

**CITY OF CRAIG  
COUNCIL AGENDA  
JUNE 17, 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 June 3, 2021
- Ordinance No. 738: Setting Utility Rates

**HEARING FROM THE PUBLIC**

- Open for public comment
- Modified Resolution 20-15-2, Establishing the Craig Economic Assistance Grant Program and Modified Resolution 20-16-2, City of Craig Health Reimbursement Arrangement
- Resolution 21-14, Amending Employee Handbook for Payment of Accrued Annual Leave
- Ordinance No. 737: Adoption of FY 2022 Operating Budget

**READING OF CORRESPONDENCE**

- Congressman Don Young Releases Infrastructure Consensus

**CONSIDERATION OF RESOLUTIONS AND ORDINANCES**

- Modified Resolution 20-15-2, Establishing the Craig Economic Assistance Grant Program and Modified Resolution 20-16-2, City of Craig Health Reimbursement Arrangement
- Resolution 21-14, Amending Employee Handbook for Payment of Accrued Annual Leave
- Ordinance No. 737: Adoption of FY 2022 Operating Budget

**UNFINISHED BUSINESS**

- Downtown Harbor Project Update

**NEW BUSINESS**

**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](mailto:cityclerk@craigak.com), before 5:00 p.m. the day of the council meeting

CITY OF CRAIG  
COUNCIL MEETING  
THURSDAY JUNE 3, 2021

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**ROLL CALL**

Mayor Timothy O'Connor called the meeting to order at 6:34 p.m. and the roll was taken. Present were, Julie McDonald, Jim See, Millie Schoonover, Michael Kampnich, Chanel McKinley. Hannah Bazinet and Chanel McKinley were absent and excused.

**Staff present:** Jon Bolling, City Administrator; Brian Templin, City Planner; Tracey Jensen, City Clerk; Sheri Purser, Treasurer; Jessica Holloway, Aquatic Manager and Russell Dill, Public Works Director. Minnie Ellison, Fire and EMS Coordinator; Hans Hjort, Harbormaster; Angela Matthews, Library Director, RJ Ely, Police Chief; Victoria Merritt, Recreation Director and Doug Ward, Parks and Public Facilities Director attended by telephone.

**Audience present:** None present.

**CONSENT AGENDA**

1. City Council Meeting Minutes of May 6, 2021
2. City Council Meeting Minutes of May 20, 2021
3. Ordinance No. 737: Adoption of FY 2022 Operating Budget

SCHOONOVER/KAMPNICH

Moved to approve the Consent Agenda.  
MOTION CARRIED UNANIMOUSLY

**HEARING FROM THE PUBLIC**

No public attended the meeting.

**REPORTS FROM CITY OFFICIALS**

**Mayor-** Had nothing new to report.

**Administrator-** Submitted a written report. Jon Bolling said the P.O.W.E.R roof is finished, and the council had appropriated up to \$30,000 to help contribute toward the cost, but the actual cost is \$41,000 and Jon asked the Council if they would like to split the cost down the middle with P.O.W.E.R, or if the full \$30,000 should go to the project. Victoria said that fundraising efforts have been successful, but that she would like the extra funds to assist the community. Councilman See said that he thinks windows, siding and additional repairs will be needed in the future. Victoria mentioned that she has been attempting grant funding, but in the case of the Rasmussen Grant, it must be the city who applies as they own the building.

The council directed staff to apply \$25,000 in contribution funding to the POWER roof project while retaining \$5,000 of the appropriated \$30,000 in reserve for future repairs.

Jon updated and invited the council to the upcoming June 11, 2021, at 10 a.m. meeting with Sealaska Corporation that he and the mayor will be attending in the Administrator's office to discuss economic options. Jon and the council discussed Forest Service Resource Advisory Committee (RAC) geographic consolidation areas, seats, and possible funding allocation concerns.

**Treasurer-** Submitted a written report. Sheri Purser reported that the ordinance first reading for the operating budget is in the council packet for consideration. Sheri said that the current audit is projected to be completed within the next two weeks, and the auditor would like to begin the next one at the end of August.

Councilman Kampnich, Jon Bolling and Sheri discussed budget funds being loosely split between JT Brown Industrial Park and the harbor that is creating budget fluctuations, or if they should be combined as it is the same staff that is working and the same wages. Jon said that if any changes are made that he would be inclined to call the whole as: *Docks and Harbors* heading to combine all the revenues and expenses under a single department. Jon could not remember why the budget was set up this way and said that he is unsure if it was auditor recommendations initially. Sheri said that the water, sewer and garbage is separated even though it is the same workers and wages for grant purposes and that could be why it was set up that way. Jon said that he would ask the auditor for recommendations.

**Aquatic Manager-** Jessica Holloway said that she was teaching in Washington to recertify her instructor training and will be teaching a full course and a reboot course on the 23<sup>rd</sup> in Fairbanks. Jessica updated that the pool will be closed from July 12 – 26<sup>th</sup> due to three staff members getting their certified pool operator (CPO) certifications in Anchorage and that Jessica currently holds the only certification on the staff, and her certification is set to expire in July. Jessica relayed the summer schedule beginning Monday.

**Clerk-** Submitted a written report. Tracey Jensen said that the next council meeting scheduled date is June 17, 2021.

**Planner-** Submitted a written report.

**Fire/EMS Coordinator-** Submitted a written report.

**Harbormaster-** Submitted a written report. Hans Hjort updated that the harbor staff were able to place a temporary ladder for the summer in lieu of the damaged ladder. Hans explained that he is still working on a ladder that must be built in the lower 48 states and shipped here. Hans explained that the harbor staff will mount the temporary ladder when there is a lower tide which is expected Tuesday so that staff are able to get down in there with a skiff to mount timber behind the temporary ladder to support it. Hans said that the parties for the damage to the ladder are being held financially responsible.

