

**CITY OF CRAIG
COUNCIL AGENDA
APRIL 15, 2021
COUNCIL CHAMBERS 6:30 PM**

ROLL CALL

Mayor Tim O'Connor, Hannah Bazinet, Jim See, Julie McDonald, Michael Kampnich, Chanel McKinley, Millie Schoonover

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 March 18, 2021
- Ordinance No. 734: Sale of City Owned Tide and Submerged Lands to Rodney Payne

HEARING FROM THE PUBLIC

- Open for public comment
- Resolution 21-09, Issuing a Two-Year Access Permit to Seafood Producers Cooperative

READING OF CORRESPONDENCE

- Southeast Senior Services Support Thank You Letter

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

- Resolution 21-09, Issuing a Two-Year Access Permit to Seafood Producers Cooperative

UNFINISHED BUSINESS

NEW BUSINESS

- Consideration of Appropriation of Garbage Truck
- Consideration of 2021 Late Filed Senior Property Tax Exemption Applications for Slentz; Isaacs and Farrell

COUNCIL COMMENTS

ADJOURNMENT

Note: City council meetings have limited seating capacity due to COVID-19 protocols. For those wishing to attend the council meeting remotely go to:

<https://zoom.us/j/5281996980?pwd=V1RCbnJVcm85bDIRbURmNTdORjZkdz09> (if you are prompted for a passcode, use code 1111), or watch the meeting at:

<https://www.youtube.com/channel/UCTou8Pn03MIEjLLb9Em0Xrg> . To provide public comment to the council remotely, contact the Craig City Clerk at cityclerk@craigak.com, before 5:00 p.m. the day of the council meeting

CITY OF CRAIG
COUNCIL MEETING
THURSDAY MARCH 18, 2021

ROLL CALL

Mayor Timothy O'Connor called the meeting to order at 6:32 p.m. and the roll was taken. Present were, Julie McDonald, Jim See, Millie Schoonover, Michael Kampnich by telephone, and Chanel McKinley. Hannah Bazinet was absent and excused from the meeting.

Staff present: Jon Bolling, City Administrator; Brian Templin, City Planner; and Tracey Jensen, City Clerk

Audience present: Douglas Ward.

CONSENT AGENDA

1. City Council Meeting Minutes of February 18, 2021

SCHOONOVER/MCKINLEY

Moved to accept the Consent Agenda.
MOTION CARRIED UNANIMOUSLY

HEARING FROM THE PUBLIC

Douglas Ward attended in person but did not speak.

READING OF CORRESPONDENCE

1. February 2021 Alaska Permanent Capital Management Statement

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

1. Resolution 21-08, Supporting Logging and Processing of Tongass Young Growth Timber
Councilman Michael Kampnich said that he sponsored this resolution, and it is a timely resolution as 2x4 planks are being priced at \$6 apiece. Michael believes that Resolution 21-08 is in POW Island's best and economic interests. Mayor O'Connor agrees and would like to reach out to industry experts to start looking at this issue on POW island, when second growth will be viable, and to possibly start a mill. Mayor O'Connor expressed his hopes of community support.

SCHOONOVER/MCKINLEY

Moved to adopt the Resolution 21-08,
Supporting Logging and Processing of
Tongass Young Growth Timber. MOTION
CARRIED UNANIMOUSLY BY ROLL
CALL VOTE

UNFINISHED BUSINESS

1. CDC Masking Rule Comment Draft

Jon Bolling said that he prepared a cover memo, a draft letter, and the actual CDC masking order, per the Council's request and review. Councilwoman McKinley said that the letter looked good, and questioned the safety of fishermen wearing masks, as she explained that fishermen have a hard time hearing over water noise, and must resort to reading lips and using hand signals.

The Council discussed the CDC, federal overreach, contradictory orders, and wet masks concerns.

The Council directed the staff to edit and send the proposed comment letter to include mask-wearing safety concerns for fishermen that may interfere with their safety.

