

**CITY OF CRAIG  
COUNCIL MEETING MINUTES  
March 16, 2023**

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**ROLL CALL**

Mayor Tim O'Connor called the meeting to order at 6:40 p.m. Present was Julie McDonald, Hannah Bazinet, Jim See, Millie Schoonover, Chanel McKinley, Timothy O'Connor. Michael Kampnich was Absent/Excused.

**Staff Present:** Brian Templin, City Administrator; Kimber Mikulecky, Treasurer; Kecia Weatherwax, City Clerk; Samantha Wilson, Planner; Hans Hjort, Harbormaster

**Audience Present:** Ken Quigley, Kelesey Sheakley, Aubrey Gamble, Norma Sheakley, Josh Bennett

**CONSENT AGENDA**

1. City Council Meeting Minutes of March 2, 2023
2. Ordinance #754- Authorization for City Administrator to Negotiate a Lease of City Owned Property to Ken Quigley"
3. Ordinance #755 – Authorization to Sell City Owned Property to Ken Quigley, Lot 2A"

MCKINLEY/SCHOONOVER.

Moved to accept the consent agenda.  
MOTION CARRIED

**HEARING FROM THE PUBLIC**

Josh Bennett introduced himself and made comments about minutes not being posted since November. He also mentioned the water issue and it not being posted promptly to the city website. He said we were days behind on postings and that not all the public looks at the website and that we need to be more proactive in our postings. The council need to have a more proactive position on posting and Brian commented on the priority of our postings. We post publicly at the post office, store, and bank. Brian explained that all departments have access to the website. Millie commented that she does not check the website, The mayor explained that it was an oversight in the clerk's training and should be fixed by the end of the week. Brian also mentioned that the minutes are in all the packets already posted to the website, Councilwoman McDonald, explained that all the information is on the website and that the signed copies are the ones to be posted.

Aaron Bean- Under the agenda and would incorporate the letter he submitted and suggested that we post the agenda three weeks in advance. Would also suggest that staff reconsider re-vetting

the criteria. But based on the memo he read he doesn't want the city to waste money on lobbying for the project to be funded. The council did not receive the memo being discussed. The clerk found the copies in her office and had forgotten to give them to the council members. Brian explained the timeline of how we accept submitted comments prior to a city council meeting. Clinton Cook was called upon by the mayor and he publicly thanked Brian and Tim for helping hand out water from the tribe to the citizens of Craig. He went on to comment on the water samples and how they were not tested. He thanked them and went onto discuss the Harbor Project. He said they asked for a review, and they got one. He commented on a memo from Brian and started quoting the memo.

Jim See and the mayor explained that this project has been discussed for the past fifteen years and this is the first time they have heard of any opposition in the past six months. The city has already spent 1.5 million dollars on this project. Clinton Cook commented on Government-to-Government relations and how the city had not approached the tribe prior to the project. Clinton stated that they did not want that type of "footprint" left on a village site and where it is a sacred site, and they subsist.

Norma Sheakley- Came forward and placed a box of subsistence food on the table and strongly stated her opinion as a lifelong citizen and explained how it would be devastating to her family and relatives who rely on subsistence. She explained how she teaches her children and teaches in the schools and how it will have an environmental impact. Stressed communicating with each other and working toward a common goal.

Aubrey Gamble- Said she read this and that it angered her. We need to start working together. She did research and was gone for 25 years and has just recently come back. She said there used to be eel grass and that they had dredged it, and that she requested the records, and they were not able to find them. Would like to know what we are doing with this breakwater. Doesn't matter what time of year once you ruin our habitat, and that it is horrible. She said that the Tribe and people like her and Norma will keep fighting for this. We are the people saying this and we do matter.

The mayor explained that this is the first time we have seen anyone comment on this since we have been working on this project.

Clinton Cook went on to say there is a grave site on the Fish Egg Island that there is petroglyphs that can be harmed if this projects proceeds. I go to the corp. and say he is not anti-City of Craig he is anti-Harbor; Now is the time to collaborate.