Councilman See questioned why Ken Quigley is buying all his fish on the city dock, all year round instead of buying them at JT Brown Industrial Park. Hans explained that Gary Atkinson and Ken Quigley purchase their fish at False Island but do have a scale and forklift inside the building. Hans said that the Seafood Processing Cooperative (SPC) lease does not start until mid or the end of June and previously there had been talk about getting Quigley an access permit or charging him rent, but it has not been followed up on. Hans added that the water is turned on in Quigley's name at the city dock. Hans relayed that the credit card is still hooked up to the crane and that years ago Seafood Processing Center (SPC) installed the jib crane, but Hans is not sure what the agreement was, or if the jib crane was installed for a back-up crane that is sometimes used for unloading but that crane is not metered. Hans said that the city could charge a rate or deactivate it dependent upon the council's wishes as the crane is used by credit card, whereas the little jib crane is not.

The council directed staff to pursue possible wharfage fees for Mr. Quigley's use of the city dock and to examine the first fire extinguisher at the harbor that has the bottom is rusting out. Mayor O'Connor said that Taylor Services passed the extinguisher as operational on the previous inspection, but that it was not possible to get the nozzle out of the sides of it today. The Mayor expressed his concern of Taylor Services doing proper inspections. Hans said that Doug Ward contacted the Owner of Taylor Services to request better inspection service and the company has not been here since.

**Library-** Submitted a written report. Angela Matthews said the Summer Reading Program started on Tuesday and there are already 35 people signed up.

**Police Chief-** Submitted a written report. RJ Ely said that the new Tahoe is striped, has a radio in it and is serviceable but that he is working with Public Works to get the remaining items installed on it.

**Public Works-** Submitted a written report.

**Recreation-** Submitted a written report. Victoria Merritt thanked everyone that helped when she fell and was injured. Victoria thanked Councilwoman McDonald for the ballet recital and said the *Blessing of the Fleet* was postponed and rescheduled to Sunday at 4:00 p.m. due to weather. Victoria updated that Maranda Hamme is running volleyball, skating, and planting baskets, Victoria listed the upcoming fishing derbies and July events, and recognized Councilwoman Schoonover for being the Parade Judge.

**Parks and Public Facilities-** Submitted a written report. Mayor O'Connor directed staff to investigate the issue of cemetery trees pushing into Thomas family graves and destroying the steps. Doug Ward updated that he and Jon have been working on a columbarium for the cemetery. Councilwoman McDonald inquired about the status of the Craig Tribal Association playground equipment that they had offered to the city. Doug explained that he did look at the equipment and surmised that although it is nice equipment, that trying to remove and replace it would destroy it and he thinks the city should pass on taking it. The Council commented at how nice the park, cemetery and trail look which makes them proud to be a citizen of Craig.

## READING OF CORRESPONDENCE

1. April 2021 Alaska Permanent Capital Management
2. Craig School District Support Thank You Letter

## CONSIDERATION OF RESOLUTIONS AND ORDINANCES

1. Ordinance No. 736: Updating Section 3.10 of the Craig Municipal Code

Jon Bolling said that the overhead cost of the Remote Sellers Sales Tax Commission is a little high at 16-18% and it is the goal of the Commission made up by members of Alaska Municipal League to get the overhead costs down. Jon relayed that this is funding that the city would normally not have access to if this provision were not in our municipal code.

KAMPNICH/SCHOONOVER

Moved to adopt Ordinance No. 736:  
Updating Section 3.10 of the Craig  
Municipal Code. MOTION CARRIED  
UNANIMOUSLY BY ROLL CALL VOTE

2. Resolution 21-12, Setting the 2021 Property Tax Levy at 6 Mills

Councilman Kampnich thinks it is remarkable that the city has been able to maintain the same tax rate for 30 years and still meet the community's financial needs.

SCHOONOVER/MCDONALD

Moved to adopt Resolution 21-12, Setting  
the 2021 Property Tax Levy at 6 Mills.  
MOTION CARRIED UNANIMOUSLY BY  
ROLL CALL VOTE

3. Resolution 21-13, Establishing a Schedule of Payments for the Payment in Lieu of Employee Health Insurance Benefit

MCDONALD/KAMPNICH

Moved to adopt Resolution 21-13,  
Establishing a Schedule of Payments for the  
Payment in Lieu of Employee Health  
Insurance Benefit. MOTION CARRIED  
UNANIMOUSLY BY ROLL CALL VOTE

4. Ordinance No. 734: Sale of City Owned Tide and Submerged Lands to Rodney Payne

Council and staff discussed previous city property sale rates, processes, and terms. Brian Templin said that he did not believe that Shaan-Seet had spoken with Mr. Payne, but Brian said that he had spoken with Mr. Payne last week, and that he was agreeable to platting to incorporate the upper and lower parcels into one individual property. Brian requested council clarification for price points and up-front appraisal terms of city property sales. Brian explained that the tideland has no appraisal or assessment as it has never been sold, and never been taxed. Jim See said that the property values have gone up in the last 20 years and the buyer should break even at 15 to 20% above appraised value within 6 or 7 years. The Council agreed the 15 to 20% pricing above the appraised value property sales would apply to tidelands in front of owner residential property sales only, as that property would be the only one impacted.

The Council directed staff to negotiate the tideland sale at 20% above the appraised value.

KAMPNICH/MCDONALD

Moved to adopt Ordinance No. 734:  
Authorizing the City Administrator to  
Negotiate the Sale of City Owned Tide and  
Submerged Lands to Rodney Payne.  
MOTION CARRIED UNANIMOUSLY BY  
ROLL CALL VOTE

## **UNFINISHED BUSINESS**

### **1. Consider Acquisition of Garbage Truck**

Councilman See and Russell Dill discussed single axle, dual purpose specialty manufacturing availability challenges. Councilman Kampnich thanked Russell for looking into the other truck options and said that due to bear and availability issues the city would have to go with the original concept of the dual axle truck at the higher cost of the garbage system operations. Russell explained that the city went through a Sourcewell Program which is a government entity that does the procurement process to obtain the lowest pricing.