NEW BUSINESS

1. Discussion of Alaska Forest Practices Act

Jon Bolling explained that he was looking for specific direction on sending comments regarding the merits and practices of the Forest Practices Act and submitted a fact sheet for review and discussion. Councilman See said that the State practices are not as restrictive as the Federal Forest Service Act and believes the State should adopt the practice to stay further away from the streams and avoid cherry picking trees and buffer zones. Jon Bolling said that from appearances it seems that the lion's share of timber is going through the Viking Mill, but is unsure if it is getting milled, chipped, or exported. Mayor O'Connor expressed that he would like to make sure that 40% - 60% of the timber is retained for the benefit of local mills within the state to provide jobs, and that the wood should not be shipped overseas it has been happening in previous years. Jon Bolling said that the issue may have been settled by a state court case that he remembered reading about that might have been at the University, with the decision of no health lands could be subject to the processing mandate, but the general forest lands could be. Jon said the court case is a vague recollection and that he is not sure if the statutes have changed since. Jon said that he believes the Forest Practices Act is silent to the manufacturing.

The Council discussed logging practices effecting fish and Councilman Kampnich explained the three levels of guidance consisting of the Forest Service, which is most restrictive, the State and then the Private Forest Lands that provided for buffers of 66 feet which ended up being problematic after a few years when a big wind came though and blew down most of that buffer. Michael Kampnich suggested inviting a State Forester to instruct the Council on their rules and the Council agreed. Mayor O'Connor said that there should be a State practices and rulebook that the Council could review, as well.

The Council directed staff to request a State Forester (possibly from Ketchikan), to come to POW Island and brief the Council on its rules and practices.

2. Discussion of Access Permits

Jon Bolling said that Brian Templin provided a summary and broader version of the Craig Municipal Code 16 that covers access permitting.

The Council discussed regular access permit items not needing Council notification but did say they would like notification in advance for large public activity areas that have a higher level of public scrutiny, prior to access permit approval. Jon Bolling said that it was in his authority under current Municipal Code to grant the permits, and explained the options to either amend the ordinance, or request staff to make it their practice to notify the Council of upcoming large public areas requesting permits.

The Council directed staff to give prior notification via council packet, for large public areas that are out of the normal scope requesting permitting.

3. Request of 4th of July Celebration Funding Letter

Jon Bolling said that the Council did approve \$10,000 last year and the City only paid \$5,000 of that because the Craig Fourth of July Committee did such a great job fundraising.

The Council expressed concerns of fundraising limitations this year due to COVID-19.

MCDONALD/SCHOONOVER

Moved to Allocate up to \$10,000 in 2022 Fourth of July Committee Funds beginning with an initial \$5,000 increment payment and additional funds to be used if needed.
MOTION CARRIED UNANIMOUSLY

COUNCIL COMMENTS

Councilwoman McDonald said that she is concerned that Craig Tribal Association has designated the Headstart playground as a liability that can no longer be in their building, and if there is no longer a playground, per the rules there is no longer a Headstart. Councilwoman Schoonover said that CTA is trying to move Headstart to the School. Julie McDonald stressed that time is of the essence due to red tape delays.

Councilwoman McKinley said that said that the Port St. Nicholas Road 15-mph posted speed limit was too slow and is even slower than a school zone area. The Council agreed and directed staff to change the 15-mph posted speed limit to 20-mph on Port St. Nicholas Road for the stretch up to 30-mph posted speed limit sign.

Councilman Kampnich said that the Control Lake Junction-Big Salt road is deteriorating quickly and developing major potholes, even though the State Department of Transportation is doing a great job of trying to keep up with it. Michael Kampnich said that this is a community main artery road and thinks the City should contact the State Transportation Director to see what the City can do to help support the repairs and maintenance.

ADJOURNMENT

SEE/MCKINLEY

Moved to adjourn at 7:24 p.m.
MOTION CARRIED

APPROVED on the _____ day of _____, ____.

MAYOR TIMOTHY O'CONNOR

ATTEST: _____
TRACEY JENSEN, CITY CLERK

CITY OF CRAIG MEMORANDUM

To: Craig Mayor and City Council

From: Brian Templin, City Planner

Date: April 7, 2021

RE: Application to Sell City Property to Rodney Payne – Ordinance 734 First Reading

Rodney Payne owns lot 5, Port St. Nicholas Subdivision Number 3, located within the Craig City limits. This subdivision fronts on city owned tide and submerged lands. The city has already approved an easement on the lot for a sewer outfall.