Mayor asked Aubrey if she wished to speak, and she said she would speak to the research she has done on I am not against infrastructure or progress, but she wants more of a voice not to be just a subset of a population. We need to come together as an island not just a small portion. Clinton went on to comment about the article on "Black Seaweed" and said it is a hard thing to re-create and that the Tribe has fought against the commercialization of Black Seaweed for a long time. Clinton Cook also thanked Mr. Quigley for his commercial fishing operation.

## **READING OF CORRESPONDENCE**

Article on “Seaweed Farming” – Millie asked the mayor what kind of seaweed the article was referring to. The mayor explained that it wasn’t on just one specific seaweed. Brian explained It is a bill that Mary Peltola is sponsoring. It is one of the things on Brian’s radar and he will be showing the council more once he comes across more pertinent information.

## **CONSIDERATION OF RESOLUTIONS AND ORDIANCES**

Ordinance #753 “Supplemental Budget FY2022”- City Councilmember, Jim See asked for the bottom line in terms of what we overspent. Brian went on to explain how the expenses have increased and what the standard practice is that the council approves and how the money is spent throughout the year on various expenses that arise unexpectedly. Such as equipment breakdowns and maintenance costs. They also discussed the rising cost of fuel and measures they took to decrease the expense to the city by dropping down the sales tax for fuel costs. They have reduced the costs of tax for fuel for residents. Sheri was on the phone, former City of Craig Treasurer, and commented on the rising cost of liability insurance for employees. We currently pay about \$330,000 a year on Workmen’s Comp. and Liability Insurance, it has doubled since last year. The council will see a budget that reflects all the changes in the budget though out the year. Brian will speak to Marva about what that process looks like.

SCHOONOVER/MCKINLEY

Motion Passed  
Roll Call Vote

## **UNFINISHED BUSINESS**

Accounting Software- Kimber is asking for some direction from the council on what option she should move forward with. That is explained in her memo. Jim See pointed out that the cost equals the amount of an employee. McDonald would like to pursue option #2 because we are going into our budget meetings. Millie mentioned that if we are going to do this it will make someone’s job easier. Brian explained that Wrangell is currently going though this process right now. Brian said that Cassell has been around for several years. Accufund’s support has diminished over the past couple of years. We have been going through issues with the software for the past two years and Sheri has been working on it for many months when she was here. Hannah commented on what a horrible system accufund is. She asked how long we have been seriously looking into other software systems. Brian said seriously for the past six months. Brian asked Marva to look at the software and he said she came away from it very impressed with it. Kimber informed the council about the issues she has run into with accufund and of how responsive Cassell is versus Accufund in resolving issues. The support and their availability is

much better. What is involved with the transfer period? Brian explained that the price quote of \$52,000 includes \$20,000 in training and depends on the modules we choose to work with. Sheri commented on Government Funding and on how it specifically works with this type of funding. Brian explained that \$52,000 is pretty much the standard of software. Brian requested that the council make a recommendation to the staff based on the memo Kimber submitted. Hannah commented on the amount of staff time it takes to train on a system that is not effective. Brian wanted the council to be clear that paying the fees now would start the transition period which would be much of the year. This will not go into effect until July 1st Year 2024.

BAZINET/MCDONALD

Motion to  
approve.  
Voice Vote  
Passed

**Island Daycare Donation Request-** The Council did not have a chance to read the business plan, it was submitted at 11:00 a.m. the day prior to the meeting. Vanessa was on the phone and Brian asked if she was in a rush for a response. Vanessa said she is willing to work with the council. Brian asked for a motion to postpone the meeting to April 6, meeting.

