOTES 2.000% Due 08-15-25	98.81	98,807	101.71	101,715	1.08	2,000	424	1.79
100,000	US TREASURY NOTE 1.625% Due 05-15-26	101.05	101,055	98.22	98,219	1.04	1,625	751	1.83
	Accrued Interest		1,988,038		7,902	0.08			
					2,037,583	21.67		7,902	
AGENCIES									
100,000	FHLMC 3.750% Due 03-27-19	101.41	101,410	106.52	106,518	1.13	3,750	354	1.00
	Accrued Interest		101,410		354	0.00			
					106,872	1.14		354	
FNMA & FHLMC									
8,056	FHLMC POOL G14203 4.000% Due 04-01-26	104.56	8,423	106.66	8,592	0.09	322	27	1.43
	Accrued Interest		8,423		27	0.00			
					8,619	0.09		27	

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
CITY OF CRAIG
October 31, 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	101.54	50,771	0.54	1,562	321	1.16
100,000	UNITED PARCEL SERVICE 5.500% Due 01-15-18	121.23	121,230	105.26	105,256	1.12	5,500	1,619	1.10
100,000	WACHOVIA CORP 5.750% Due 02-01-18	99.57	99,572	105.21	105,213	1.12	5,750	1,437	1.52
50,000	CHEVRON CORP 1.365% Due 03-02-18	99.86	49,928	100.16	50,081	0.53	682	112	1.24
50,000	TOYOTA MOTOR CREDIT CORP 2.100% Due 01-17-19	100.48	50,239	101.68	50,841	0.54	1,050	303	1.32
100,000	GOLDMAN SACHS GROUP INC. 7.500% Due 02-15-19	116.51	116,514	112.43	112,428	1.20	7,500	1,583	1.92
100,000	HSBC USA INC 2.375% Due 11-13-19	99.61	99,608	100.89	100,894	1.07	2,375	1,108	2.07
50,000	NBC UNIVERSAL MEDIA LLC 4.375% Due 04-01-21	109.20	54,602	110.03	55,013	0.59	2,187	182	1.99
50,000	AMERICAN EXPRESS CREDIT 2.250% Due 05-05-21	99.92	49,962	100.92	50,460	0.54	1,125	550	2.03
50,000	JPMORGAN CHASE & CO 3.875% Due 02-01-24	105.18	52,590	107.26	53,629	0.57	1,937	484	2.76
	Accrued Interest				7,702	0.08		7,702	
			747,779		742,289	7.89			
DOMESTIC LARGE CAP EQUITY FUNDS/ETF									
17,734	SPDR S&P 500 ETF	137.86	2,444,836	212.55	3,769,362	40.09	NA		
DOMESTIC MID CAP EQUITY FUNDS/ETF									
3,700	ISHARES CORE S&P MIDCAP 400 ETF	80.79	298,917	150.57	557,109	5.92	NA		
INTERNATIONAL EQUITY FUNDS/ETF									
17,325	ISHARES ETF CORE MSCI EAFE	54.26	939,985	53.84	932,778	9.92	NA		
REAL ESTATE									
10,800	VANGUARD REIT ETF	58.41	630,795	81.76	883,008	9.39	NA		
CASH AND EQUIVALENTS									
	FEDERATED GOVERNMENT OBLIGATION		365,528		365,528	3.89			
TOTAL PORTFOLIO			7,525,713		9,403,148	100	70,092	15,985	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 10-01-16 To 10-31-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
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DEPOSITS AND EXPENSES

CASH AND EQUIVALENTS				
10-03-16	10-03-16	FEDERATED GOVERNMENT OBLIGATION		147,159.24
MANAGEMENT FEES				
10-31-16	10-31-16	MANAGEMENT FEES		2,350.79
				149,510.03

INTEREST

CASH AND EQUIVALENTS				
10-03-16	10-03-16	FEDERATED GOVERNMENT OBLIGATION		2.75
CORPORATE BONDS				
10-03-16	10-03-16	NBC UNIVERSAL MEDIA LLC		1,093.75
		4.375% Due 04-01-21		

FNMA & FHLMC				
10-01-16	10-14-16	FHLMC POOL G14203		27.74
		4.000% Due 04-01-26		

U.S. TREASURY				
10-31-16	10-31-16	US TREASURY NOTES		375.00
		1.500% Due 10-31-19		
10-31-16	10-31-16	US TREASURY NOTES		1,500.00
		2.000% Due 10-31-21		
10-31-16	10-31-16	US TREASURY NOTES		1,406.25
		1.250% Due 10-31-19		

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 10-01-16 To 10-31-16

Trade Date	Settle Date	Security	Quantity	Trade Amount
10-31-16	10-31-16	US TREASURY NOTES		1,312.50
		1.750% Due 10-31-20		4,593.75
				5,717.99

PRINCIPAL PAYDOWNS

FNMA & FHLMC				
10-01-16	10-14-16	FHLMC POOL G14203	267.06	267.06
		4.000% Due 04-01-26		267.06

SALES, MATURITIES, AND CALLS

U.S. TREASURY				
10-17-16	10-18-16	US TREASURY NOTES	100,000	105,929.69
		3.750% Due 11-15-18		105,929.69

SOLD ACCRUED INTEREST

U.S. TREASURY				
10-17-16	10-18-16	US TREASURY NOTES		1,589.67
		3.750% Due 11-15-18		1,589.67

WITHDRAW

CASH AND EQUIVALENTS				
10-03-16	10-03-16	FEDERATED GOVERNMENT OBLIGATION		1,131.18
10-31-16	10-31-16	DIVIDEND ACCRUAL		19,189.39
				<u>20,320.57</u>
				20,320.57

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES

CITY OF CRAIG

From 10-01-16 Through 10-31-16

Date	Quantity	Security	Avg. Cost Basis	Proceeds	Gain Or Loss
10-01-16	267.06	FHLMC POOL G14203	279.24	267.06	-12.18
		4.000% Due 04-01-26			
10-17-16	100,000	US TREASURY NOTES	106,480.47	105,929.69	-550.78
		3.750% Due 11-15-18			
TOTAL GAINS					0.00
TOTAL LOSSES					-562.96
			106,759.71	106,196.75	-562.96

Alaska Permanent Capital Management Co.

CASH LEDGER
CITY OF CRAIG

From 10-01-16 To 10-31-16

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
CASH RECEIVABLE					
10-01-16			Beginning Balance		147,159.24
10-03-16	10-03-16	wd	Transfer to	FEDERATED GOVERNMENT OBLIGATION	-147,159.24
10-31-16			Ending Balance		0.00
DIVIDEND ACCRUAL					
10-01-16			Beginning Balance		19,189.39
10-31-16	10-31-16	wd	Transfer to	FEDERATED GOVERNMENT OBLIGATION	-19,189.39
10-31-16			Ending Balance		0.00
FEDERATED GOVERNMENT OBLIGATION					
10-01-16			Beginning Balance		86,806.15
10-01-16	10-14-16	dp	Interest	FHLMC POOL G14203	27.74
10-01-16	10-14-16	dp	Paydown	FHLMC POOL G14203	267.06
10-03-16	10-03-16	dp	Transfer from	CASH RECEIVABLE	147,159.24
10-03-16	10-03-16	dp	Interest	FEDERATED GOVERNMENT OBLIGATION	2.75
10-03-16	10-03-16	dp	Interest	NBC UNIVERSAL MEDIA LLC	1,093.75
10-03-16	10-03-16	wd	Withdrawal	4.375% Due 04-01-21 from Portfolio	-1,131.18
10-17-16	10-18-16	dp	Sale	US TREASURY NOTES	105,929.69
10-17-16	10-18-16	dp	Accrued Interest	3.750% Due 11-15-18 US TREASURY NOTES	1,589.67
10-31-16	10-31-16	dp	Transfer from	3.750% Due 11-15-18 DIVIDEND ACCRUAL	19,189.39

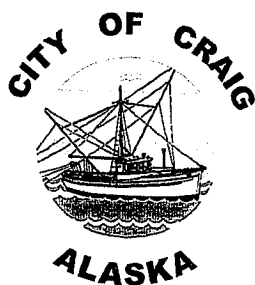
Alaska Permanent Capital Management Co.

CASH LEDGER

CITY OF CRAIG

From 10-01-16 To 10-31-16

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
10-31-16	10-31-16	dp	Interest	US TREASURY NOTES 1.500% Due 10-31-19	375.00
10-31-16	10-31-16	dp	Interest	US TREASURY NOTES 2.000% Due 10-31-21	1,500.00
10-31-16	10-31-16	dp	Interest	US TREASURY NOTES 1.250% Due 10-31-19	1,406.25
10-31-16	10-31-16	dp	Interest	US TREASURY NOTES 1.750% Due 10-31-20	1,312.50
10-31-16			Ending Balance		365,528.01



October 31, 2016

Ms. Johanna Nelson
Craig Waverunners Swim Club
PO Box
Craig, AK 99921

Dear Johanna:


Sincere thanks from the City of Craig to the Craig Waverunners Swim Club for its generous equipment contributions to the Craig Aquatic Center.

The club's provision of new backstroke flags, bottle-filling drinking fountain, swim fins, digital pace clocks, and deck pace clocks are all wonderful additions to the pool.

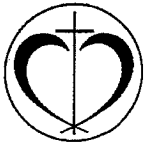
The City of Craig is fortunate to have an active and well organized swim club at the aquatic center each day. The recreational opportunities provided by the club to children on Prince of Wales Island have become an important and integral part of the community.

Again, thanks to the club for all its support of the Craig Aquatic Center.

Sincerely,



Jon Bolling
Craig City Administrator



Catholic Community Service, Inc.

Dignity • Care • Compassion

Diocese of Juneau
Bishop Edward J. Burns



Southeast Senior Services • Child & Family Services • Hospice & Home Care of Juneau

October 25, 2016

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

RECEIVED
NOV 07 2016

Dear Mr. Bolling:

A copy of the Quarterly Expenditure Reports for Southeast Senior Services' Craig/Klawock Program is enclosed. These reports cover the first quarter period from July 1, 2016 through September 30th, 2016.

The following services were provided during the first quarter of Fiscal (FY) 2017:

- * 17 individuals received 704 home-delivered meals.
- * 57 individuals received 1,005 congregate meals.
- * 26 individuals received 1,048 unassisted rides.
- * 9 individuals received 215 assisted rides.
- ** 30 individuals received 59 assisted/unassisted rides to/from the Hollis ferry (this count includes Escorts.)
- ** 6 individuals received 13 hours of Driver Homemaker services.

** The Hollis ferry rides are provided through a DOT "Purchase of Services" grant and Driver Homemaker services are provided through funds available through a Title VI Caregiver Support grant.

On behalf of Craig/Klawock seniors, I would like to thank you for your continued support of the Craig/Klawock Senior Program.