SEE/SCHOONOVER

Moved to approve the selection of Option 2 of Jon Bolling's April 8, 2021, Memo to replace the existing box truck with a similar, new vehicle estimated at \$156,046.00, plus shipping, and financed through the dealer at a three-year \$55,222.00 annual payment option for purchase with an interest rate of around 3.05%. The Funds shall be appropriated from the City's Capital Project/Equipment Reserve Fund.  
MOTION CARRIED UNANIMOUSLY

## **NEW BUSINESS**

### **1. Craig Tribal Association Cannery Point Land Allotment Request**

Jon Bolling said that Craig Tribal Association asked that their request be deferred until the second council meeting in July. Mayor O'Connor postponed the agenda item request until the second council meeting in July 2021.

### **2. Consideration of Craig Harbor Advisory Committee Appointment of Ralph Mackie**

SCHOONOVER/SEE

Moved to approve the appointment of Ralph Mackie to fill the Craig Harbor Advisory Committee Vacancy. MOTION CARRIED UNANIMOUSLY

**3. Consider Acquisition of Shop Truck**

Russell Dill said that Daniel Nelson would be able to do the basic mechanic maintenance and repairs on the truck and that it was purchased in California, has been on Prince of Wales Island for about 1-2 years and has 50,000 miles on it. Russell described all the options on the truck and that he believes it is in good shape.

Jon Bolling said that he would ask Sheri Purser to modify the ordinance documents to deduct the \$40,000 transfer in the expenditure to next year's budget and that Councilwoman Schoonover had also pointed out some changes to the budget that will be modified as well. Councilwoman McDonald requested that any changes to the budget before the second reading be highlighted so that the council members do not have to re-read the budget. Councilman See requested and received his paper copy of the budget to mark up.

SCHOONOVER/KAMPNICH

Moved to appropriate \$15,000 of Craig Endowment Fund Earnings to acquire a 2007 Ford F-550 shop truck. MOTION CARRIED UNANIMOUSLY

**COUNCIL COMMENTS**

The Council and Jon Bolling discussed the upcoming meeting with Senator Murkowski's and Congressman Young's staff Saturday at 9 a.m. at City Hall. Jon explained that there is a bill in the House of Representatives, but not in the Senate, so there is not a bill to co-sponsor with Senator Sullivan currently. Councilwoman McDonald said that she had a previously scheduled conference at that time but could try to be available if needed.

Mayor O'Connor said that the Coast Guard needs to repair their radio equipment and he relayed a non-emergency situation that EMS were called to respond at the city's expense unnecessarily due to the parties not being able to hear each other. Councilman Kampnich relayed that he had called the Coast Guard, spoke with a senior member, then left a message for the appropriate person to call, but no one has gotten back to him yet. Councilman Kampnich said he would call the Coast Guard again and update the council and staff by memo with the results. Councilwoman McDonald liked the idea of contacting the Senators and added another idea of contacting the Ketchikan Daily News, as well.

**ADJOURNMENT**

SCHOONOVER/MCDONALD

Moved to adjourn at 8:05 p.m.  
MOTION CARRIED

APPROVED on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

\_\_\_\_\_  
MAYOR TIMOTHY O'CONNOR

ATTEST: \_\_\_\_\_  
TRACEY JENSEN, CITY CLERK



## **CITY OF CRAIG MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: June 10, 2021  
RE: Ordinance No. 738 – Setting Utility Rates

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Attached is Ordinance No. 738. The ordinance adopts rates for the city's water, wastewater, and solid waste utilities. The ordinance is presented here at first reading.

Following direction from the city council, staff reworked the utility rates, starting from scratch. The rate structures proposed in the ordinance are based on revenue needed to operate each of the three utilities. From that basis, rates are calculated based largely upon consumption (gallons of water consumed, frequency of garbage pickup and can size) and the number of accounts. This practice follows national standards that call for about 30% of public utility revenues to come from a flat fee per service, with the remaining 70% generated through consumption.

As part of the rate setting project a series of spreadsheets was developed that documents the link between revenue needs and rates. While they are not part of Ordinance No. 738, those spreadsheets are attached to this memo as backup. The spreadsheets are detailed, and while they accurately document costs and rates, they can be a challenge to follow on the printed page. Staff walked the budget committee through the supporting spreadsheets using a laptop computer, demonstrating how the revenue and account numbers form the basis for the new rates. Based on the supporting data, the budget committee concurred with the findings that are the basis for the rates proposed for adoption in Ordinance No. 738.

While water and solid waste collection rates do increase under the proposed structure, one component of the wastewater rate decreases, and most rate payers will not see an increase in the overall monthly utility bill if Ordinance No. 738 is approved as presented.

The rate structure continues to maintain a cost differential between in-city and outside-city rates for water and solid waste collection.

The proposed effective date of the ordinance is August 1, 2021. This effective date gives staff time to incorporate the new rate structure into the city's accounting system for billings issued around September 1.

### **Recommendation**

Adopt Ordinance No. 738 at first reading.

**ORDINANCE NO. 738**

**ADOPTING UTILITIES RATES FOR MUNICIPAL WATER, WASTEWATER,  
AND GARBAGE COLLECTION SERVICES**

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

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 becomes effective August 1, 2021.

Section 4. Repeal. This ordinance repeals all previous municipal water, wastewater, and garbage collection services rate-setting ordinances.

Section 5. Action. (a) Schedule "A" Garbage Rates; Schedule "B" Wastewater Service Rates; and Schedule "C" Water Rates, are hereby adopted and incorporated by reference in Craig Municipal Code Sections 8.04.040, 15.16.010 and 15.48.010.