MCKINLEY/MCDONALD

Motion to  
table  
discussion  
Until next  
meeting, April  
6<sup>th</sup>.  
Voice Vote  
Unanimous

## NEW BUSINESS

**Craig Harbor Discussion-** Millie clarified Government to Government Relations in terms of how it relates to her seat on the City Council. Brian started on the discussion and referred to his memo and of how he and Samantha met with the Corp. Along with Steve Silva and Kris Klein and outlined their discussion and the issues that were discussed. He has not changed his opinion on the data that was reached and how it is not substantiated data and of how it has been

overturned. The Corp. has not said that there is anything wrong but that there needs to be a re-evaluation. The Corp.'s position right now is not that the project is dead, just that it needs to be looked at and whether or not those impacts are a factor. The GR would bring us back to site selection phase and would bring us back to the initial steps we had taken in 2012. A new feasibility study would require more time and a substantial amount of money that Craig would ultimately be responsible for. On the current project we have spent around \$400,000 on pre-construction engineering reports and it has taken 2-3 years. This would put us behind at least 6 years before are ready for construction. There are a couple of options that the council can make Brian would like the council to give him some direction.

The project has really changed course. Fifteen years it was a go and now within the past six months it has taken on a whole new direction as in the Corp. has altered their position and has been overturned. Brian stated that if the council wants to go forward with the project his suggestion is that we go through the legislative process by contacting Senator Murkowski's Office to ask the Congressional Delegation to intervene and have them direct the Army Corp. Of Engineers to go through with the project.

Chanel asked if there was any wiggle room and if we would have to go through with the original course of the project. We are trying to recapture some of the benefits of the project or at least salvage some remnants of the original benefits. Brian explained that there is a permitting process that could be a possible course of action. The timeline if they get the permits would be about a year. Chanel expressed concern about the length of time and amount of money that has been spent and questioned the negative view of the project. Jim See said there had been no ill intent and it was the Corp. that extracted information and misconstrued it. He also stated that there is no dredging, and that logging is ending and that the Dahlstrom's have already stated that they will not be pursuing more economic activity, Sealaska is done. The whole idea of the harbor was to get more boats here, there are no economic opportunities here when logging is finished. We have a 180 -foot dock down there. I have 47 years here with the city, my heart is with this community. This is all a big effort to get economic development here in the community of Craig. The mayor said we have the hatcheries here; we don't have the area to put the boats right now. Three mayors pursued this project with this in mind, This has already been an expense and time for the city. Millie recalled a ballot for the Harbor and of how it failed miserably. The council let her know that was not about the Harbor but the bond that was going to pass. Millie said she did not appreciate being looked down on and that she has spent years being looked down on by Jim See and they argued back and forth. Jim See said that he has always thought they agreed to disagree, but Millie did not feel the same. Jim See announced his resignation effective this meeting if that was the way Millie felt about him. The mayor pointed out it was a misconception about what was on the ballot, it was not the Harbor it was the bond. Mayor asked what we were going to do for economic development. Aaron Bean said there was a ballot measure in Sitka two times and the reason it hadn't passed was because of the same reason we have now. One of the things he has heard from the native community is that they want to balance economic development with the preservation of the site.



The mayor asserted why South Cove is out of the question because of the eel beds. Anything that leaves one foot of wake into the harbor, the Corp. cannot go ahead and was looked at and dismissed by the corp.

Aubrey asked why there was no community wide vote for the harbor. She commented on why we are stuck in the same mind set, and why can't we look at other ideas. She just knows that people did not understand what they were voting for, not everyone reads it. Julie recalled the four-part mailer that was sent out to the community. She recalled the active effort the city made to inform the community on the Harbor Project. The mayor said unless they come up with a better idea.

Brian asked what would the council like him to do?

The Council would like to have a joint meeting and open discussion. No formal action will be taken.