Mr. Payne has applied to the city for a sale of a portion of Tract A, ATS 1410 abutting lot 5 for the purpose of constructing and maintaining a private dock associated with a residential structure that will be constructed on Lot 5. The area of the lot will be laid out as an extension of the upland lot lines seaward about 150 feet to accommodate the dock and room to tie up a vessel all around the new dock. This sale is similar to property sold to Mr. John McCallum in front of lots 6 and 7 in the same subdivision in 2015. The area subject to this sale would be approximately 40,000 square feet.

The sale notice was published in the two editions of the Island Post with the public hearing scheduled at the regular city council meeting on April 15, 2021. In the event that the April 15th meeting is cancelled the public hearing will be rescheduled to May 6th.

If approved, the sale will be a market value sale based on a current appraisal. The terms of the sale generally require the appraisal and survey to be completed at the applicant's expense and the land to be transferred by quit claim deed when full payment is made to the city. Past sales agreements generally require full payment to the city within 90 days of council approval of the terms of the sale. Funds from this sale will be placed in the city's land development fund.

Market value sales of city owned land are set at a minimum price of the market value appraisal. The city council has authority to charge more, but the code sets the minimum value.

Since this is the first municipal land sale many of the council members will be a part of, the sequence of events for land sales are:

1. Application submitted to the city
2. Public Hearing scheduled (usually at a regular council meeting) for 30 days (including posting twice in the Island Post)
3. First Reading/Consideration of an ordinance authorizing the city administrator to negotiate the sale
4. Second Reading/Considers of the enacting ordinance
5. If approved, staff works with the purchaser to complete a number of steps
 - a. The purchaser is responsible to hire an MAI certified appraiser (with city approval) and have the property appraised. Generally, the appraiser

documents a “per square foot” value so that the overall value can be adjusted after the survey is complete.

- b. The purchaser is responsible to hire a surveyor to complete a subdivision survey documenting the parcel to be sold.
 - c. The planning commission approves the preliminary plat and the surveyor completes the plat.
 - d. Once the appraisal and survey plat are completed, we calculate the sales price (minimum) based on the market value and the actual square footage shown on the plat.
 - e. Staff works with the purchaser to finalize terms of the sale (generally a quit claim deed after full payment, payment generally required within 90 days)
6. The final sales terms are presented to the council for consideration
 7. Staff completes the financial transaction and issues a quit claim deed.

Sales of city owned property generally takes several months between required public notice, city council and planning commission meetings, and waiting on the purchaser to complete appraisal and survey work,

Recommendation: Approve the first reading of Ordinance 734, authorizing the city administrator to negotiate the sale of city owned property to Mr. Rodney Payne.

**CITY OF CRAIG
ORDINANCE No. 734**

AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE WITH RODNEY PAYNE, THE TERMS OF A SALE OF CITY OWNED TIDE AND SUBMERGED LANDS AT TRACT A, ATS 1410

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

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

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

Section 4. Action. This ordinance authorizes the City Administrator to negotiate the sale of approximately 40,000 square feet of city owned tide and submerged land, a portion of Tract A, ATS 1410. Final terms of said sale are subject to the approval of the Craig city council.

Passed and approved this _____ day of May, 2021.

Mayor Tim O'Connor

Attest _____
Tracey Jensen, City Clerk



Southeast Senior Services

A Division of Catholic Community Service, Inc.



Helping elders in Southeast Alaska stay healthy, safe and independent

March 29, 2021

RECEIVED
APR 8 2021

Mayor Tim O'Connor
City of Craig
P.O. Box 725
Craig, AK 99921

Dear Mayor O'Connor,

I would like to request that \$6,790 be included in the City of Craig's FY22 budget for the Craig/Klawock Senior Program. The continued support from the City of Craig is essential to the senior program and will help make it possible for us to continue to provide high quality, responsive services to the Craig and Klawock senior citizens during the coming year.