Sincerely,

Erin Walker-Tolles
Executive Director

EWT/ab

Enclosures



Description	1st Quarter Actual	2nd Quarter Actual	3rd Quarter Actual	4th Quarter Actual	Year to date Actual
4001 T3 NSIP	\$ 470.73				\$ 470.73
4003 DOT Rides	\$ 3,116.13				\$ 3,116.13
4033 T3 Nutrition & Transportation	\$ 14,003.24				\$ 14,003.24
4100 City of Craig	\$ -				\$ -
4109 City of Klawock	\$ -				\$ -
4364 Title VI-Care Giver Support	\$ 8,192.32				\$ 8,192.32
4365 Title VI-NTS	\$ 32,915.70				\$ 32,915.70
4366 Title VI - NTS Klawock	\$ -				\$ -
4369 Title VI-NSIP	\$ 0.86				\$ 0.86
4410 Congregate Meal Contr-Over 60	\$ 564.00				\$ 564.00
4411 Congregate Meal Contr-Under 60	\$ 137.00				\$ 137.00
4412 Home Deliv Meal Contr-Over 60	\$ 182.67				\$ 182.67
4414 Transportation Contr-Over 60	\$ 134.25				\$ 134.25
4415 Transportation Contr-Under 60	\$ 4.00				\$ 4.00
4420 POS Fares	\$ 317.00				\$ 317.00
4553 Medicaid	\$ 9,295.68				\$ 9,295.68
4600 In-Kind Revenue	\$ 972.00				\$ 972.00
4920 Fund Raising	\$ 1,065.85				\$ 1,065.85
4922 POS Match	\$ 405.00				\$ 405.00
4950 Individual donations	\$ -				\$ -
4990 Miscellaneous Revenue	\$ -				\$ -
Total Revenue	\$ 71,776.43	\$ -	\$ -	\$ -	\$ 71,776.43
6110 Salaries & Wages Expense	\$ 27,405.49				\$ 27,405.49
6115 Substitute Wages Expense	\$ 2,452.76				\$ 2,452.76
6120 Payroll Taxes & Benefits	\$ 5,530.92				\$ 5,530.92
6220 Staff Travel & Training	\$ 933.98				\$ 933.98
6223 Mileage	\$ 50.03				\$ 50.03
6310 Facility Rent	\$ 2,079.75				\$ 2,079.75
6311 In-Kind Rent	\$ 972.00				\$ 972.00
6320 Phone Service Charges	\$ 271.96				\$ 271.96
6410 Office Supplies	\$ 35.06				\$ 35.06
6420 Postage	\$ 173.68				\$ 173.68
6440 Vehicle Supplies	\$ 5.50				\$ 5.50
6450 Program Supplies	\$ 33.25				\$ 33.25
6455 Computer Supplies	\$ -				\$ -
6470 Household Supplies	\$ 871.96				\$ 871.96
6475 Home Delivery Containers	\$ 595.54				\$ 595.54
6480 Raw Food	\$ 11,925.63				\$ 11,925.63
6485 Fundraising	\$ -				\$ -
6490 Gas & Oil	\$ 2,068.54				\$ 2,068.54
6510 Vehicle Repair	\$ 185.75				\$ 185.75
6520 Non-vehicle repair	\$ -				\$ -
6540 Equipment Purch (under \$5,000)	\$ -				\$ -
6550 Service Contracts	\$ -				\$ -
6610 Professional Services	\$ 346.35				\$ 346.35
6620 Vehicle Insurance	\$ 370.02				\$ 370.02
6630 Property & Liability Insurance	\$ -				\$ -
6640 Dues and Subscriptions	\$ 280.00				\$ 280.00
6650 Printing	\$ 149.37				\$ 149.37
6685 Bad Debt Expense	\$ (427.00)				\$ (427.00)
6700 Administrative Expenses	\$ 10,948.50				\$ 10,948.50
Total Expenditure	\$ 67,259.04	\$ -	\$ -	\$ -	\$ 67,259.04
Excess Revenues over (under) Expenses	\$ 4,517.39	\$ -	\$ -	\$ -	\$ 4,517.39

State of Alaska
Department of Natural Resources
Division of Forestry
Southern Southeast Area Office

RECEIVED
NOV 18 2016

Preliminary Written Finding under AS 38.05.035(e) and AS 38.05.945

The Alaska Department of Natural Resources, Division of Forestry, gives formal notice under AS 38.05.945 that the Division has made a preliminary decision under AS 38.05.035(e) regarding the sale of the following commercial timber sale: North Hollis Timber Sale (SSE-1346-K).

Before this sale may be held, the Director of the Division of Forestry will make a written final decision that the sale is in the best interest of the State. This decision will set out the facts and applicable policies upon which the Director bases his determination that the proposed timber sale will or will not best serve the interest of the State. The final decision is expected to be available to the public after **January 3, 2017**.

This timber sale is located on Prince of Wales Island, approximately one-mile north of the Inter-Island Ferry terminal, in Hollis Alaska. The legal description of the sale area within Sections 25, 26 and 35 of Township (T) 73 South, Range 84 East, Copper River Meridian. The sale area is found within the Craig C-2 Southwest and Craig B-2 Northwest USGS quadrangles. The main access for this sale area is through Alaska Highway System Klawock-Hollis Highway, Alaska Route 924 and the adjoining Aurora Drive Road.

The harvest unit is a total of 230 acres and contains approximately 4,500 MBF of timber. This volume will be negotiated and sold under provisions of AS 38.05.118 and/or AS 38.05.123, in the form of one or multiple sales. The sale(s) will require in-state manufacture and will be a negotiated contract.

The public is invited to comment on any aspect of the preliminary decision. Comments should be mailed to the Alaska Division of Forestry, 2417 Tongass Avenue, Suite 213, Ketchikan, AK 99901. Comments must be received at the Division of Forestry office no later than **January 3, 2017**, in order to be considered in the final best interest finding decision of whether or not this sale will be held in whole or in part. To be eligible to appeal the final decision a person must have provided written comment by **January 3, 2017**.

FOR MORE INFORMATION OR TO SUBMIT COMMENTS CONTACT:

Alaska Division of Forestry	Contact:	Greg Staunton
2417 Tongass Avenue, Suite 213	Phone:	225-3070
Ketchikan, AK 99901	Fax:	247-3070
	Email:	greg.staunton@alaska.gov

Copies of the preliminary decision are available for review at the Division of Forestry at the above address and at the Ketchikan, Craig, Petersburg and Wrangell Public Libraries and the State Online Public Notice system at <https://aws.state.ak.us/OnlinePublicNotices/Notices/View.aspx?id=183572>.

The State of Alaska, Department of Natural Resources, Division of Forestry complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need auxiliary aids, services, or special modifications to participate in this review may contact the number above.

Greg Staunton
Southeast Area Forester

From: Jon Bolling
To: [Kassi Bateman](mailto:Kassi.Bateman)
Subject: FW: Order U-16-078; APA - Reading of Correspondence
Date: Tuesday, November 08, 2016 8:23:03 AM

From: Davis, Jeffrey F (RCA) [<mailto:jeffrey.davis@alaska.gov>]
Sent: Monday, November 07, 2016 11:56 AM
To: RCA Commissioners; RCA Administrative Law; RCA Law Office Assistants; RCA Records & Filing; Wilde, Ann (RCA); White, John D (RCA); Goering, Stuart W (LAW); Greider, Megyn A (LAW); michaeljungreis@dwt.com; Ptacin, John M (LAW); Sniffen, Clyde E (LAW); rpblasco@hoffmanblasco.com; rpbparalegal@hoffmanblasco.com
Subject: Order U-16-078; APA

By Order of Administrative Law Jeffrey F. Davis:

Order U-16-078(5) ORDER GRANTING PETITIONS TO INTERVENE

The City of Craig, the City of Gustavus, and the Municipality of Skagway each filed nearly identical petitions to intervene in this docket. The Attorney General filed a non-opposition to the petitions. Alaska Power Company (APC) filed an opposition to the petitions.

Petitions to intervene are reviewed under 3 AAC 48.110. A person with a statutory right to be made a party to a proceeding will be permitted to intervene. (3 AAC 48.110(a)) Further, the commission has the discretion to permit intervention by any person whose participation will be conducive to the ends of justice and will not unduly delay the conduct of the proceeding. (3 AAC 48.110(a)) A person wishing to intervene is required to file a petition setting out the facts and reasons why that person should be granted permission to intervene. The petition should make specific reference to the factors identified in 3 AAC 48.110(b). (3 AAC 48.110(c))

While not stated in their petitions, I take judicial notice that the City of Craig, the City of Gustavus, and the Municipality of Skagway are all APC ratepayers and therefore each has an interest as a ratepayer in this docket. I find the order the commission issues in this proceeding will impact those interests; there are no means other than intervention to protect those interests; no other party will represent the City of Craig's, the City of Gustavus's, and the Municipality of Skagway's interests; and that participation by them may assist in the development of a sound record. I further find that participation will be conducive to the ends of justice and will not unduly delay conduct of the proceeding.

Therefore, I grant the petitions to intervene filed by the City of Craig, City of Gustavus, and Municipality of Skagway.

I electronically notified the following parties:

Alaska Power Company: Michael Jungreis (michaeljungreis@dwt.com)

AG - Clyde E. Sniffen, Jr. (ed.sniffen@alaska.gov), John Ptacin (john.ptacin@alaska.gov)

City of Craig, City of Gustavus, and Municipality of Skagway – Robert Blasco

rpbblasco@hoffmanblasco.com) (rpbparalegal@hoffmanblasco.com)

This order can be reconsidered in its current form within the time established by regulation.

Please place a copy of this order in the formal file in this proceeding.

Jeffrey F. Davis

Administrative Law Judge

Regulatory Commission of Alaska

701 W. 8th Avenue, Suite 300

Anchorage, AK 99501

phone: (907) 263-2176

email: jeffrey.davis@alaska.gov

Determining Salmon Prices

Farming, currencies, global relations are major factors

By **CONOR BELL**

Commercial salmon harvesting is vital to many coastal towns and employs far more people than any other Alaska fishery. The salmon fishing industry is highly volatile, with prices and catch volumes subject to big changes from year to year. From 2013 to 2015, for example, prices for Alaska pink and sockeye salmon fell by over 50 percent.

Salmon prices are dictated by a number of local, national, and international factors that extend from

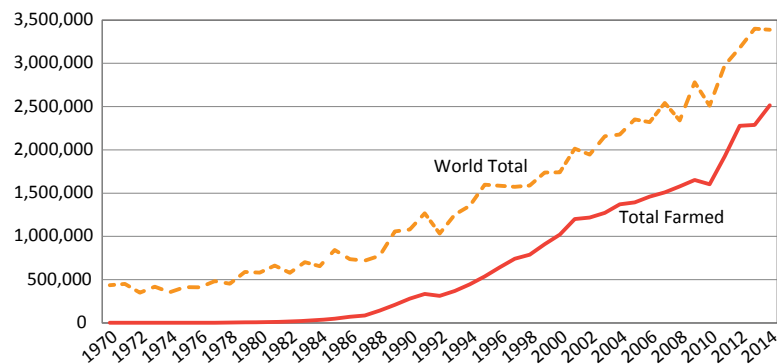
the Bristol Bay gillnetter to corporate offices in Tokyo and seafood markets in Paris. Like other commodities, salmon prices rise and fall depending on market conditions, the most critical of which we will examine here.

Smaller world share means less stability

Before salmon farming became dominant and global trade ubiquitous, Alaska processors had power over salmon prices. This allowed for relative stabil-

1 Farmed Fish Has Flooded Global Market

FARMED AND TOTAL PRODUCT IN METRIC TONS, 1970 TO 2014



Source: Food and Agriculture Organization of the United Nations



At left, a floating salmon farm in Norway. Norway is the world's largest salmon producer.

Photo by Ghent University Lab of Aquaculture in Ghent, Kortrijk, Belgium

ity, with market prices going down during years more salmon were caught, and vice versa. Now that Alaska supplies a much smaller percentage of the world's salmon, it has little effect on world prices and that stabilizing effect has all but disappeared.

Although Alaska supplied over 80 percent of salmon produced or caught in the United States in 2014, it only contributed around 10 percent of the world's total salmon. Norway, the world's largest salmon producer, exported almost three times the total U.S. catch.

Most of world's salmon is farmed

Salmon farming, also known as aquaculture, is a relatively new development and has been the biggest change to the industry in modern history. Until 1978, farmed salmon made up less than 1 percent of the world's salmon supply. Since then, farming has quintupled the world's supply. (See Exhibit 1.)

Alaska's wild salmon prices had been buoyed in the 1980s by Japan's bubble economy and other factors such as smaller catches, but Alaska's diminished global influence and the growing practice of farming salmon led to a steep decline in prices. (See Exhibit 2.)

The farmed salmon supply tends to be more consistent than wild catch, as it's produced and sold year-round so stores and restaurants can offer fresh fish

consistently. Although it theoretically doesn't have the large annual fluctuations inherent with wild salmon, some producers have come up against problems such as disease and sea lice, which are much more common in confined spaces and have resulted in supply fluctuations.

Although Norway has been relatively unscathed, the world's second-largest salmon producer, Chile, has been particularly troubled. Between 2008 and 2010, a disease outbreak among farmed salmon lowered

Chilean production by 75 percent. Earlier this year, an algal bloom killed millions of Chile's fish, causing a 20 percent drop in production.