**Water Treatment Discussion-** Brian said he tries to send regular e-mails to the council. The council asked how many feet were in the tank today. We are at 20 feet today and then asked if they found any more leaks. Jim See, asked whether the computer and the readings were in synch now. The memo stated that R&M Engineering is sending over an engineer Monday. Their job will be to look at the water treatment system overall and determine why it failed. Their assessment will look at the long and short term, and at the request of USDA and ANTHC, he has also contacted the engineer doing the work on our SCADA system. He no longer works for that company. They will come up with a design that will prevent us from having the same problem ever again and develop a report. That is the reason the primary engineer is speaking to both engineers and he sent them a draft contract. Both engineers will be here next week to determine why and how the system failed. We are still calculating that 9-point difference. The Public Works has been doing regular checks on the system and are monitoring the water level. Millie asked what the expiration is in terms of when this should be changed. The mayor said they typically last from 3-5 years. It was a policy that they would be changed every 3-5 years. Brian stated he did not understand the complete failure, but they did order filter media and under piping and due to supply train issues, this was held up. On Monday the crew had to manually remove the filter media in 5lb. buckets. This was labor intensive and required physically going in and hauling out buckets filled with the filter media. The filter media and the amount of water in the tank were not enough to complete a back wash. On Tuesday night we had half a foot of water, one is 21,000 gallons per foot in the tank. We are building about 3 feet every 24 hours. We will soon be at the 25- foot level and the Public Works will be monitoring the situation. On Friday, when we released the notice, we were at 20 feet. Since then, we have been operating both treatment trains We will need to do some line flushing and we are in a good position. We were worried about people running their water for various reasons. When we released the boil water notice we had about 10 feet. Our main reason was because we thought we would run into other issues and have to have people boil their water again. Brian is looking forward to reviewing the engineer's report and part of that report is likely to be on preventive maintenance on the filters.

Millie appreciated the Public Works employee's efforts to get the water going again. Brian said other people from different departments also helped, CPD, EMS, and Shaan-Seet also sent workers to help. The mayor also helped out at the site and Klawock also helped and offered the use of water from their fire hall. Everyone he asked sent bodies out. His hat is off to all the agencies that helped bring water to the community; Tlingit & Haida, Owners of The Treasure Chest, Sealaska, and CTA. Chanel asked if the pool had opened yet, Ellie was going to check and talk to Russell. Hannah asked about getting a tour of the water treatment plant so the council can get a working knowledge of how it operates. One question from the public was being able to see the water test results. Brian said there is no legal reason why not, Brian heard that some people thought we were putting untreated water back into the system, but there was no evidence of any cross-contamination. The DEC standards are that the water system be treated for e-coli and chloroform.

Council Comments- The owners of The Treasure Chest flew in water and wipes. People were largely supportive. Councilwoman McDonald commented on the city addressing the issue and having engineers come in and look at our system and ways to prevent this from happening again Rather than not looking into it and just simply saying "oops" and like it never happened. I am glad we have an engineer and that we have people coming in and that we are doing follow-up. This was already happening the requirement is that we have a site visit for this funding. Brian said the last conversation he had with a staff member from DEC about this incident she said she was shocked that this had happened. This has only happened twice in 40 years.

Samantha asked if they had passed the ordinance yet, "Yes" Brian replied that it had gone through its first reading. Brian urged them to contact him if anyone had any more questions or comments. He said our staff largely responded as quickly as they could and that they posted on our website every other day. Samantha came in on Sunday night and printed fliers and helped the police go door to door with them. The council asked where they had been handed out and where they had not. They got to Tanner Crab and some streets were missed The Police called in all of their officers, and they posted from 5:00 to 9:00 o'clock that night.

Jim See, I spoke to Brian beforehand about keeping people in jail and setting the bail higher. People need to go to jail, they are not just sick they are making money off this. The people who are selling fentanyl are getting rich and are making an unbelievable amount of money. Chanel said Anchorage is so crazy the amount people will spend on drugs. Tim said one of the school vans in Anchorage had lost all their stuff.

Brian said if there is no objection from the council, he will draft that letter.

Chanel said she knew it had been a long meeting tonight.

Millie told Jim, "My apologies, I really don't want you to resign tonight. I appreciate how you keep up on all the city stuff side of things and I appreciate you. No, I respect our differences, we work as a team."


Motion has been made to adjourn.

**ADJOURNMENT**

SCHOONOVER/MCKINLEY

Meeting Adjourned at 9:22 P.M.

APPROVED ON THE 6<sup>th</sup> DAY OF April .2023.

  
TIM O'CONNOR, MAYOR

  
KECIA WEATHERWAX, CITY CLERK