At this time, on behalf of Southeast Senior Services, I would like to thank you and the City of Craig for your contribution of \$6,790 toward the FY 2021 operating budget for the Craig/Klawock Senior Program. Last fiscal year, your support helped make it possible for us to provide:

- 5,888 Home-delivered meals
- 3,264 Congregate meals (while still in-person dining)
- 4,723 Rides

The nutritious meals, socialization, and door-to-door transportation offered through the Senior Center help seniors stay healthy and remain in their homes and traditional communities. On behalf of the senior citizens of Craig and Klawock, thank you again for your continued generous support of the Senior Center. I welcome you to call me anytime at 463-6174 if you have questions or suggestions regarding our services.

Cordially,

April L. Huber
NTS Regional Coordinator
Southeast Senior Services/Catholic Community Service



1803 Glacier Highway, Juneau, AK 99801 • Telephone: (907) 463-6177 • Fax: 888-756-6664

Find us on www.facebook.com/CatholicCommunityServiceInc • www.ccsak.org

RETURN TO TOP

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: April 7, 2021
RE: Resolution 21-09

As the council is aware, SPC has for the last ten years occupied city property for the purposes of buying commercially caught salmon from its members. The company began working from city property in 2009 (first at the old cannery dock, then from City Dock) after it was unable to reach an agreement to continue working out of the Craig Fisheries building at North Cove, as it had done for many years prior.

The city has issued access permits to allow SPC to occupy city property. City staff may issue access permits administratively that allow use of city property for up to one year. Any party seeking to use city property for more than one year may request a two-year access permit from the city council. Access permits are intended to meet short term needs for use of city property by third parties. The more formal lease process is intended for longer-term uses of city property. SPC has applied to the city for another two-year access permit, running from June-September in 2021, and again from June-September of 2022. A copy of the company’s written request is attached. Also attached is a copy of the proposed access permit authorizing City Dock use in 2021 and 2022.

Title 16.04.020 of the Craig Municipal Code provides for the issuance of access permits. Compensation due to the city from use of city property is set by city staff or council as staff or council deems appropriate for the proposed use. A summary of the cost to SPC from using city property since 2009 is shown in the table below.

SPC Access Permit History – City Dock

<u>Year</u>	<u>Fee</u>
2009	\$4,027
2010	\$3,500
2011	\$6,077
2012	\$6,077
2013	\$6,077
2014	\$6,684
2015	\$6,774
2016	\$7,452
2017	\$7,825
2018	\$8,205
2019	\$8,469
2020	\$8,469

The proposed access permit replaces normal moorage and wharfage fees that would apply to the City Dock. Wharfage and moorage are not a good fit for what SPC wants here, which is to

occupy the dock from late-June until mid-September; a typical wharfage users seeks to use a dock space to load or off-load product for a short period of time—usually just a few hours—whereas SPC occupies the dock for several months. The rate structure developed in the draft access permit likely brings in more revenue to the city than charging SPC just wharfage for fish moved across the dock, given the city’s wharfage rate structure and depending on the strength of the return of salmon in any given year.

SPC staff has told city staff in years past that the company would like to establish a permanent buying station in the Craig area. The company appears to have made some progress toward that goal through an arrangement with Mr. Kenny Quigley to handle and process fish in Craig. SPC staff has in the past told me that all fish purchased and processed by SPC in Craig will be recorded in tax reports to the State of Alaska as processed in Craig, which should make the city eligible for its share of the fisheries business tax.

Recommendation

Adopt Resolution 18-15.

CITY OF CRAIG RESOLUTION 21-09

A RESOLUTION AUTHORIZING CITY STAFF TO ISSUE AN ACCESS PERMIT TO SEAFOOD PRODUCERS COOPERATIVE FOR USE OF THE CRAIG CITY DOCK AS A FISH BUYING STATION IN 2021 AND 2022

WHEREAS, Seafood Producers Cooperative has requested use of the City Dock as a fish buying station in 2021 and 2022; and,

WHEREAS, Section 16.04.020.B of the Craig Municipal Code provides for the Craig City Council to issue, by resolution, an access permit for a period of between one and two years for any purpose compatible with the land use classification or zoning of such lands, and on such terms for such use as the council determines; and,

NOW, THEREFORE, BE IT RESOLVED that the City of Craig hereby directs city staff to negotiate an access permit with Seafood Producers Cooperative to occupy City Dock for approximately three months in 2021, and for approximately three months in 2022.