The explosion of salmon farming has increased competition for Alaska. Alaska salmon is marketed as a distinctive product, and people are willing to spend more for it than farmed or even non-Alaska wild salmon. Alaska

sockeye, coho, and especially Chinook salmon are high-value products sold as fillets in grocery stores or high-end restaurants. And while pink and chum salmon fillets have a lower wholesale value than Atlantic salmon, they can still command a premium in value-added (processed) products, and their roe is considered a delicacy.

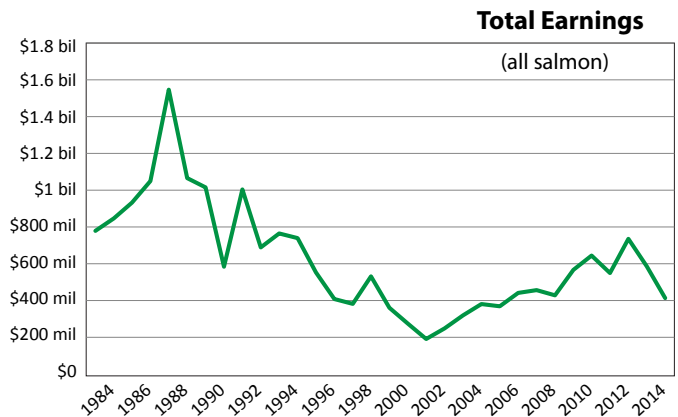
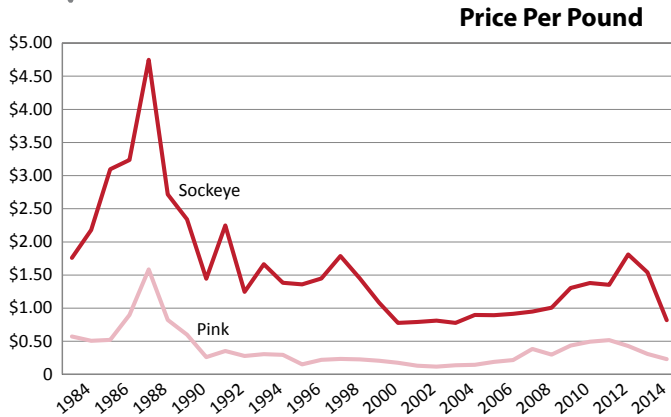
Prices of cheaper substitute goods still affect top-shelf products. While Alaska product holds status and a higher price tag compared to non-Alaska and farmed salmon, its performance still varies based on the per-

While Alaska product holds status and a higher price tag compared to non-Alaska and farmed salmon, its performance still varies based on the performance of other suppliers.

2

Prices, Total Earnings Hit a High in the '80s

ALASKA SALMON PRICES AND EARNINGS IN 2014 DOLLARS, 1984 TO 2014



Note: Earnings are those paid directly to fishermen.
Source: Alaska Department of Fish and Game

formance of other suppliers. But mounting concerns about salmon farming’s antibiotic use, genetic engineering, pollution, and the risk of salmon escaping have helped to increase the premium for wild salmon over the past decade.

Economic conditions affect price

People’s willingness to pay for Alaska salmon also depends on economic conditions. Salmon is expensive compared to chicken or pork, and wild salmon tends to cost more than its farmed competition. If the economy is doing well, people tend to have more disposable income and can pay extra for salmon over other meats, or wild over farmed. This allows Alaska salmon prices to rise. During recessions, lower consumer incomes

can depress the price of all salmon in addition to the premium Alaska salmon holds over farmed product.

The interplay of exchange rates

The majority of U.S. salmon is sold abroad, and changes in exchange rates also mean a change in price. When our dollar appreciates relative to another country’s currency, it becomes more expensive for that country to buy our goods.

China is the biggest importer of American salmon, at 24 percent of its total value. (See Exhibit 4.) Most isn’t actually consumed in China but is processed, packaged, and resold to markets in Europe or even sent back to the U.S. The other primary importers are Japan, Canada, and the European Union.

The U.S. dollar is currently strong against the currencies of our primary buyers, making it more expensive for them to purchase from us. The currencies of other exporting countries are almost as important. Norway’s weak kronor has been giving them an extra advantage over U.S. sellers.

3

Earnings Mainly Pink, Sockeye

ALASKA SALMON,
2011-15 AVERAGES

Species	Price per pound	Total earnings
Sockeye	\$1.26	\$293,839,065
Pink	\$0.36	\$165,957,062
Chum	\$0.66	\$85,716,939
Coho	\$1.09	\$30,762,713
Chinook	\$3.97	\$20,152,792

Note: Prices and earnings reflect those paid to fishermen.
Source: Alaska Department of Fish and Game

The broad role of political change

When a good is traded internationally, it is subject to shocks resulting from political change. Countries entering or exiting the world market can have a significant effect on prices.

Russia was the second-biggest buyer of Alaska pink and chum salmon roe and a major purchaser of other salmon products until 2014, when it placed an embargo on American goods. Roe contributes a large share

of a pink and chum's total value, and the embargo has been a major factor in their falling values.

The impacts of political changes ripple throughout the economy, based on intercountry relationships. For example, Russia's embargo extends to Norway and throughout the E.U. Norway is the largest aquaculture producer, and before the embargo, Russia was their biggest importer at 8.5 percent of Norway's total product. With that market closed off, Norway will sell elsewhere, increasing competition and driving down prices.

Transportation costs and expected catch

When determining prices for salmon, processors incorporate all the preceding factors but also take into account transportation costs and expected catch for the season. Transportation costs primarily depend on oil prices.

Processors use expected catch to determine how much product can be contracted to wholesalers. When catches turn out smaller or larger than anticipated, prices can swing widely in the middle of a season. Because processors must honor their wholesale contracts, they need to ensure they get enough fish. In the case of a smaller run, processors will raise prices to entice more fishermen. Likewise, processors don't want more salmon than they can sell, so if a run is too large, they'll decrease the price to discourage an even bigger catch.

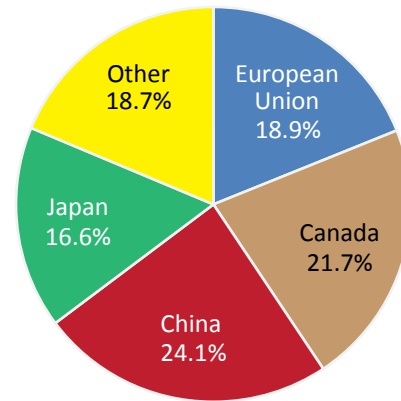
Both of these things happened during the 2015 Bristol Bay sockeye run. The early season was slow, and the anticipated peak period didn't come. The run forecast was adjusted down 44 percent, and prices rose to attract fishermen. The run finally came strong and fast, leading processors to lower prices. The condensed time frame also overwhelmed processors. Not having the capacity to process all the salmon being caught, they were forced to set limits on how much they would buy from fishermen.

Though a large catch may not have a huge impact on world supply, it can give processors a long-running surplus. Even when offering a discounted price, lining up new buyers can be time consuming.

Alaska had huge runs of pink and sockeye salmon in 2013 and 2014, respectively, and processors were

4 China Gets Largest Share of Exports

U.S. SALMON BY VALUE, 2015



Source: National Oceanic and Atmospheric Administration

left with warehouses full of canned salmon. To bail out the fisheries, the U.S. Department of Agriculture bought \$13 million in canned Alaska pink in 2014 and \$30 million in canned sockeye in 2015 for food assistance programs.

Harvesters, crew members hit hardest by price drops

Fishermen tend to benefit during good times more than processors, with harvesters' earnings increasing more percentage-wise, but they also take a bigger hit when prices are low. This is largely because changes in prices are the same for fishermen and processors but fishermen are paid less to begin with, so a price change means a larger percent difference in their earnings.

Lower prices affect crew members as well as permit holders, as most are paid a share of their boat's earnings. Alaska-owned permits account for just over two-thirds of total salmon earnings.

Conor Bell is an economist in Juneau. Reach him at (907) 465-6037 or conor.bell@alaska.gov.

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: November 23, 2016
RE: Comments to BIA on CTA Land to Trust Application

As the council is aware, the Craig Tribal Association has an application pending before the Bureau of Indian Affairs to place CTA-owned land into trust. The city faces a deadline of December 12 to submit comments to the BIA on the pending application.

The meeting with the city council and BIA staff on November 9 was helpful. BIA staff addressed the questions posed in the city's October 27 letter to the agency, and responded to additional questions posed at the meeting. One result from that meeting is that based on BIA staff comments, a number of typical city authorities will not apply to the CTA property if that property is placed in trust status, in the manner that those authorities apply elsewhere in the city limits. These authorities include law enforcement, planning, zoning, taxation, and a number of other areas detailed in the city's municipal code.

Given that trust status limits materially some of the city's statutory authorities, I believe the city, in response, should address this matter during the comment period so that BIA is aware of governance issues that the council wishes to raise. Staff needs direction from the council on what those concerns are, if any, so that staff can prepare written comments within the comment period.

I am not at all comfortable, in principal, at the prospect of the federal government substituting its authority for what is otherwise the city's inherent authority within our municipal boundaries. Properties within the city should be on an equal footing as to both supporting and receiving benefits from delivery of city services. Taking away the city council's authority to set policy that applies across the community fails to serve the public at large. While the city council and staff benefitted from the information provided by BIA staff regarding the nature of land in trust, some jurisdictional issues remain unresolved.

As with any circumstance where two or more groups desire different outcomes, we can look to see if both sides can achieve enough of what they desire through an agreement. In this case, if the city can retain its inherent authority as to the tribal hall property CTA can achieve its goal of putting that same property into trust status, then perhaps each can achieve its goal. I am told that in some Lower 48 communities, municipalities and tribes enter into memorandums of agreement that address the topics of municipal authorities relative to lands placed into trust status. I received yesterday some examples of existing agreements. I have not yet had occasion to read those agreements to see if their formats apply here. Time is needed to research the matter and talk with representatives from CTA to determine if this approach will work in Craig. To that end, I have asked our contractor in Washington DC to work with the delegation and agency staff there to secure additional time to work on this matter.

In any case, it is in the city's interest to comment to BIA on or before December 12 regarding the land to trust application.

Recommendation

Provide direction to staff outlining the range of topics that the council wishes to include to in its comments to the BIA. These topics can include:

1. Application of existing municipal authorities to trust land;
2. Need for additional time to respond to trust application, due to
 - a. need for information yet to be provided to the city by BIA, and
 - b. complex issues governing trust land application process and implementation;
3. City's interest in talking with CTA on the merits of an agreement governing application of municipal and tribal authorities on trust land;
4. Other topics suggested by council members.



November 16, 2016

The Honorable Sally Jewell
Secretary of the Interior
U.S. Department of the Interior
1849 C Street, N.W.
Washington, DC 20240

RE: Letter in Support of Craig Tribal Association Land-Into-Trust Application

Dear Secretary Jewell:

Sealaska Corporation is the Alaska Native Regional Corporation for Southeast Alaska, created pursuant to the Alaska Native Claims Settlement Act of 1971 (ANCSA). Sealaska represents the interests of more than 22,000 shareholders who are predominantly of Tlingit, Haida and Tsimshian descent. Southeast Alaska is the traditional homeland of the shareholders that we represent, which includes the Village of Craig. Sealaska works closely with the tribes in its region; therefore, I am writing to express support for the Craig Tribal Association's Land-Into-Trust Application that was recently submitted to the Department of the Interior.

The Craig Tribal Association is a federally recognized tribe and the Tribe's seat of government is situated on the land in question. There could be no better use of your authority to take land into trust under the Indian Reorganization Act than to protect, in perpetuity, the seat of a Tribe's government.

We recognize that there are some critics that believe that ANCSA somehow limits your authority to acquire land into trust in Alaska. That is not our understanding. First, ANCSA was a land claims statute, and it did not specifically address issues of tribal governance in Alaska. Second, tribal governance in Alaska, and your authority to take action to protect tribes in Alaska, has been the subject of numerous federal statutes, including the 1936 Alaska Amendments to the Indian Reorganization Act, the 1994 Federally Recognized Tribal List Act, and the 1994 Tlingit and Haida Indian Tribal Status Correction Act. Third, there are Alaska tribes that already possess trust lands or their equivalent in Alaska, including the neighboring tribe in Klawock. Finally, recent amendments to the IRA make it clear that no tribe may be discriminated against in the enjoyment of general tribal rights, including the right to seek land into trust.