APPROVED \_\_\_\_\_

\_\_\_\_\_  
MAYOR TIM O'CONNOR

ATTEST \_\_\_\_\_  
TRACEY JENSEN, CITY CLERK

SCHEDULE "A" GARBAGE RATES

Pick Up Schedule

Inside City Limits Weekly Service	1X Week	2X Week	3X Week
	Cost/Month	Cost/Month	Cost/Month
48 Gallon	\$36.53	\$ 73.07	109.60
64 Gallon	\$43.29	\$86.59	\$129.88
300 Gallon Dumpster	\$143.00	\$286.01	\$429.01
4CY Dumpster	\$354.25	\$708.51	\$1,062.76

Outside City Limits Weekly Service	1X Week	2X Week	3X Week
	Cost/Month	Cost/Month	Cost/Month
48 Gallon	\$55.16	\$110.32	\$165.47
64 Gallon	\$61.92	\$123.84	\$185.75
300 Gallon Dumpster	\$161.63	\$323.26	\$484.88

Additional Cart Schedule

Inside City Limits Weekly Service	1 Cart	2 Carts	3 Carts
	Cost/Month	Cost/Month	Cost/Month
48 Gallon	\$36.53	\$56.81	\$77.09
64 Gallon	\$43.29	\$70.33	\$97.37
300 Gallon Dumpster	\$143.00	\$269.75	\$396.50
4CY Dumpster	\$354.25	\$692.25	\$1,030.25

Additional Cart Schedule

Outside City Limits Weekly Service	1 Cart	2 Carts	3 Carts
	Cost/Month	Cost/Month	Cost/Month
48 Gallon	\$55.16	\$75.44	\$95.72
64 Gallon	\$61.92	\$88.96	\$116.00
300 Gallon Dumpster	\$161.63	\$288.38	\$415.13

Extra Pick Up Schedule

	Inside City Limits	Outside City Limits
48 Gallon	\$28.41	\$37.72
64 Gallon	\$35.17	\$44.48
300 Gallon Dumpster	\$134.88	\$144.19
4CY Dumpster	\$346.13	--

III. NOTES

(1) The minimum sanitation charge for residential, commercial, and industrial customers shall be the rate for one pick-up per week. All locations in the City of Craig that receive water and sewer services will be charged garbage pickup fees at least at the minimum charge.

- (2) Garbage service outside municipal boundaries will be provided at the discretion of the Director of Public Works.
- (3) Duplex dwelling units will be serviced with a minimum of 64 Gal Can. Multiple family dwelling units of three units or more, and mobile home parks, will be serviced with dumpsters.
- (4) The City of Craig will provide residential garbage pick-up services free of charge, one 48 Gal. can per week, to residents who are 65 or older. This exemption applies only to the address at which the customer resides and will only apply if the exempt resident is billed directly.
- (5) Arrangements may be made for regular pick-up of garbage in cartons, boxes, bales, or other non-standard units at a rate of \$55.00 per cubic yard subject to the approval of the City.

**SCHEDULE "B" SEWER RATES**

I. UNMETERED SERVICE

One equivalent dwelling unit (EDU) shall be \$66.40.

Processing, industrial, cold storage, and electrical generation plant rates shall be set by individual agreement approved by the City Council and shall be structured to follow the \$66.40 per EDU for wastes discharged into the sewerage system.

II. METERED SERVICE

Customer Type	Billing & Collecting	Meter & Services	Total Meter Charges	Rate per 1,000 gallons	Total Base Rate
General	\$3.38	\$0.92	\$4.20	\$5.91	<b>\$10.21</b>
Mobile Home Parks	\$28.21	\$31.46	\$59.66	\$6.22	<b>\$65.88</b>

**SCHEDULE "C" WATER RATES**

**I. UNMETERED SERVICE**

Section A.

<b>USER TYPE</b>	<b>MONTHLY RATE</b>
Single family residence	\$53.18

Section B.

As referenced in Section 15.40.080 of the Craig Municipal Code, the city does not charge for standby water service on fire protection systems, metered or unmetered.

**II. METERED SERVICE**

Effective January 1, 1994, all commercial users and mobile home parks as defined in Title 18, Craig Land Development Code will be required to install metered water service. Exceptions to this provision will be on a case-by-case basis.

Section A

**Within City Limits Rate:**

Except as provided below in Section B, the monthly rates per meter are shown in the table below.

Meter Size	Billing & Collecting	Meter & Services	Total Meter Charges	Rate per 1,000 gallons	Total Base Rate
¾"	\$2.87	\$6.32	\$9.18	\$4.13	<b>\$13.31</b>
1"	\$2.87	\$11.37	\$14.23	\$4.13	<b>\$18.36</b>
2"	\$2.87	\$13.26	\$16.13	\$4.13	<b>\$20.26</b>
3"	\$2.87	\$17.69	\$20.55	\$4.13	<b>\$24.68</b>
4"	\$2.87	\$25.27	\$28.13	\$4.13	<b>\$32.26</b>
6"	\$2.87	\$30.95	\$33.82	\$4.13	<b>\$37.95</b>

**Outside City Limits Rate:**

Meter Size	Billing & Collecting	Meter & Services	Total Meter Charges	Rate per 1,000 gallons	Total Base Rate
¾"	\$3.47	\$12.37	\$15.84	\$13.22	<b>\$29.06</b>
1"	\$3.47	\$22.27	\$25.74	\$13.22	<b>\$38.96</b>
2"	\$3.47	\$25.98	\$29.45	\$13.22	<b>\$42.67</b>
3"	\$3.47	\$34.64	\$38.11	\$13.22	<b>\$51.33</b>
4"	\$3.47	\$49.49	\$52.96	\$13.22	<b>\$66.18</b>
6"	\$3.47	\$60.63	\$64.09	\$13.22	<b>\$77.32</b>

Section B.

Seafood processing plants that exceed one million (1,000,000) gallons monthly will be charged \$4.13 per thousand for the first one million gallons and \$3.98 per 1000 gallons for the gallons over one million.

Where monthly water usage does not exceed one million gallons, the rate established in Section A of "II METERED SERVICE" shall apply.