Adopted this 15th day of April, 2021.

Mayor Tim O'Connor

ATTEST _____
Tracey Jensen, City Clerk

CITY OF CRAIG ACCESS PERMIT

The City of Craig (hereafter "city"), per section 16.04.020 of the Craig Municipal Code, hereby grants an access permit to Seafood Producers Cooperative, whose address is 507 Katlian St., Sitka, AK 99835, (hereafter "permittee") for the use of a portion of the City Dock and adjacent tidelands of the Tidelands Addition to USS 1430 (hereafter "the property") for use as an area to receive and transport seafood, to park vessels, vehicles and equipment directly related to the transportation of seafood received at the property, subject to the following conditions:

1. Permit Purpose. That this permit is valid for the use of the property for purchasing, offloading, prepping and shipping seafood and for parking vessels, vehicles and equipment directly related to the transportation of seafood received at the property. No other use may be made of the property without prior approval from the city.

2. Site Contamination Prohibited; Environmental Compliance Required. (a) Any violation, at the site of the property, by permittee, or by a third-party present upon the land with permittee's permission, of an environmental statute or regulation of the city, state or federal governments shall be grounds for immediate termination of the permit by the city, at the city's sole discretion. By entering into the permit, the permittee agrees not to make any claim for monetary damages against the city for permit cancellation pursuant to this subsection.

(b) The permittee shall at all times manage permittee's activities upon the property, and the activities of third parties present with permittee's permission, so as to positively prevent any and all contamination of the property which would violate any statute or regulation, which could subject the city to enforcement action by a state or federal agency, or which could subject the city to statutory or common law liability, diminish the value of the land, or cause city expenditures for response costs caused by a hazardous substances release.

(c) By entering into the permit, the permittee agrees to defend and indemnify the city from and against any and all claims by third parties (including governmental entities and industry pollution-based claims) brought against city by reason of activities on the property during the effective period of the permit.

(d) By entering into the permit, the permittee agrees to reimburse the city for any and all expenses reasonably incurred by the city (including any response or site cleanup costs) because of activities on the property during the effective period of the permit.

3. Site Cleanup. Permittee agrees that she is individually responsible for removing all waste products and other items placed by them, or resulting from their activities, from the property. Removal will be completed no later than sixty days after the expiration of this permit, or 60 days of notice by the city that the permit is being terminated as

described in item 4 below. All fixtures and equipment of whatsoever nature, that permittee shall have installed upon the property, whether permanently affixed or otherwise, shall continue to be the property of the permittee and may be removed by them at the expiration or termination of this permit or of any renewal thereof; and at their own expense, permittee shall repair any injury to the property resulting from such removal. Such disposal must be done in compliance with State of Alaska and local regulations, and as directed by city staff. Failure to do so will subject permittee to expenses incurred by City as disclosed in item 2(d) above.

4. Permit Termination. City or Permittee agrees that either party may terminate this permit for any reason. If the city exercises this option the permittee will be notified by certified mail sent to the address above, or by hand service of the notice to terminate the permit. The permit will be terminated 30 days from the receipt of the letter, date of the hand service, or the date the letter is returned to the city if delivery is not accepted by the permittee. This permit will also be terminated if permittee violates or fails to maintain any condition of this permit; or if payment is not made as prescribed in Section 10 of this permit. No refund shall be made to permittee of any fee paid as a requirement of this permit.

5. Hold Harmless. Permittee agrees to hold harmless, indemnify and defend City against any and all claims for damage, injury, or wrongful death which may be brought or asserted by Permittee, its agents, or third parties resulting from Permittee's use or occupancy of the property.

6. Site Maintenance. Permittee agrees to maintain the permittee's use area and storage area in clean and good condition. This includes removal of waste products resulting from carving, unused raw materials and any other waste generated by permittee's activities on the property during the effective period of the permit.

7. Non-Exclusive Use of Site. Permittee acknowledges that the City Dock is used by the general public for access to a public ramp and float at the dock. Permittee agrees to maintain public vehicle and foot access to the ramp and float at all times. City reserves the right to use the remainder of the property or allow third party use of the remainder of the property. Permittee agrees to make the public use crane on the property available to the general public at such times as permittee's activities allow for public access to the dock face.