It is our understanding that the Craig Tribal Association enjoys a good working relationship with both the local City of Craig and with the State of Alaska. The placement of this land into trust should only serve to provide additional opportunities to foster that relationship.

It is our understanding that the City of Craig has long considered the land at issue to be tax exempt, so the most common objection of municipalities and states does not appear to be present here. The application of Public Law No. 83-280 further assures that trust land status will not alter state and local criminal law enforcement jurisdiction over activities occurring on the land. Rather, with the land in trust status, the Tribe will have concurrent jurisdiction to supplement the City and State law enforcement efforts. Further, the Tribe will be able to access additional federal resources, including economic development funds that are tied to possession of trust lands. In short, this appears to provide significant benefits to the community of Craig.

We applaud the Tribe's efforts to pursue trust land status for the 1-acre site, and we support your consideration and approval of the pending land-into-trust application without delay. We also encourage you to consider providing technical assistance and funding to other Alaskan tribes that wish to consider the benefits of placing their land into trust.

If you have any questions or concerns, please do not hesitate to contact me.

Respectfully,

SEALASKA CORPORATION



Anthony Mallott
President & CEO

cc: City of Craig
State of Alaska

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: November 23, 2016
RE: Update on Port St. Nicholas Road Maintenance Fee Project

On Thursday, November 10, city staff met with approximately eight residents/property owners from the PSN area to discuss road maintenance fee options. The two-plus hour meeting included discussion about the ownership status of the PSN Road, options for generating revenues from both property owners and users of the road, and the level of maintenance that the property owners along the road support.

By the end of the meeting, city staff agreed to spend time working on some suggestions made that night by PSN property owners. Those suggestions included the following.

1. Toll Road Option

Several attendees at the meeting are interested in the city setting up a toll for use of the PSN Road, in order to generate revenue for maintenance from other than just the PSN property owners. I promised the group I would follow up on this item. To that end, I contacted staff at the Alaska Department of Transportation and Public Facilities to ask about rules on tolling roads in the state, and tolling roads that have received federal funds for construction. That led to a call to an employee at the Federal Highway Administration in Washington DC whose duties include overseeing financing mechanisms of roads in the US. I explained to him the circumstances here. He could not answer my questions regarding tolling completely, so he agreed to talk with others at FHA call me back, ideally before November 30.

2. Windshield Sticker & Permits

In addition to a conventional toll road option, the PSN group also talked about the city providing a sticker for vehicles that have paid a set fee for use of the road. Road users found driving on the PSN Road, presumably by the Craig Police Department, without the sticker could then be fined or otherwise charged for use of the road. Another option discussed included requiring permits for heavy vehicles to access the PSN Road, much like the State of Alaska requires for oversized vehicles using state highways.

3. Traffic Counter

Some at the meeting asked if the city could acquire/borrow traffic counters to document the daily traffic load on the road. Some in the group recall that years ago, when the State of Alaska used counters on the PSN Road that the road was then the second most traveled road on POW Island. At least one person at the meeting was critical of the city for supporting a scenic byway designation for the PSN Road, stating that the designation increases traffic and in turn increases the cost to maintain the road.

The conversation then turned to trying to determine the level of road maintenance that residents of PSN Road would support each year. After some discussion on this point, city staff agreed to

develop an online survey that PSN property owners could fill out and submit, the results from which would be considered. City Planner Brian Templin promptly drafted a survey and solicited comments on the survey questions and layout. After some public input Brian finalized the survey and solicited the public to reply. When I checked last the city had received 21 responses to the survey.

The group agreed to meet again on November 30. At that meeting staff will present the results of the survey, and hopefully I will have heard back by then from my Washington DC contact at FHA about tolling options.

This item requires no council action is needed at this time. City staff will continue to update the council as work on this matter progresses.

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: November 23, 2016
RE: Consider Memorial Development

For some time now I have worked with Cheryl Fecko and Michael Kampnich on options to install a memorial of some sort for local mariners who have died at sea. The site under consideration is the city-owned cannery point property, near the web loft building. The council has previously given its consent to considering that site for a public use area, and that is how city staff has managed it over the past several years.

Recently we met and tentatively settled on acquiring a large stone from Mr. Gary McWilliams to place on the property. Cheryl spoke with Mr. McWilliams about the purchase and preparation of the stone. Gary has offered some suggestions on how best to prepare and assemble the monument. Cheryl, Michael, and I agree that a bronze plaque or similar display can be attached to the stone and placed at the site. Photographs of the stone proposed for the site are attached here. If approved for purchase, the stone will be cut and polished before shipment to Craig.

Given the preference the public has for campfires at the point, the three of us also discussed the merits of installing a fire ring or fire pit at the site. We have a simple design drawing for this improvement provided to us by the US Forest Service. Some landscaping may well be needed to properly fit the improvements on the site.

As the council may recall, several years ago Mr. Baron Hilton made a \$20,000 donation to the city to set up a memorial. About \$12,580 of that donation remains—the improvements at the site already completed, primarily the sea wall, were paid for from the donation. If the council is comfortable with the acquisition of the stone and the placement of a plaque on the stone, city staff will follow up with the details of having the stone set in place.

I have advised those I have worked with on this project that once funding for the downtown harbor is approved that the cannery point property may be needed for other uses during the course of construction. This might mean temporarily relocating the memorial stone until the harbor project is completed.

Recommendation

Authorize appropriation from the remaining Hilton donation to the purchase the memorial stone and plaque, and fire pit, and place the items at Cannery Point.

Recommended motion: I move to appropriate up to \$12,580 from the Barron Hilton donation toward the purchase and installation of a mariner's memorial at the Craig cannery property.



Photograph of unfinished stone.



Example of finished stone surface.

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: November 23, 2016
RE: Consider Purchase of Public Works Heating System

For many years, the office spaces, break room, bathroom/utility room, and stock rooms at city shops building were heated using an oil-fired domestic hot water heater. That heater also provided domestic hot water to the building. After several years of making repairs to the hot water heater, the unit finally failed for good a year ago. Since then the office areas and laundry/bathroom of the shops has been without heat.

Public Works Director Ron McIntosh researched replacement heating options and recommends that the city replace the failed domestic hot water heater with a waste oil burner that is capable of providing both hydronic heat and domestic hot water. While this option is not the least costly to acquire of the options Ron considered, the much lower operational costs of a waste oil system means that the city will pay less to heat the shops building over time than if the city acquires a straight diesel or propane fired system. With purchase and installation, the estimated cost of the system is \$11,285.

This item can be partially funded from the heating fuel line item of the current year's public works budget. The balance of the funding for the project can come from the city's Equipment Reserve Fund. An appropriation by the city council is required before staff may draw from this reserve fund.

The city needs to provide both heat and domestic hot water to office areas of the building. Replacing the heating unit is needed now, as winter begins to set in.

Recommendation

Authorize staff to draw up to \$6,000 from the Craig Equipment Reserve Fund to purchase a waste oil heating system for use at the public works shop building.

Memo

To: Jon Bolling

From: Ron McIntosh

CC: Joyce Mason
File

Date: November 23, 2016

Re: Boiler for Public Works Shop

Jon

I have been researching solutions for the combination boiler/hot water heater for approximately 2 years. The existing unit is an unknown age and gave its last gasp during the 2015/2016 winter. I have brainstormed with Facilities and I have investigated alternative solutions. The system as it exists is not acceptable due to the fact that the hot water heater supplied water to both the hydronic heat system and the potable water system. This is not an acceptable cross connection with the State.

I have 2 alternatives as follows:

1. Combination Boiler/Water Heater type unit currently being used by the school district using propane:
\$6,573.00 installed
2. Combination Boiler /Water Heater utilizing “used oil” technology from the same company currently heating the shop:
\$9,750.00 equipment FOB Craig
\$1,235.00 Installation
\$300.00 connection parts

Total \$ 11,285.00

I recommend the used oil technology. Fuel is readily available in excess from the harbors and a significant reduction in future annual budgets. The current FY17 budget is \$5,300.

RCMc

CITY OF CRAIG MEMORANDUM

To: Mayor and City Council
From: Brian Templin, City Planner
Date: November 22, 2016
RE: Sale of Municipal Lots at Ptarmigan Subdivision and Salmonberry Subdivision

As the council is aware staff has been working on developing 6 lots on Ptarmigan Street for sale to the public. The city also holds two residential lots Salmonberry Subdivision that will be included in the sale. When the project is complete staff intends to conduct a onetime land sale of these lots. A copy of the plats showing the lots for sale is attached to this memo.

Horan and Company have completed appraisals on the parcels. The appraised values are as follows:

Parcel 1 (Lot 1, Ptarmigan Subdivision):	\$45,000
Parcel 2 (Lot 2, Ptarmigan Subdivision):	\$40,000
Parcel 3 (Lot 3, Ptarmigan Subdivision):	\$40,000
Parcel 4 (Lot 4, Ptarmigan Subdivision):	\$40,000
Parcel 5 (Lot 5, Ptarmigan Subdivision):	\$48,000
Parcel 6 (Lot 6, Ptarmigan Subdivision):	\$55,000
Parcel 8 (Lot 3, Salmonberry Subdivision):	\$65,000
Parcel 9 (Lot 4, Salmonberry Subdivision):	\$65,000

The total appraised value of all lots included in the sale is \$398,000. Sale of the undeveloped lots will result in an additional (minimum) \$2,400 in property tax collected each year. Improvements to the lots will increase the value and therefore the amount of property tax collected.

In addition to the appraised value of the property staff will include survey costs (\$2,050 per Ptarmigan Lot, \$0 per Salmonberry Lot), appraisal costs (\$584 per Ptarmigan Lot and \$500 per Salmonberry Lot) and a portion of the development costs (AP&T pole movement, underground installation to rear lots, water lateral and sewer lateral), and the development incentive surcharge (\$5,000) for each lot. The surcharge should incentivize buyers to develop in a timely manner in order for the buyer to recover that surcharge. Utility cost recovery will include the water lateral and water meter charge so buyers will not have to pay this charge (approximately \$980) when they sign up for utility service.

Total minimum bid prices for the lots will be:

Parcel 1 (Lot 1, Ptarmigan Subdivision):	\$55,000
Parcel 2 (Lot 2, Ptarmigan Subdivision):	\$50,000
Parcel 3 (Lot 3, Ptarmigan Subdivision):	\$50,000
Parcel 4 (Lot 4, Ptarmigan Subdivision):	\$50,000
Parcel 5 (Lot 5, Ptarmigan Subdivision):	\$58,000
Parcel 6 (Lot 6, Ptarmigan Subdivision):	\$65,000
Parcel 8 (Lot 3, Salmonberry Subdivision):	\$71,700
Parcel 9 (Lot 4, Salmonberry Subdivision):	\$71,700

Staff recommends conducting the land sale by the following method:

1. Solicit sealed bids on each lot (open from December 12, 2016 to January 31, 2017). Each lot would have a minimum bid or reserve price based on the calculated price of the lot. A copy of the draft bid form is attached.
2. Add a \$5,000 surcharge to the sale value of each lot.
3. At the end of the bid period all bids will be opened and compared.
 - a. The highest bidder that meets the minimum/reserve bid price for each lot will be given the opportunity to purchase that lot from the city.
 - b. If two or more bidders have the same high bid they will be asked to submit a new bid on the property within seven days. The highest resubmitted bid will be given the opportunity to purchase the lot.
4. Additional costs to cover surveying, appraisals and a portion of the development cost will be added to the appraised value to determine the minimum bid amount.
5. All bidders will submit an earnest payment equal to 2% of the total bid price with their bid. If the successful bidder fails to make full payment within 60 days the second highest bidder for that lot will have an opportunity to buy the lot. The next bidder would make an immediate payment equal to 2% of the total bid price and have 60 days to make full payment. Earnest payments for unsuccessful bidders would be returned. Earnest payments for successful bidders would become non-refundable.
6. All buyers would sign a sales agreement within seven days of the bid opening that would outline the terms of the sale and the rebate. A copy of the draft sales agreement is attached.
7. All buyers would have three years to improve the property and complete construction of a residential structure in order to receive a refund of the surcharge. Once these conditions were met the property owner would be given a refund based on the amount of time needed to meet the conditions. Any construction completed within the first 24 months would result in a rebate greater than the surcharge submitted at the time of purchase but would encourage development quicker. The additional amount refunded would be offset by being able to apply property tax to improvements within the first two years of the sale.
 - a. Return \$6,000 to each buyer who completes construction within 18 months.
 - b. Return \$5,500 to each buyer who completes construction after 18 months but before 24 months.
 - c. Return \$5,000 to each buyer who completes construction after 24 months but before 36 months.
 - d. Any property owners who failed to make the required actions would forfeit the surcharge after 36 months.
 - e. If purchase of multiple lots is allowed then the surcharge will only be refunded for one lot.
 - f. Surcharge rebates will only apply to the original purchaser.
8. Lots that receive no bids will be sold "over the counter" on a first come/first served basis at a minimum bid price shown above. The rebate conditions for the surcharge would also apply to the over the counter sales.