## SUPPORTING SPREADSHEETS

Inside City	3/4" Meter	1" Meter	2" Meter	3" Meter	4" Meter	6" Meter	Total Meters	Applied Ratio
Residential	259	93	2	1	0	0	355	433
Commercial	75	79	10	11	1	4	180	293
Industrial	2	3	0	0	1	2	8	21
<b>Sub Total</b>	<b>336</b>	<b>175</b>	<b>12</b>	<b>12</b>	<b>2</b>	<b>6</b>	<b>543</b>	<b>747</b>

  

Outside City	3/4" Meter	1" Meter	2" Meter	3" Meter	4" Meter	6" Meter	Total Meters	Applied Ratio
Residential	16	76	0	0	0	0	92	153
Commercial	0	13	3	0	0	0	16	30
<b>Sub Total</b>	<b>16</b>	<b>89</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>108</b>	<b>183</b>

  

<b>Total</b>	<b>352</b>	<b>264</b>	<b>15</b>	<b>12</b>	<b>2</b>	<b>6</b>	<b>651</b>	<b>930</b>
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## Applied Ratios, Water Services

Annual Usage (1,000 gal)    Equiv. Meters & Service    Bills

Inside City

Residential	19,209	433	3,607
Commercial	8,899	293	2,179
Industrial	3,892	21	48
<b>Sub Total</b>	<b>32,000</b>	<b>747</b>	<b>5,834</b>

Outside City

Residential	3,907	153	1,032
Commercial	875	30	173
<b>Sub Total</b>	<b>4,782</b>	<b>183</b>	<b>1,205</b>

<b>Total</b>	<b>36,782</b>	<b>930</b>	<b>7,039</b>
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Water Operational Expense			\$300,000.00		
	Total	70% Base	Equiv. Meters	Billing & Collecting	
Inside City		32,000	747	5,834	3.20
O & M	\$205,500.00	\$132,149.74	\$56,635.60	\$16,714.66	
Debt	\$0.00	\$0.00	\$0.00	\$0.00	
Other	\$0.00	\$0.00	\$0.00	\$0.00	
<b>Sub Total</b>	\$205,500.00	\$132,149.74	\$56,635.60	\$16,714.66	
Rate		\$4.13	\$75.80	\$2.87	
Outside City		4,782	183	1,205	
O & M	\$94,500.00	\$63,224.94	\$27,096.40	\$4,178.66	
Debt	\$0.00	\$0.00	\$0.00	\$0.00	
Other	\$0.00	\$0.00	\$0.00	\$0.00	
<b>Sub Total</b>	94,500.00	63,224.94	27,096.40	4,178.66	
Rate		\$13.22	\$148.47	\$3.47	
<b>Total</b>	300,000.00				

Outside of City = 20% of Total Consumption X 2.5
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Equivalent meter per month = equivalent meter per year divided by 12 bills \$6.32

Meter Size	Billing & Collecting	Meter & Services	Total Meter Charges	1,000 gallon Water Allotment	Total Minimum Charge
Inside City					
3/4	\$2.87	\$6.32	\$9.18	\$4.13	\$13.31
1	\$2.87	\$11.37	\$14.23	\$4.13	\$18.36
2	\$2.87	\$13.26	\$16.13	\$4.13	\$20.26
3	\$2.87	\$17.69	\$20.55	\$4.13	\$24.68
4	\$2.87	\$25.27	\$28.13	\$4.13	\$32.26
6	\$2.87	\$30.95	\$33.82	\$4.13	\$37.95

Equivalent meter per month = equivalent meter per year divided by 12 bills \$12.37

Outside City					
3/4	\$3.47	\$12.37	\$15.84	\$13.22	\$29.06
1	\$3.47	\$22.27	\$25.74	\$13.22	\$38.96
2	\$3.47	\$25.98	\$29.45	\$13.22	\$42.67
3	\$3.47	\$34.64	\$38.11	\$13.22	\$51.33
4	\$3.47	\$49.49	\$52.96	\$13.22	\$66.18
6	\$3.47	\$60.63	\$64.09	\$13.22	\$77.32

Cost Distribution to Customer Classes - Water

Cost of Service	Total Cost	Base Demand 1,000 gal	Meter Reading	Billing
<b>Inside City</b>		\$ 4.13	\$ 75.80	\$ 2.87
Residential Units		19,209	433	3,607
Allocated Cost	\$ 122,511.69	\$ 79,327.01	\$ 32,850.47	\$ 10,334.21
Commercial Units		8,899	293	2,179
Allocated Cost	\$ 65,171.18	\$ 36,750.02	\$ 22,178.24	\$ 6,242.93
Industrial		3,892	21	48
Allocated Cost	\$ 17,817.13	\$ 16,072.71	\$ 1,606.90	\$ 137.52
<b>Sub Total</b>	<b>\$ 205,500.00</b>	<b>\$ 132,149.74</b>	<b>\$ 56,635.60</b>	<b>\$ 16,714.66</b>

<b>Outside City</b>		\$ 13.22	\$ 148.47	\$ 3.47
Residential Units		3,907	153	1,032
Allocated Cost	\$ 77,921.65	\$ 51,656.17	\$ 22,686.74	\$ 3,578.74
Commercial Units		875	30	173
Allocated Cost	\$ 16,578.35	\$ 11,568.76	\$ 4,409.66	\$ 599.92
<b>Sub Total</b>	<b>\$ 94,500.00</b>	<b>\$ 63,224.94</b>	<b>\$ 27,096.40</b>	<b>\$ 4,178.66</b>

<b>Total</b>	<b>\$ 300,000.00</b>
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WW Operational Expense		\$294,055.00		
	Total	70% Base	Equiv. Meters	Billing & Collecting
Inside City		25,203	5,786	5,786
O & M	\$232,303.45	\$148,934.81	\$63,829.21	\$19,539.43
Debt	\$0.00	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$0.00	\$0.00	\$0.00
<b>Sub Total</b>	\$232,303.45	\$148,934.81	\$63,829.21	\$19,539.43
Rate		\$5.91	\$11.03	\$3.38
Trailer Park		6,797	48	48
O & M	\$61,751.55	\$42,278.36	\$18,119.30	\$1,353.89
Debt	\$0.00	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$0.00	\$0.00	\$0.00
<b>Sub Total</b>	61,751.55	42,278.36	18,119.30	1,353.89
Rate		\$6.22	\$377.49	\$28.21