8. Access, Parking and Interference. Permittee will access the property, park vehicles and conduct activities in a manner which shall not interfere with clear access to the remainder of the property by the city, leaseholders, permit holders or other parties authorized by the city.

9. Utilities. Services provided under this permit do not include utility services. Permittee must secure at its own cost any utility service it needs at the property, including but not limited to solid waste collection, water, and electric utilities. Permittee agrees to

transfer existing electric meter accounts at the property to its name for the duration of the permit.

10. Payment and Effective Period. In consideration for this permit, permittee agrees to pay to the city \$8,469.43 for the period June 24, 2021 to September 19, 2021; and \$8,469.43 for the period June 24, 2022 to September 19, 2022. In addition, permittee agrees to pay \$275.00 per week if the property is occupied before June 24 or after September 19 of each year, all based on the schedule of values below.

	Value/ sq. ft.	Area	Lease Rate	Annual	Fraction of Year	Pro-rated Cost
Tidelands	\$2.01	9,036	8.00%	\$1,449.74	21.00%	\$304.44
City Dock	\$66.71	5,075	8.00%	\$27,082.84	21.00%	\$5,687.40
City Dock Warehouse	\$79.86	1,474	8.00%	\$9,417.09	21.00%	\$1,977.59
Use of Crane						\$500.00
Access Permit annual fee:						\$8,469.43

Payment for use of the property in 2021 is due in full on June 23, 2021. Payment for use of the property in 2022 is due in full on June 23, 2022. Weekly payments for use between September and December of each permit year shall be made at the beginning of each week.

11. Compliance with Directions from Harbormaster. Permittee will comply with all directives issued by the Craig Harbormaster.

12. Reporting. Permittee will prepare and submit a report to the city documenting the species and weights of all seafood it processed or caused to be processed within the Craig municipal boundaries in calendar year 2021. Said reports are due to the city by December 31 of each calendar year. The processing of seafood within the Craig municipal boundaries by permittee, and the reporting by the permittee of seafood processed in Craig to the city and to the State of Alaska, is a material consideration of this permit.

13. Expiration Date. This permit expires December 31, 2022, unless sooner terminated by City or permittee.

Approved this _____ day of _____, 2021.

 Jon Bolling, Craig City Administrator

Permittee's Acknowledgment:

I accept the conditions of this Access Permit.

Authorized Representative
Seafood Producers Cooperative (SPC)

Date

Jon Bolling

Subject: FW: : Use of City Dock in Craig

From: Stephen Rhoads <srhoads@spsales.com>
Sent: Wednesday, April 7, 2021 11:53 AM
To: Jon Bolling <administrator@craigak.com>
Subject: : Use of City Dock in Craig

Jon,

We request a two year access permit for the dock in craig to continue our buying operation of salmon in the fine city of Craig AK.

Stephen Rhoads
Seafood Producers Cooperative
507 Katlian St
Sitka AK 99835

Mobile: 907-738-0128
Email: srhoads@spsales.com

From: Jon Bolling <administrator@craigak.com>
Sent: Wednesday, March 31, 2021 2:33 PM
To: Stephen Rhoads (srhoads@spsales.com) <srhoads@spsales.com>
Subject: Use of City Dock in Craig

Hi Stephen.

I realized after we finished our conversation yesterday that SPC's access permit to occupy the Craig City Dock during the summer commercial fishing season expired in 2020. I assume that SPC would like a two-year renewal—is that right? If so, please reply to this email making the request and I will begin the permitting process.

Call or email me with questions.

Jon

CITY OF CRAIG MEMORANDUM

To: Craig Budget Committee
From: Jon Bolling, City Administrator
Date: April 8, 2021
RE: Consider Options: Rear-Load Garbage Truck

The city's rear-load "box" garbage truck recently suffered a major component failure. The truck has been repaired for use in the short term, but its overall condition compels staff to approach the council about an appropriation to repair or replace the vehicle.

While most household trash is collected using the side-load automated truck, the older box truck still plays an important role in solid waste collection in Craig. The older vehicle (model year ~2001) is needed to empty the larger bear-proof dumpsters placed in the SSI Trailer Court, plays an important role in collecting waste during the city's spring clean up week event, and for other occasional solid waste collection needs.