9. City employees would be eligible to bid on lots the same as any member of the public. City hall employees interested in bidding on lots would not be allowed to handle bids and would not have access to bids being submitted to the city.
10. Each household (anyone living at the same physical address) may bid on multiple lots, but may only purchase one lot during the sealed bid sale. Buyers may purchase multiple lots during the over the counter sale.

If the council finalizes decisions on the terms of the proposed sale at the council meeting on December 1st then staff is prepared to begin advertising the lots as early as December 12th with the bid deadline being January 31, 2017. The council could consider approval of all sales at its council meeting on February 16, 2017 meeting. This will allow sales of the property to be finalized no later than April 16, 2017 unless a bidder does not make full payment and the parcel is offered to the next high bidder. All buyers would have the opportunity to begin development and construction in the spring of 2017.

I have attached copies of the maps, draft sales agreement, bid form, land sale fact sheet and rebate information sheet to this memo to help answer questions that the council may have.

Recommendation: Discuss the proposed land sale and any conditions. Direct staff to proceed with the land sale based on the proposed method and any conditions set by the council.



Fact Sheet

City of Craig 2017 Municipal Residential Land Sale

The City of Craig is offering 8 residential lots for sale within the municipal boundaries of the city. These lots will be offered for sale in a sealed bid sale with bids opening on January 31, 2017. Information regarding the sale, the lots, and the required bid form can be found by going to www.craigak.com and clicking on the “Items of Interest” tab on the right side of the page. Select the “2017 Municipal Residential Land Sale” folder for information. Information and bid packets can also be picked up at Craig City Hall.

About the lots

- The lots range from 9,578 to 19,133 square feet in size.
- All lots will have road and utilities installed. All lots are served by city water and sewer. Some lots may require an individual lift station depending on the final grade of fill. Buyers will be responsible for installation and maintenance of these lift stations if necessary. Water meters will be installed so no additional charge will be due upon activation of the water service.
- Parcels 1-6 (Ptarmigan Subdivision) are zoned Residential – Medium Density. Parcels 7-8 (Salmonberry Subdivision) are zoned Residential – Medium Density. See Craig Municipal Code 18.005.001-.002 for further information regarding the zoning). Parcels 1-6 also have a mobile building restricted overlay applied, which prohibits mobile buildings for residential purposes.
- Plats showing the parcels can be viewed by going to www.craigak.com and clicking on the “Items of Interest” tab on the right side of the page. Select the “2017 Municipal Residential Land Sale” folder for minimum bid prices, maps fact sheets, minimum bid amounts and bid forms. Lot information and bid packets can also be picked up at Craig City Hall.
- Parcels 1 and 2 (former Craig Cable TV site) will have the buildings, satellite dishes, and concrete pedestals removed at city expense prior to closing sale on those parcels.

About the sale

- Sale of the lots will be conducted by a sealed bid process. All bids are physically due at city hall no later than 10:00 am January 31, 2017. Bids will be opened at 10:30 am, January 31, 2017. A bid received after 10:00 a.m. on January 31, 2017, or a bid that is not sealed, will not be considered.
- Bidders may bid on multiple lots, however each household (household consists of any persons residing at the same physical address during the bid period) may only purchase ONE lot during the competitive bid sale. If a bidder wishes to bid on multiple lots they must complete one bid form for each lot they are bidding on. Bidders of multiple lots may place all bid forms and one earnest payment (based on the highest value bid) into a single envelope. In the event that a single bidder is the high bidder on more than one lot they will have until 5:00 pm on February 2, 2017 to select the lot they wish to purchase and to sign a waiver for all other bids.
- In addition to the base bid price all lots will have a surcharge of \$5,000 added to the base bid to determine the total bid. Surcharges will be rebated to property owners who complete construction of a residential structure as defined by the Craig municipal code on the property within 36 months (see Rebate Criteria Fact Sheet for further information about the rebate and criteria).
- All bids submitted shall have an earnest payment in the form of a cashier’s check or money order in an amount equal to 2% of the total bid (bid amount x .02) – so if you bid \$55,000 for the parcel the earnest payment due would be \$1,100 ($\$55,000 \times .02 = \$1,100$). Earnest payments on all unsuccessful bids shall be returned to the bidder. Earnest payments for successful bids shall be deemed NON-REFUNDABLE and shall be applied to the total purchase amount due.
- High bidders on each lot will have until 5:00 pm February 7, 2017 to sign a purchase agreement prepared by the City. The purchase agreement and the earnest money payment amount are not negotiable. The city, at its sole discretion may extend this deadline.

See additional pages for more info, including minimum bid amounts and maps!

- If two or more bidders make the same high bid they will have until 10:00 am February 7, 2017 to submit a new sealed bid on the lot to the City administrator. Only the tied high bidders will have an opportunity to submit a new sealed bid. A bid received after 10:00 a.m. on February 7, 2017, or a bid that is not sealed, will not be considered.

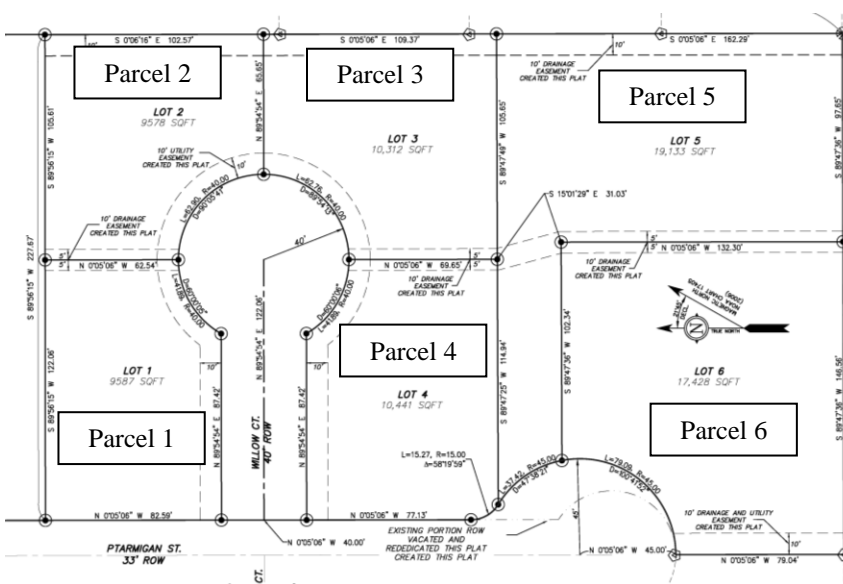
Buying the lots

- All lots will be sold at no less than the minimum bids as shown below. Lower bids will not be accepted.
- Individuals may bid on more than one parcel but there may be no more than one bid per household per parcel. Multiple bids from the same household on a parcel will result in all of those bids from the same household being disqualified.
- Individuals must make a 2% earnest payment with the bid and full payment on the property within sixty days of signing the purchase agreement.
- Bids must be submitted on a bid form provided by the city. Only one parcel per bid form is allowed. Multiple parcels on a bid form will result in that form being disqualified. If a bidder intends to submit bids on multiple parcels they may include all bid forms in a single envelope but bids for each parcel must be on a separate bid form.
- Properties will be transferred by quit claim deed when full payment is received by the City and the form of payment, if not cash, has cleared any and all necessary banking processes. Final terms for all sales must be approved by the Craig City Council.
- The City of Craig reserves the right to remove any lot from the land sale prior to Council approval.

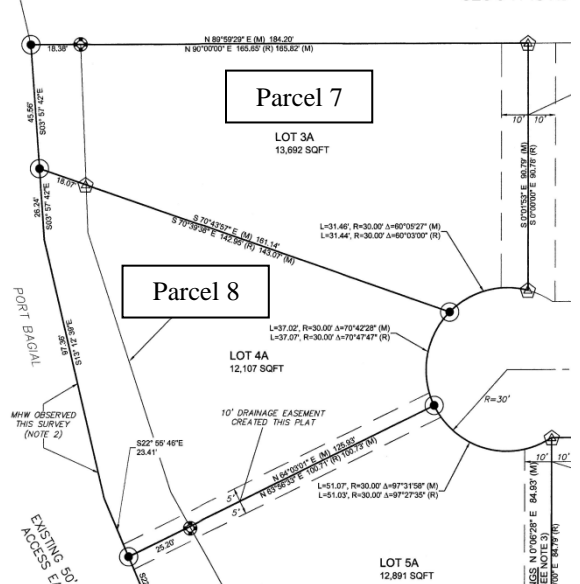
Minimum Bids (including surcharge)

- Parcel 1 (Lot 1, Ptarmigan Subdivision): \$55,000
- Parcel 2 (Lot 2, Ptarmigan Subdivision): \$50,000
- Parcel 3 (Lot 3, Ptarmigan Subdivision): \$50,000
- Parcel 4 (Lot 4, Ptarmigan Subdivision): \$50,000
- Parcel 5 (Lot 5, Ptarmigan Subdivision): \$58,000
- Parcel 6 (Lot 6, Ptarmigan Subdivision): \$65,000
- Parcel 7 (Lot 3A, Salmonberry Subdivision): \$71,700
- Parcel 8 (Lot 4A, Salmonberry Subdivision): \$71,700

Ptarmigan Subdivision Lots



Salmonberry Subdivision Lots



For full plats go to www.craigak.com, "Items of Interest and Public Notices"

**ALL BIDS DUE NO LATER THAN 10:30
AM LOCAL TIME JANUARY 31, 2017**



City of Craig 2017 Municipal Residential Land Sale Bid Form

(Submit one bid per form. If you would like to submit bids on more than one parcel you must submit a separate bid form for each parcel.)
Complete **ALL** items on **BOTH** sides of this form and submit **SEALED** bids to Craig City Hall

Contact/Buyer Information

1. Name: _____
2. Mailing Address: _____

3. Phone Number: _____
4. Email Address: _____

Bid Information

5. Parcel Number _____ (One parcel number per form. See Parcel Maps to determine correct parcel number. Please note minimum bid amounts shown on the parcel list on the fact sheet)
6. Bid Amount:\$ _____ (_____)

(Show bid amount in numbers and words – i.e. \$50,000 (fifty thousand dollars and no cents))

NOTE: All bids include the appraised value, a \$5,000 surcharge (subject to rebate), appraisal fees, recording fees, survey costs and utility installation costs). This bid amount represents the total purchase price bid for this parcel.

I hereby understand and agree that:

1. Only one bid per parcel is allowed per household. Each household may purchase only one lot in the City of Craig 2017 Municipal Residential Land Sale. For purposes of this land sale a household consists of all the people who occupy the same residential dwelling unit during the bid period. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit (Residential Use and Dwelling Unit as defined in the Craig Municipal Code). Multiple bids from the same household on the same parcel will result in all of my bids for that parcel being disqualified. I agree to provide documentation regarding my household status if requested by the City of Craig (i.e. voter registration, income tax returns, lease/rental agreements, utility bills, etc.) to verify that only one bid per household on a parcel was submitted. If I am the high bidder on more than one parcel I will notify the City of Craig in writing as to which parcel I intend to buy and will sign a sales agreement for that parcel no later than 5:00 p.m. on February 2, 2017. I release all claims to the high bid on any other parcels that I have bid on. If I do not notify the City as to which parcel I intend to buy

IMPORTANT! Read and complete BOTH sides of this form.

before this date and time, I agree that I am releasing my right to buy any parcels and agree that I am releasing any claim I may have to any parcel based on submitting the high bid.