<b>Total</b>	<b>\$294,055.00</b>
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	Billing & Collecting	Meter Reading Equiv Meters/12	Total Meter Charges	WW Allotment 1,000 gal	Total Minimum Charge
Inside City					
All Billed Accounts	\$3.38	\$0.92	\$4.30	\$5.91	\$10.21
Trailer Park					
All Billed Accounts	\$28.21	\$31.46	\$59.66	\$6.22	\$65.88

Cost Distribution to Customer Classes - Waste Water

Cost of Service	Total Cost	Base Demand 1,000 gal	Meter Reading	Billing
<b>Inside City</b>		\$ 5.91	\$ 11.03	\$ 3.38
Residential Units		19,209	3,583	3,583
Allocated Cost	\$ 165,140.13	\$ 113,513.82	\$ 39,526.45	\$ 12,099.86
Commercial Units		8,899	2,179	2,179
Allocated Cost	\$ 83,984.34	\$ 52,587.82	\$ 24,037.99	\$ 7,358.52
Industrial		3,892	48	48
Allocated Cost	\$ 23,691.03	\$ 22,999.42	\$ 529.52	\$ 162.10
<b>Sub Total</b>	<b>\$ 272,815.51</b>	<b>\$ 189,101.06</b>	<b>\$ 64,093.97</b>	<b>\$ 19,620.48</b>

<b>Trailer Park</b>		\$ 6.22	\$ 377.49	\$ 28.21
Units of Service		6,405	24	24
Allocated Cost	\$ 49,576.66	\$ 39,840.06	\$ 9,059.65	\$ 676.94
<b>Sub Total</b>	<b>\$ 49,576.66</b>	<b>\$ 39,840.06</b>	<b>\$ 9,059.65</b>	<b>\$ 676.94</b>

<b>Total</b>	<b>\$ 322,392.16</b>
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Solid Waste Cost Allocation

**Inside City**

Cart Size/Type	No. of Carts	Rates	Totals
48 Gallon	245	\$438.41	\$107,411.43
64 Gallon	10	\$519.53	\$5,195.34
300 Gallon	58	\$1,716.05	\$99,531.13
4 cy/808 Gallon	10	\$4,251.05	\$42,510.54
<b>Sub Total</b>			<b>\$254,648.45</b>

**Outside City**

Cart Size/Type	No. of Carts	Rates	Totals
48 Gallon	31	\$661.89	\$20,518.61
64 Gallon	17	\$743.01	\$12,631.18
300 Gallon	19	\$1,939.53	\$36,851.08
4 cy/808 Gallon	0	\$0.00	\$0.00
<b>Sub Total</b>			<b>\$70,000.87</b>

**Total** **\$324,649.32**

Total Operation Expense

**\$324,649.32**

Disposal Costs:

**\$233,605.32**

Cart Size/Type	LBS	No. of Accounts	No. of Carts	Total Cart Volume	Tipping Fee
Inside City					
48 Gallon	36	210	245	458,640	\$59,623.20
64 Gallon	48	4	10	24,960	\$3,244.80
300 Gallon	225	46	58	678,600	\$88,218.00
4 CY/808 Gallon	600	1	10	312,000	\$40,560.00
		<b>261</b>	<b>323</b>	<b>1,474,200</b>	<b>\$191,646.00</b>

Cart Size/Type	LBS	No. of Accounts	No. of Carts	Total Cart Volume	Tipping Fee
Outside City					
48 Gallon	36	31	31	58,032	\$7,544.16
64 Gallon	48	17	17	42,432	\$5,516.16
300 Gallon	225	19	19	222,300	\$28,899.00
4 CY/808 Gallon	600	0	0	0	\$0.00
		<b>67</b>	<b>67</b>	<b>322,764</b>	<b>\$41,959.32</b>

**Total** **\$233,605.32**

Inside City Collection Costs:

\$63,002.45

\$195.05

Cart Size/Type	Disposal Cost	Collection Cost	Rate
48 Gallon	\$243.36	\$195.05	\$438.41
64 Gallon	\$324.48	\$195.05	\$519.53
300 Gallon	\$1,521.00	\$195.05	\$1,716.05
4 CY/808 Gallon	\$4,056.00	\$195.05	\$4,251.05

Outside City Collection Costs:

\$28,041.55

\$418.53

Cart Size/Type	Disposal Cost	Collection Cost	Rate
48 Gallon	\$243.36	\$418.53	\$661.89
64 Gallon	\$324.48	\$418.53	\$743.01
300 Gallon	\$1,521.00	\$418.53	\$1,939.53
4 CY/808 Gallon			

Cost Allocation:

Inside City Cart Size/Type	No. of Carts	Rates	Totals
48 Gallon	245	\$438.41	\$107,411.43
64 Gallon	10	\$519.53	\$5,195.34
300 Gallon	58	\$1,716.05	\$99,531.13
4 CY/808 Gallon	10	\$4,251.05	\$42,510.54
			<b>\$254,648.45</b>

Cost Allocation:

Outside City Cart Size/Type	No. of Carts	Rates	Totals
48 Gallon	31	\$661.89	\$20,518.61
64 Gallon	17	\$743.01	\$12,631.18
300 Gallon	19	\$1,939.53	\$36,851.08
4 CY/808 Gallon	0	\$0.00	\$0.00
			<b>\$70,000.87</b>

**Total** **\$324,649.32**



**Pick Up Schedule**

Inside City	1X Week		2X Week		3X Week	
	Monthly	Annually	Monthly	Annually	Monthly	Annually
Cart						
48 Gallon	\$36.53	\$438.41	\$73.07	\$876.83	\$109.60	\$1,315.24
64 Gallon	\$43.29	\$519.53	\$86.59	\$1,039.07	\$129.88	\$1,558.60
300 Gallon	\$143.00	\$1,716.05	\$286.01	\$3,432.11	\$429.01	\$5,148.16
4 CY/808 Gallon	\$354.25	\$4,251.05	\$708.51	\$8,502.11	\$1,062.76	\$12,753.16