Public Works Director Russell Dill research options to repair or to replace the truck.

Option 1 – Repair Existing Truck. Repairing the failed component will cost at least \$26,000 for materials and tools, plus staff time. The repair would put the truck back in good working order as to the particular component that failed. The council should be aware, however, that the box truck demands increasing levels of maintenance and repair effort and is very likely to continue needing increasing levels of care.

Option 2 – Replace Existing Truck. Replacing the box truck with a similar, new vehicle is estimated at \$156,046, plus freight to Craig. The specifications for the vehicle are such that it is designed to empty the bear-proof style dumpsters. Like the existing box truck, a new vehicle can also run the weekly garbage route with a two-man crew as a back up to the side load vehicle. The dealer offers financing options, including a three-year, \$55,222 annual payment option for purchase at an interest rate of around 3.05%. Russell secured the purchase quote through Sourcewell, a discount pricing service designed to lower purchase costs to local and state governments.

Option 3 – Convert to Individual Bear-Resistant Carts. Another option staff considered is acquiring individual bear-resistant cans for distribution to residents in bear prone areas, including the SSI Trailer Court. The cost to purchase 100 of the 95-gallon cans is about \$34,300. This approach would take advantage of the side load collection used in most of town. However, the physical constraints in several sections of the trailer court do not support safe operation of any of the city's solid waste collection vehicles as to collection services to individual trailer spaces.

All of these options come with lead times, and with the old box truck, while now operational, likely to suffer more mechanical problems as time passes, some action to address the current situation is needed.

Staff supports Option 2. The functionality of a box truck style vehicle supports long-terms, continued use of the existing bear-proof dumpsters, provides a back-up vehicle for the weekly garbage routes, and provides functionality for general garbage collection.

We cannot rely on the existing truck for long-term functionality, which should rule out Option 1. Option 3 will not work for all areas of town, and given the annual issue with scavenging bears, we will continue to need to empty the bear proof dumpsters, which supports maintaining a rear-load box truck

If the council approves an appropriation for one of the options listed above, the cash can be drawn from one of two sources.

- A. The Craig Endowment Fund still has about \$125,000 available for use in the current fiscal year budget.
- B. The city's capital project/equipment reserve fund currently contains some \$555,000. An appropriation from this fund to acquire durable equipment is a legitimate use of the account.

Staff recommends drawing from the equipment reserve fund whatever amount is needed to implement the council's preferred option.

Recommendation

That the council select an option from those listed above and appropriate sufficient funds to implement the selection. As noted above, staff recommends Option 2.

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Tracey Jensen, City Clerk
Date: April 8, 2021
RE: 2021 Late filed Senior Citizen and Disabled Veteran Property Tax Exemptions

Ms. Gail Slentz, who lives at 1611 Achton Court in Craig, failed to file timely an application for a 2021 senior property tax exemption application. The application was due by January 15. The application was received by the city on April 6, 2021. Ms. Slentz disclosed that she was unaware of the program until now but had turned the eligible age in June, 2020.

Ms. Janice Isaacs who lives at 406 T&H Street in Craig, failed to file timely an application for 2021 senior property tax exemption application. The application was due by January 15. The application and supporting application was received by the city on April 6, 2021. Ms. Isaacs had her Son Patrick Isaacs assist her with the application process as she has some trouble getting around.

Ms. Blanche Farrell who lives at 802 Main Street in Craig failed to file timely an application for 2021 senior property tax exemption application. The application was due by 15. The application required some assistance from the city to be filed and was received April 1, 2021 but is missing the proof of eligibility under Craig Municipal Code 3.04.035 (A)(1). Ms. Farrell has received her senior property exemption consecutively in prior years to current and has not changed her permanent residence in the State of Alaska within the City of Craig since.

Alaska Statutes 29.45.030(f) provides that the local governing body of the municipality may for good cause waive the applicant's failure to make timely application for the exemption.

Recommendation

Move to accept Ms. Gail Slentz', Ms. Isaacs' and Ms. Farrell's untimely senior property tax exemption applications.