2. All SEALED bids must be physically received by the City of Craig by mail (PO Box 725, Craig, AK 99921) or in person at Craig City Hall (500 3rd St., Craig, AK 99921) no later than 10:30 am, January 31, 2017. Late or incomplete bids or non-sealed bids will not be considered.
3. A surcharge of \$5,000, appraisal, survey and utility installation costs have been included in my bid. I understand that I may receive a rebate based on the following conditions:
 - a. A rebate of \$6,000 if I complete construction (occupancy ready) of a residential structure within 18 months.
 - b. A rebate of \$5,500 if I complete construction (occupancy ready) of a residential structure after 18 months but before 24 months.
 - c. A rebate of \$5,000 if I complete construction (occupancy ready) after 24 months but before 36 months.
 - d. No rebate if I do not complete construction (occupancy ready) of a structure within 36 months.
4. I must submit an earnest payment of 2% of the bid amount (bid amount x .02) and sign a sales agreement prepared by the City with my bid. Failure to submit an earnest money payment will result in my purchase option being withdrawn and the parcel offered to the next high bidder. If I am the high bidder on a parcel the earnest payment is NON-REFUNDABLE and may be forfeit to the City of Craig.
5. If I am the high bidder on a lot I must sign a sales agreement with the City no later than 5:00 pm, February 7, 2017.
6. I must submit the full balance of payment to the City of Craig within 60 days of signing a sales agreement with the city. The timing for making the full payment is not negotiable.
7. If there is a difference between the numerical and word value shown in the bid amount the value shown in words shall be used.
8. If two or more bidders make the same high bid they will have until 10:00 am February 7, 2017 to submit a new sealed bid on the lot to the City administrator. Only the tied high bidders will have an opportunity to submit a new sealed bid. A bid received after 10:00 am on February 7, 2017, or a bid that is not sealed, will not be considered.
9. It is my responsibility to provide current, valid contact information or to contact the city regarding my bids sign sales agreements, bid waivers or other documents by the specified dates and times. Failure to do so shall result in my bid being disqualified.
10. Any errors or omissions on this form will be construed to the benefit of the city or may result in disqualification of my bid. Bid forms may not be corrected, edited or changed once submitted.
11. All sales must be approved by the Craig City Council prior to becoming final.
12. The City of Craig reserves the right to remove any lots from consideration in this land sale at any time prior to final Council approval of the sales.

I hereby certify that I have submitted this bid and understand and accept the conditions shown above.

Signature/Printed Name

Date

Purchase and Sale Agreement
2017 City of Craig Municipal Residential Land Sale
Parcel _____

from the City of Craig, Alaska to _____.

The City of Craig (hereinafter "city") agrees to transfer interest in Lot _____, Plat _____, Ketchikan Recording District) to _____ (hereinafter "buyer"). Buyer agrees to make full payment and abide by the terms and conditions as described below.

Upon full payment and execution of a quit claim deed for _____, the City agrees to transfer the above referenced parcel to _____ for a total of \$_____ (_____ dollars and _____ cents). Purchase price includes value of the property (\$_____) as determined by a bid submitted to the City of Craig, appraisal/recording cost (\$500) and surcharge of \$5,000.

Buyer has submitted an earnest money payment equal to 2% of the total shown above. Full payment will be made by cash payment only of \$_____ as the balance in full. Upon receipt of full payment, the property will be transferred by Quit Claim Deed pending the following provisions:

1. Final sales terms and conditions are approved by the Craig City Council.
2. Full payment is made to the City of Craig no later than sixty (60) days after signing this Purchase and Sale Agreement. If full payment is not made within this period, the City will not forward the proposed sale to the City Council for approval and this Purchase and Sale Agreement shall automatically terminate, be void and the prospective buyer shall have no right or interest to the property.
3. Purchaser agrees to abide by all municipal zoning laws and subdivision covenants in regards to the property shown above.
4. The surcharge shown above may be refunded to the buyer if the buyer meets the following criteria and subject to the following conditions:
 - a. A rebate of \$6,000 will be paid to the buyer if buyer completes construction (occupancy ready) of a residential structure no later than 18 months.
 - b. A rebate of \$5,500 will be paid to the buyer if buyer completes construction (occupancy ready) of a residential structure after 18 months but within no more than 24 months.
 - c. A rebate of \$5,000 will be paid to the buyer if buyer completes construction (occupancy ready) after 24 months but within no more than 36 months.
 - d. No rebate if buyer does not complete construction (occupancy ready) of a structure within 36 months.

5. For purposes of this Purchase and Sale Agreement and the subsequent rebate of the surcharge “occupancy ready” means that the buyer completes a structure that meets the following conditions:
 - a. The structure must be a single family house, duplex or modular home constructed or affixed to a permanent foundation on the property.
 - b. The structure must be connected to municipal water, municipal sewer and commercial electrical power. Parcels located in the Salmonberry Subdivision must have an installed, connected working grinder pump (individually or shared) connecting their property to the gravity sewer main.
 - c. The structure must meet all development standards found in Title 18 of the Craig Municipal Code.
 - d. The dwelling unit must have a room, or portion of a room equipped as a kitchen and able to cook and store food. At a minimum the kitchen must have a working sink, stove, refrigerator and counter space for food preparation.
 - e. The dwelling unit must have a minimum of one separate room constructed as a bedroom for the purpose of sleeping.
 - f. The dwelling unit must have a minimum of one bathroom with completed, installed and working toilet, sink and bath/shower. The dwelling unit must have an operational water heater connected to the plumbing system.
 - g. All plumbing, electrical and structural work within the dwelling unit shall be complete and in working order. There shall be no exposed wiring or plumbing except that which is incidental to connection to plumbing fixtures or appliances and contained in enclosed utility areas (i.e. under sinks) or connected directly from the wall to the fixture (i.e. toilet water feed lines).
 - h. Interior walls of the dwelling unit must be enclosed with paneling, sheet rock or some other finished covering.
 - i. Dwelling unit must have a working heating system or heat source.
 - j. Exterior walls of the dwelling structure must be finished and sided with wood siding, vinyl siding, fiber cement lap siding or some other exterior finish.
6. For purposes of this Purchase and Sales Agreement the rebate schedule begins with the date of recording of the quit claim deed with the State of Alaska, District Recorder’s Office, Ketchikan Recording District and ends with the date that the city receives written notification from the buyer that the criteria have been met and that the structure is ready for occupancy. This written notification will be either the notice from the buyer requesting an initial inspection or written notice that corrective action has been completed on any criteria that did not pass a previous inspection, whichever is later.
7. The buyer will be solely responsible for notifying the City (in writing) that they have completed construction of a structure that meets the criteria listed above. The City building official will arrange a day and time to meet with the property owner to inspect the structure and verify that criteria are met. If one or more criteria are not met the building official shall notify the property owner (in

writing) of the criteria that was not met, instructions on the requirements to resolve the criteria and method of appeal if the property owner disagrees with the building official. In the event that one or more criteria are not met the buyer shall notify the City (in writing) that the items have been completed. The City building official will arrange a day and time to meet with the property owner to inspect the items and verify that they have been corrected to meet the criteria.

When all criteria are certified as met by the City building official he will issue a letter to the property owner stating that the property owner has met all criteria and specifying the amount of rebate allowed under the sales agreement. The City building official shall process a payment request with the City finance department to have the outstanding balance of the rebate paid to the property owner within 30 days of sending the notification letter to the property owner.

8. Rebate amount will be based on the time elapsed between the date of recording of the quit claim deed with the State of Alaska, Department of Natural Resources, District Recording Office, Ketchikan Recording District and the date that the City receives written notification from the buyer that the criteria have been met. This written notification will be either the notice from the buyer requesting an initial inspection or written notice that corrective action has been completed on criteria that did not pass a previous inspection, whichever is later.

9. Rebates shall apply only to the original purchaser of the property from the City.

Failure to meet any of the provisions in paragraphs 3-8 above will result in the purchaser not being eligible for the Rebate.

By: _____
(Authorized Signer – Buyer) Date

By: _____
Jon Bolling, City Administrator, City of Craig, Alaska Date

State of Alaska)
)
First Judicial District) ss.

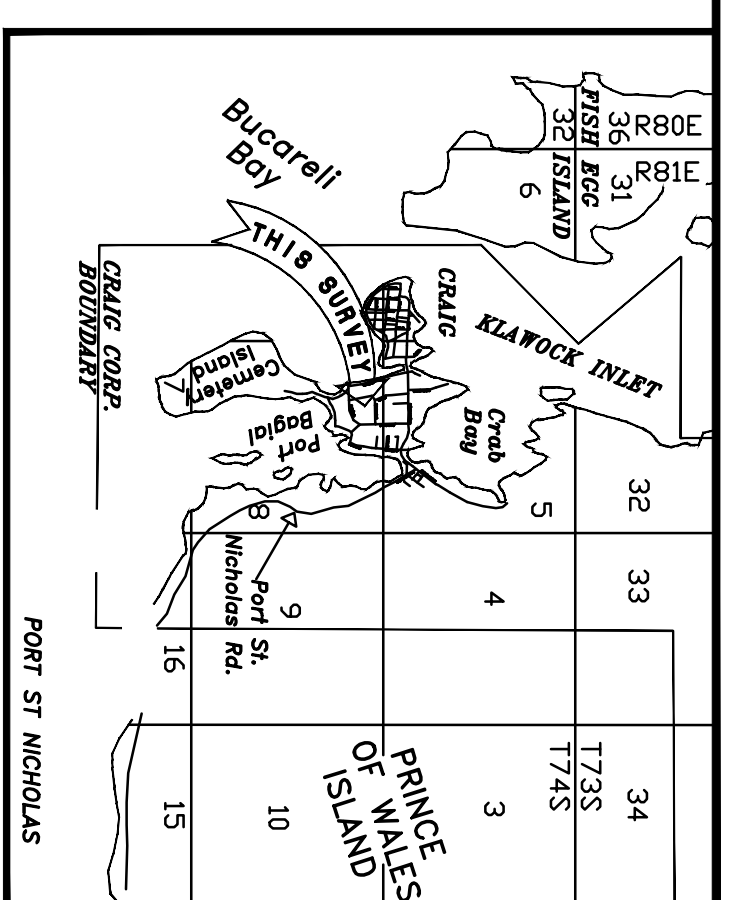
The foregoing instrument was acknowledged before me this _____ day of _____,
2013 by City Administrator Jon Bolling, City of Craig, Alaska.

Notary Public in and for Alaska
My Commission expires: _____

State of Alaska)
)
First Judicial District) ss.

The foregoing instrument was acknowledged before me this _____ day of _____,
2013 by _____.

Notary Public in and for Alaska
My Commission expires: _____



VICINITY MAP
SOURCE: U.S.G.S. QUADRANGLE CRAIG (C-4), ALASKA 1985
1" = 1 MILE

CERTIFICATE OF OWNERSHIP AND DEDICATION
WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE REMAINING PORTION OF LOT 15 U.S.S. 2611, AND THAT WE DO APPROVE OF THIS SURVEY AND PLAT, AND THAT WE DO FOR OURSELVES, OUR HEIRS, AND ASSIGNS, DEDICATE, DONATE AND CONVEY TO THE PUBLIC, ALL RIGHTS-OF-WAY/ALLEYS/PUBLIC UTILITY AREAS/EASEMENTS/OTHER PUBLIC WAYS, AS SHOWN HEREON.

OWNER LOT 15 USS 2611. DATE _____
CITY OF CRAIG

NOTARY'S ACKNOWLEDGEMENT
SUBSCRIBED AND SWORN BEFORE ME THIS _____ DAY OF _____, 201____.