Outside City	1X Week		2X Week		3X Week	
	Monthly	Annually	Monthly	Annually	Monthly	Annually
Cart						
48 Gallon	\$55.16	\$661.89	\$110.32	\$1,323.78	\$165.47	\$1,985.67
64 Gallon	\$61.92	\$743.01	\$123.84	\$1,486.02	\$185.75	\$2,229.03
300 Gallon	\$161.63	\$1,939.53	\$323.26	\$3,879.06	\$484.88	\$5,818.59
4 CY/808 Gallon			\$0.00	\$0.00	\$0.00	\$0.00

**Additional Cart Schedule**

Inside City	1 Cart		2 Carts		3 Carts	
	Monthly	Annually	Monthly	Annually	Monthly	Annually
Cart						
48 Gallon	\$36.53	\$438.41	\$56.81	\$681.77	\$77.09	\$925.13
64 Gallon	\$43.29	\$519.53	\$70.33	\$844.01	\$97.37	\$1,168.49
300 Gallon	\$143.00	\$1,716.05	\$269.75	\$3,237.05	\$396.50	\$4,758.05
4 CY/808 Gallon	\$354.25	\$4,251.05	\$692.25	\$8,307.05	\$1,030.25	\$12,363.05

Outside City	1 Cart		2 Carts		3 Carts	
	Monthly	Annually	Monthly	Annually	Monthly	Annually
Cart						
48 Gallon	\$55.16	\$661.89	\$75.44	\$905.25	\$95.72	\$1,148.61
64 Gallon	\$61.92	\$743.01	\$88.96	\$1,067.49	\$116.00	\$1,391.97
300 Gallon	\$161.63	\$1,939.53	\$288.38	\$3,460.53	\$415.13	\$4,981.53
4 CY/808 Gallon	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

**Inside City Extra Pick Up**

Cart	Collection Rate (50%)	Monthly/12		Disposal Rate	Monthly/12	Extra Pickup Cost
48 Gallon	\$97.53	\$8.13	\$243.36	\$20.28	<b>\$28.41</b>	
64 Gallon	\$97.53	\$8.13	\$324.48	\$27.04	<b>\$35.17</b>	
300 Gallon	\$97.53	\$8.13	\$1,521.00	\$126.75	<b>\$134.88</b>	
4 CY/808 Gallon	\$97.53	\$8.13	\$4,056.00	\$338.00	<b>\$346.13</b>	

**Outside City Extra Pick Up**

Cart	Collection Rate (50%)	Monthly/12		Disposal Rate	Monthly/12	Extra Pickup Cost
48 Gallon	\$209.27	\$17.44	\$243.36	\$20.28	<b>\$37.72</b>	
64 Gallon	\$209.27	\$17.44	\$324.48	\$27.04	<b>\$44.48</b>	
300 Gallon	\$209.27	\$17.44	\$1,521.00	\$126.75	<b>\$144.19</b>	
4 CY/808 Gallon	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$0.00</b>	

## [Congressman Don Young Releases Consensus-Driven Framework to Revitalize and Strengthen America's Infrastructure](#)

*Former House Transportation and Infrastructure Committee Chairman's plan arrives following breakdown of negotiations between the White House and the Senate.*

**WASHINGTON, D.C.** – Today, **Alaska Congressman Don Young**, former Chairman of the House Transportation and Infrastructure Committee, released an infrastructure framework designed to earn bipartisan support and bolster America's infrastructure for years to come. Upon rolling out his plan, Congressman Young released the following statement:

"This week, talks between the White House and my Senate colleagues have broken down. This impasse appears not only to be over the definition and price tag of an infrastructure package, but also over how to pay for it. I understand that this is a sensitive topic, but I am prepared to have this conversation. The Congress should not move forward via the budget reconciliation process, and it is my hope that President Biden will not give up on negotiations.

As former Chairman of the Transportation and Infrastructure Committee, we secured a bipartisan deal and enacted a landmark surface transportation bill; I know how to get this done. This country NEEDS an infrastructure package. I want my colleagues in the House and Senate to know that infrastructure investment is an existential issue for our economy's long-term strength. Without strong infrastructure, our global competitiveness is on the line. We must not risk falling behind the rest of the world.

We cannot and should not take a near-term cycle to cycle approach to infrastructure. "Infrastructure Week" has become a punchline, and with each passing year, Americans across the country lose hope for smart, targeted investments in their communities. We need an approach that meets the needs of our modern economy, respects the authority of Congress to raise and spend tax payer dollars, and puts our core transportation programs on sustainable financial footing.

It is important to remember that Congress is not a stranger to the definition of infrastructure. This institution regularly passes and enacts bills, such as Surface Transportation Reauthorization legislation. When I was Transportation and Infrastructure Committee Chairman, we passed the landmark SAFETEA-LU bill. In recent years, the Water Resources Development Act and the Farm Bill – infrastructure bills in many ways – have made it through Congress. This is a topic that we as a legislative body are familiar with, and should be able to forge consensus over.

All too often, Congress is presented with a false choice: that there must be one great big "infrastructure bill" that is all-encompassing or that we should for some reason do nothing at all - we cannot fall victim to this illusion. There must be a middle ground with an understanding that this bill isn't the last great gasp of bipartisanship on this subject.

I do agree that in the wake of a crisis like COVID-19, federal spending can support economic recovery and address vulnerabilities in society, such as broadband access. Still, we cannot forget that the federal government has already spent \$6 trillion to address the pandemic, with hundreds of billions of those dollars still yet to be spent.

However, I do believe there is a way forward, and today I am submitting my own infrastructure framework. I call on my friends in both chambers and on both sides of the aisle to seriously consider my proposals. I'm ready to do serious work on behalf of Americans in every corner of our country."