NOTARY PUBLIC FOR ALASKA
MY COMMISSION EXPIRES _____

- LEGEND**
- 5/8" REBAR AND 2" ALUM CAP WITH PLASTIC INSERT SET THIS SURVEY
 - ⊠ FOUND ALUMINUM CAP
 - ⊠ FOUND BLM BRASS CAP
 - (M) DATA MEASURED IN THE FIELD
 - (R) DATA OF RECORD USS 2611

KETCHIKAN RECORDING DISTRICT

No.	Date	Description	Revisions

PTARMIGAN SUBDIVISION
THE SUBDIVISION OF THE REMAINDER OF LOT 15 USS 2611, PLAT 91-81
SEC 8, T74S, R9E, C9M

RS&M ENGINEERING-KETCHIKAN, INC.
350 Central Lake Road
Ketchikan, AK 99901
Phone: (907) 228-5917
Fax: (907) 228-5441

WARGEL OFFICE
P.O. BOX 1337
Ketchikan, AK 99929
Phone: (907) 874-2177
Fax: (907) 874-2187

APPROVAL SIGNATURES
THIS FINAL SUBDIVISION PLAT HAS BEEN REVIEWED AND APPROVED IN ACCORDANCE WITH THE CRAIG LAND DEVELOPMENT CODE - SUBDIVISION ORDINANCE. ALL DEDICATIONS TO THE PUBLIC HAVE BEEN INSPECTION AND ACCEPTED BY THE CITY OF CRAIG.

CITY PLATTING OFFICIAL _____ DATE _____
PRESIDING OFFICER - PLANNING COMMISSION _____ DATE _____
PLANNING COMMISSION MEMBER _____ DATE _____

CITY CLERK _____ DATE _____
TAX STATEMENT
I HEREBY CERTIFY THAT ALL AD VALORUM TAXES, SPECIAL ASSIGNMENTS AND OTHER CHARGES REQUIRED BY LAW TO BE PLACED ON THE TAX ROLL HAVE BEEN PAID.

CERTIFICATE OF IMPROVEMENTS
NO IMPROVEMENTS ARE REQUIRED FOR THE VACATION/REPLAT
PUBLIC WORKS DIRECTOR _____ DATE _____
CITY PLATTING OFFICIAL _____ DATE _____

CITY CLERK _____ DATE _____
TAX STATEMENT
I HEREBY CERTIFY THAT ALL AD VALORUM TAXES, SPECIAL ASSIGNMENTS AND OTHER CHARGES REQUIRED BY LAW TO BE PLACED ON THE TAX ROLL HAVE BEEN PAID.

CITY CLERK _____ DATE _____
TAX STATEMENT
I HEREBY CERTIFY THAT ALL AD VALORUM TAXES, SPECIAL ASSIGNMENTS AND OTHER CHARGES REQUIRED BY LAW TO BE PLACED ON THE TAX ROLL HAVE BEEN PAID.

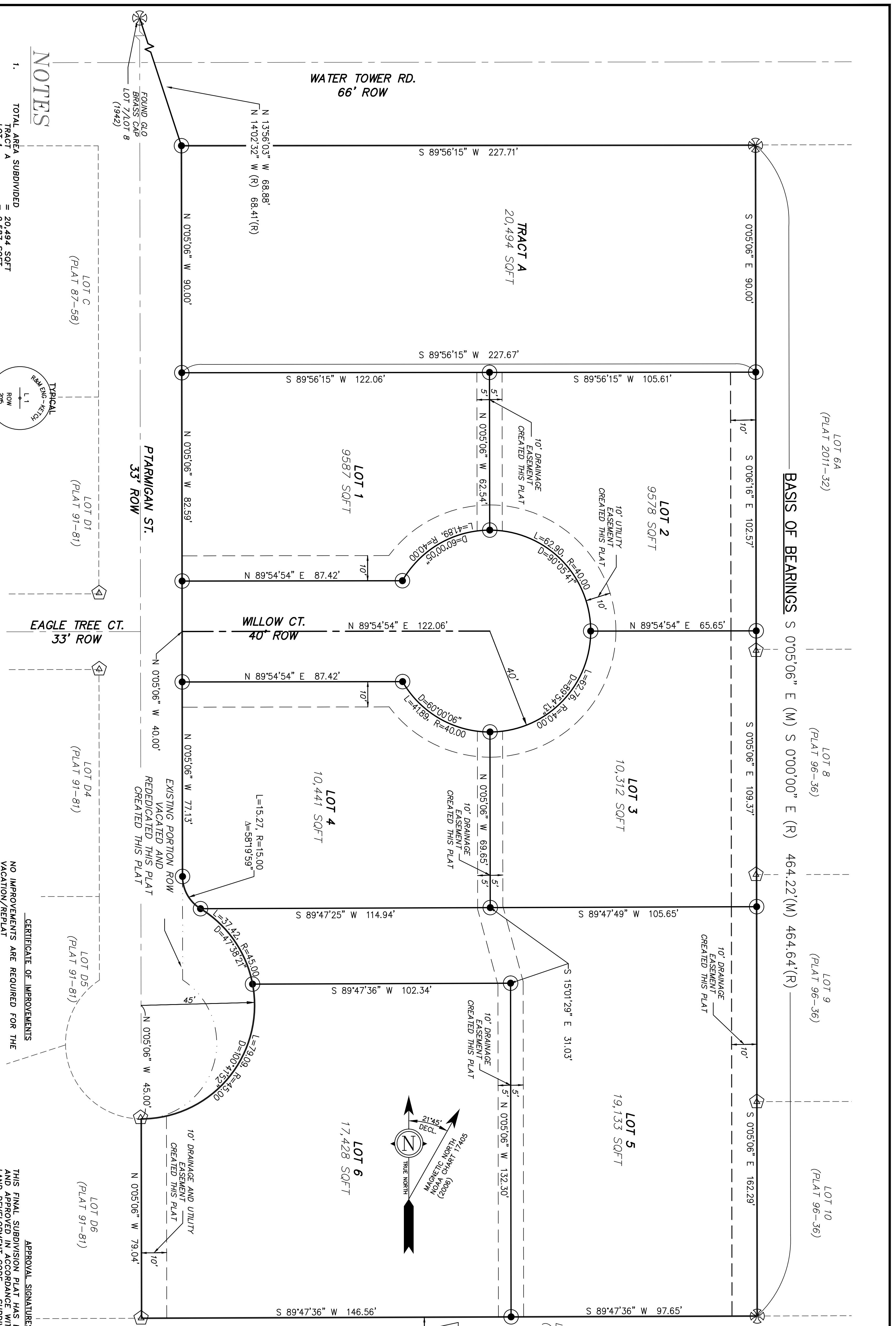
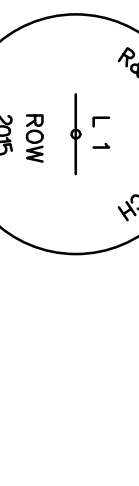
SURVEYOR'S CERTIFICATE
I HEREBY CERTIFY THAT I AM PROPERLY REGISTERED AND LICENSED TO PRACTICE LAND SURVEYING IN THE STATE OF ALASKA, THAT THIS PLAT REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECT SUPERVISION, THAT THE MONUMENTS SHOWN HEREON ACCURATELY EXIST AS DESCRIBED, AND THAT ALL DIMENSIONS AND OTHER DETAILS ARE CORRECT.
DATE _____
REGISTRATION NUMBER: LS-107552

CITY CLERK _____ DATE _____
TAX STATEMENT
I HEREBY CERTIFY THAT ALL AD VALORUM TAXES, SPECIAL ASSIGNMENTS AND OTHER CHARGES REQUIRED BY LAW TO BE PLACED ON THE TAX ROLL HAVE BEEN PAID.

CITY CLERK _____ DATE _____
TAX STATEMENT
I HEREBY CERTIFY THAT ALL AD VALORUM TAXES, SPECIAL ASSIGNMENTS AND OTHER CHARGES REQUIRED BY LAW TO BE PLACED ON THE TAX ROLL HAVE BEEN PAID.

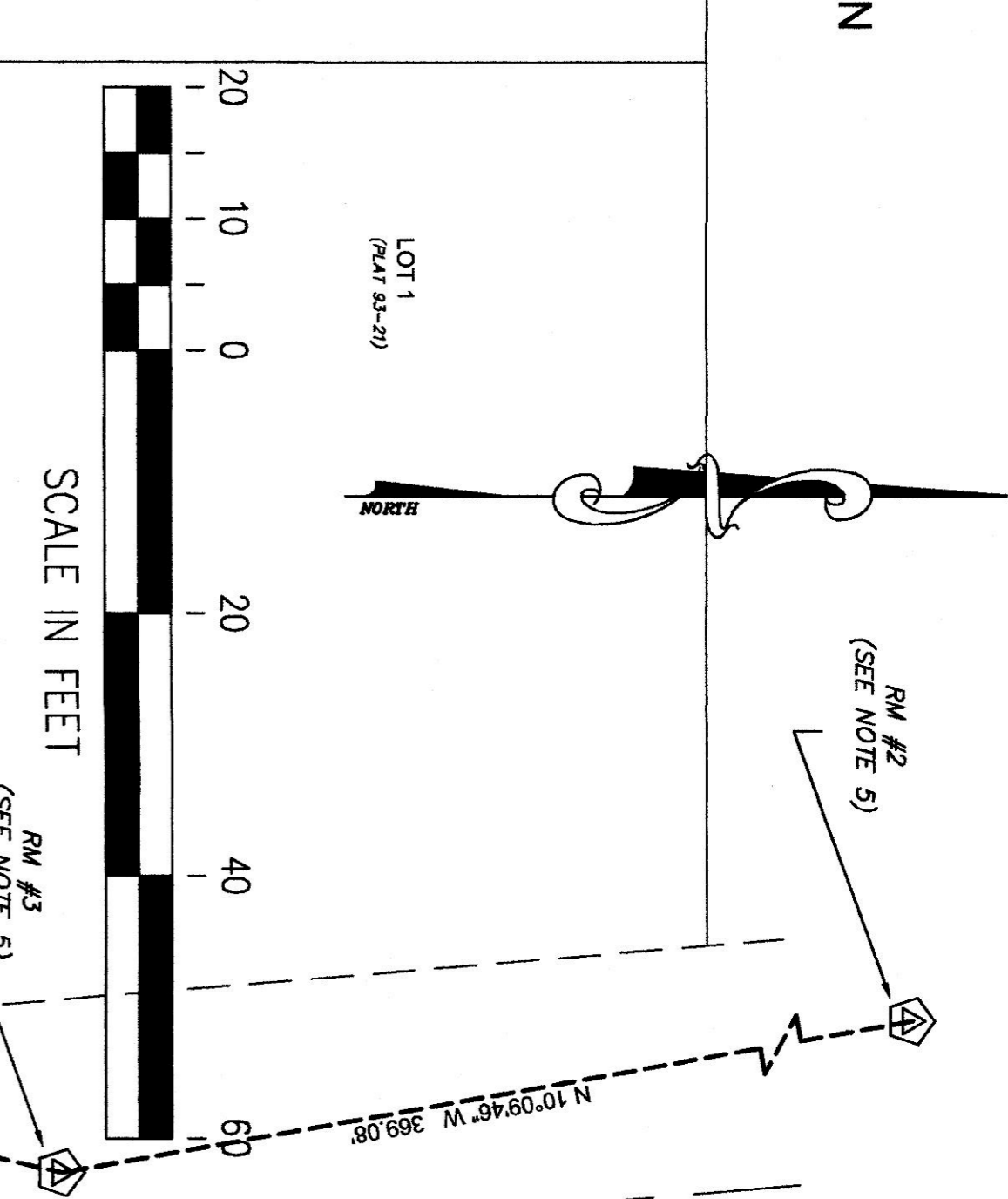
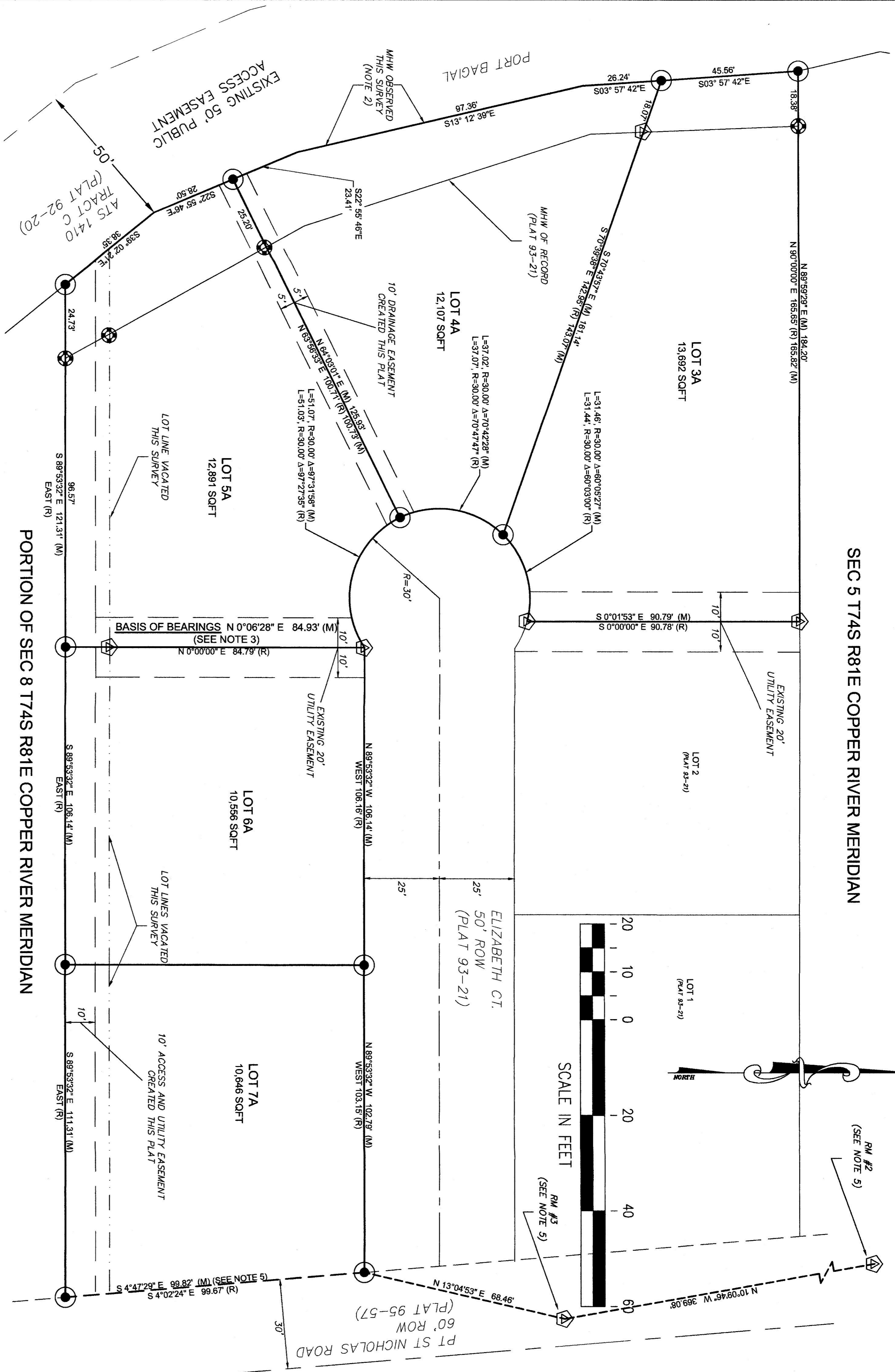
NOTES

- TOTAL AREA SUBDIVIDED = 20,494 SQFT
TRACT A
LOT 1 = 9,587 SQFT
LOT 2 = 9,578 SQFT
LOT 3 = 10,312 SQFT
LOT 4 = 10,441 SQFT
LOT 5 = 19,133 SQFT
LOT 6 = 8,428 SQFT
WILLOW COURT = 1,276 SQFT
PTARMIGAN ST = 106,628 SQFT
TOTAL
- THIS PLAT IS SUBJECT TO THE FOLLOWING WITHIN THE KETCHIKAN RECORDERS DISTRICT:
A. PLAT 91-81
B. U.S.S. 2611
C. U.S. ALEUTIC
D. PLAT 98-56
- THE BASIS OF BEARINGS ON THIS PLAT WAS DETERMINED BY A HIGH-PRECISION GPS SURVEY USING TRIMBLE R8/R10 RECEIVERS DIFFERENTIALLY CORRECTED AND PROCESSED USING TRIMBLE BUSINESS CENTER V 3.22 SOFTWARE.
- THE PURPOSE OF THIS PLAT IS TO SUBDIVIDE THE REMAINING PORTION OF LOT 15 U.S.S. 2611 CREATING RESIDENTIAL LOTS FOR PURPOSE OF SALE AND LEASE.

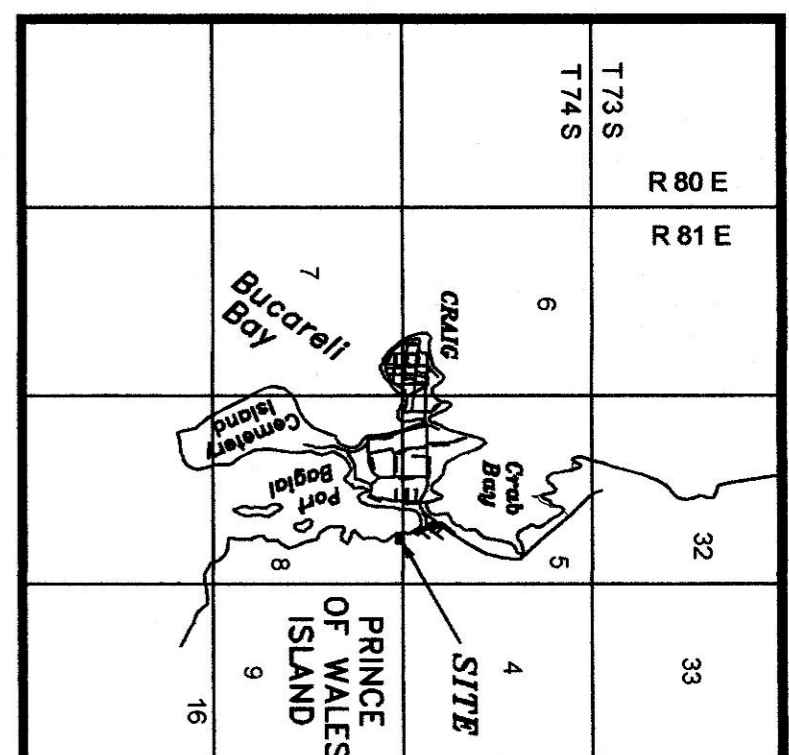


CHRISTOPHER G. PIBURN, R.L.S.

SEC 5 T74S R81E COPPER RIVER MERIDIAN



- LEGEND**
- 5/8" REBAR AND 2" ALUM CAP WITH FOUND ALUMINUM CAP L.S. 6700
 - ⊙ FOUND REBAR AS DESCRIBED
 - FOUND IRON PIPE
 - (M) DATA MEASURED IN THE FIELD
 - (R) DATA OF RECORD AS LISTED



VICINITY MAP
SCALE: 1 INCH = 1 MILE

CERTIFICATE OF OWNERSHIP AND DEDICATION.

We hereby certify that we are the owners of Lot 3 and 4, Salmonberry Subdivision (Plat 93-21 K.R.D.), that we do approve of this survey and plat; and that we do for ourselves, our heirs, and assigns dedicate, donate and convey to the public, all rights-of-way/ utility areas/ easements/ other public ways, as shown hereon.

Owner Lots 3 and 4 _____ Date _____
City of Craig _____

NOTARY'S ACKNOWLEDGEMENT

Subscribed and sworn before me this _____ day of _____, 2016.

Notary Public for Alaska
My Commission Expires _____

CERTIFICATE OF OWNERSHIP AND DEDICATION.

We hereby certify that we are the owners of Lot 7, Salmonberry Subdivision (Plat 93-21 K.R.D.), that we do approve of this survey and plat; and that we do for ourselves, our heirs, and assigns dedicate, donate and convey to the public, all rights-of-way/ utility areas/ easements/ other public ways, as shown hereon.

Owner Lot 7 _____ Date _____
Dr. Scott Brookshire

NOTARY'S ACKNOWLEDGEMENT

Subscribed and sworn before me this _____ day of _____, 2016.

Notary Public for Alaska
My Commission Expires _____

CERTIFICATE OF OWNERSHIP AND DEDICATION.

We hereby certify that we are the owners of Lot 5, Salmonberry Subdivision (Plat 93-21 K.R.D.), that we do approve of this survey and plat; and that we do for ourselves, our heirs, and assigns dedicate, donate and convey to the public, all rights-of-way/ utility areas/ easements/ other public ways, as shown hereon.

Owner Lot 5 _____ Date _____
Mr. Patrick Murphy or Mrs. Judith Murphy

NOTARY'S ACKNOWLEDGEMENT

Subscribed and sworn before me this _____ day of _____, 2016.

Notary Public for Alaska
My Commission Expires _____

CERTIFICATE OF OWNERSHIP AND DEDICATION.

We hereby certify that we are the owners of Lot 6, Salmonberry Subdivision (Plat 93-21 K.R.D.), that we do approve of this survey and plat; and that we do for ourselves, our heirs, and assigns dedicate, donate and convey to the public, all rights-of-way/ utility areas/ easements/ other public ways, as shown hereon.

Owner Lot 6 _____ Date _____
Mr. Gary Barlow or Mrs. Christina Barlow

NOTARY'S ACKNOWLEDGEMENT

Subscribed and sworn before me this _____ day of _____, 2016.

Notary Public for Alaska
My Commission Expires _____

NOTES

1. Total Area Subdivided is 59,931 Sq. Ft.
2. The true bounds of lots 3a, 4a and 5a are the natural meanders of the mean high water line. This survey identified a significant difference between the meanders of record and those observed this survey. The meanders of record were based on a survey of 1988 and those observed this survey were based on a NGS Benchmark located on False Island. It is believed that the former survey was reported to have used a time coordinated Tide Observation and the NGS predicted Tide Tables, perhaps accounting for the observed difference.
3. The Geographic Basis Of Bearings on this plat was determined using Trimble Business Center V 3.60 Trimble R8/R10 Receivers differentially corrected and processed using Trimble Business Center V 3.60 Software.
4. Reference the following within the Ketchikan Recorders District:
 - A. Plat 93-21
 - B. Plat 92-20 (ATS 1410)
 - C. Plat 95-57
5. Plat 93-21 note 4 references the lack of ROW information for that plat. Plat 95-57 dedicated a 60' ROW monumented by the BLM on the centerline of said ROW. A recent BIA road improvement project destroyed those monuments. This company is in the process of filing a Record of Survey to perpetuate those monuments with reference monuments set on the shoulder of the improved road. The Right of Way line monuments that will be used in that survey.
6. This plat constitutes a subdivision of the surface estate only. The subsurface estate owner has not participated in this platting action. Per CMC 18.09.020 E
7. The subsurface estate within this subdivision is owned by Sealaska Corporation and an easement for use of the subsurface estate is recorded of Book 250, pages 282 - 285 in the Ketchikan Recording District. Per CMC 18.09.020

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, only other details are correct.

Date 10/31/16
Registration Number: LS-197592
Christopher G. Plumb, R.L.S.

CERTIFICATE OF IMPROVEMENTS

No Improvements are required for this Vacation/Replat

APPROVAL SIGNATURES

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

City Platting Official _____ Date _____
Presiding Officer - Planning Commission _____ Date _____
Planning Commission Member _____ Date _____

TAX STATEMENT

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

City Clerk _____ Date _____

KETCHIKAN RECORDING DISTRICT

No.	Date	Description	Revisions

PROJECT:
MURPHY SUBDIVISION
THE REPLAT OF LOTS
3, 4, 5, 6, 7 SALMONBERRY
SUBDIVISION (PLAT 93-21)

CLIENT: Pat Murphy
Box 595 CRAIG AK.
99921
DATE: 10/31/16 DRAWN BY: C.G.P. JOB NO. 152749
SCALE: 1"=20' APPROV BY: C.G.P. SHEET 1 OF 1

RS&M ENGINEERING-KETCHIKAN, INC.
3505 Carline Lake Road
Ketchikan, AK 99901
Phone: (807) 225-9117
Fax: (807) 225-9441
CRAIG, AK 99921
Phone: (807) 874-2177
Fax: (807) 874-2187