**Topline Infrastructure Spending: \$1.25 trillion broken down into the following components:**

**Surface Transportation Reauthorization Legislation (Roads, Bridges, Safety, Transit, and Rail) - \$500 billion**

- The current authorization expires at the end of this fiscal year. Congress should negotiate and pass a bipartisan 5-year surface transportation reauthorization through regular order that provides long term solvency for the Highway Trust Fund (HTF).
- The bill should include a onetime increase to the federal motor fuel excise tax for gasoline and diesel to account for post-1993 inflation, and index it to the CPI thereafter.
  - Part of the controversy over how much to invest and where to invest in our nation's transportation system will be alleviated by putting the HTF on a trajectory for long term solvency.
  - According to the Congressional Budget Office (CBO), beginning in FY 2008, and in each subsequent fiscal year to date, HTF outlays have exceeded revenues received. As a result, Congress has transferred approximately \$157 billion to the HTF from the general fund of the Treasury and other sources.
- The bill should address the issue of electric vehicles by requiring that the Department of Transportation (DOT) study and implement the phasing in of a user fee for passenger and commercial electric vehicles over a period of five years.
- Additionally, the bill should require that DOT study and implement a plan for how gas, diesel, and alternative fuel vehicles should be transitioned away from the fuel excise tax to a user fee over a period of no more than 10 years.

- The bill should also include project financing along with delivery and permitting reforms to ensure that additional federal investments are not mired in bureaucracy and litigation.
- Addressing the solvency of the HTF will give users and states long-term certainty to finance projects and plan investments.

**Supplemental Appropriations for Infrastructure Investments (Airports, Ports & Waterways, Water Infrastructure, Electrical Generation & Grid Modernization, Broadband, and Congressionally Directed Project Spending) - \$750 billion**

- Both the Republican Roadmap and the American Jobs Plan have not met a middle ground on the amount of new federal spending and how to pay for it. My framework seeks to find this middle ground.
- The bill should include an increase in the corporate tax rate, excluding small and family owned businesses, to offset some of the cost of this additional spending. The rate increase would be limited to no more than a 4% increase to a rate of 25%.
  - Small and family owned businesses will be exempted from this increase.
  - Congress should recognize that there is wisdom in the “user pays user benefits” principle. Corporations benefit from and are users of America’s infrastructure. The benefits of a modernized national transportation system over the long term will outweigh the costs of a rate increase.
- Congress should allocate a portion of the \$750 billion for Congressionally Directed Spending on projects in their states and home districts.
  - Members of Congress are closest to their constituencies and understand their needs better than the federal government agencies that currently award federal infrastructure monies through existing formulas or competitive grant programs.
  - The return of Community Project Funding in the FY22 Appropriations Process and Member Designated Projects for the Surface Transportation Reauthorization bill have drawn significant interest from Members and when paired with strong disclosure and ethics requirements these are a valuable and way to demonstrate the value of federal investment in Member’s districts.

###

## **CITY OF CRAIG MEMORANDUM**

To: Mayor O'Connor and the Craig City Council  
From: Tracey Jensen, City Clerk  
Date: June 3, 2021  
RE: Resolutions 20-15 and 20-16 modified as to numbers 20-15-2 and 20-16-2

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In researching and organizing files in the clerk's office recently (files in place prior to my appointment as Craig City Clerk) I discovered that Resolutions numbers 20-15 and 20-16 were each assigned to two different resolutions, meaning that there are currently two resolutions marked 20-15 and two resolutions marked 20-16. To address this problem, I propose modifying the duplicate resolutions to give them distinct numbers.

**Recommendation:**

To adopt modification numbers of Resolutions 20-15, Establishing the Craig Economic Assistance Grant Program modifying the number to 20-15-2 and Resolution 20-16, City of Craig Health Reimbursement Arrangement modifying the number 20-16-2 to distinguish them as separate.

**CITY OF CRAIG  
RESOLUTION 20-15-2**

**ESTABLISHING THE  
CRAIG ECONOMIC ASSISTANCE GRANT PROGRAM**

**WHEREAS**, the COVID-19 virus pandemic constitutes a public health emergency; and,

**WHEREAS**, the Craig City Council recognizes the threat to public health in its Disaster Declaration detailed in City of Craig Resolution 20-06; and,

**WHEREAS**, the State of Alaska has implemented health mandates and alerts to reduce the spread of COVID-19; and,

**WHEREAS**, measures to reduce the transmission of the virus resulted in reduced economic activity in Craig and many other communities in Alaska and around the United States; and,

**WHEREAS**, in an effort to mitigate the detrimental effects of those measures, Federal , State and local governments have implemented financial assistance programs to persons, businesses, and non-profits impacted by the measures; and,

**WHEREAS**, the Craig City Council recognizes the importance of support to local businesses, non-profit organizations, and residents of the city adversely affected by the COVID-19 emergency and mitigation measures imposed by the Federal and State governments; and,

**WHEREAS**, at its June 4, 2020 meeting, the City Council approved, by motion, the implementation of a discretionary economic assistance grant program.

**NOW THEREFORE, BE IT RESOLVED** that the Craig City Council establishes the Craig Economic Assistance Grant Program; and,

**BE IT FURTHER RESOLVED** that the Council directs city staff to prepare guidance and application forms to implement the Program fairly and consistent with Council direction; and,

**BE IT FURTHER RESOLVED** that the Craig City Council may update, amend, extend, terminate, or otherwise modify the Program by motion at subsequent Council meetings.

APPROVED \_\_\_\_\_, 2021.

\_\_\_\_\_  
Tim O'Connor, Mayor

ATTEST \_\_\_\_\_  
Tracey Jensen, City Clerk

**CITY OF CRAIG  
RESOLUTION NO. 20-16-2**

**CITY OF CRAIG HEALTH REIMBURSEMENT ARRANGEMENT**

**WHEREAS**, on this date, the Craig city council did meet to discuss the implementation of the City of Craig Health Reimbursement Arrangement, to be effective July 1, 2020. Let it be known that the following resolution is duly adopted by the Craig city council and that this resolution has not been modified or rescinded as of the date hereof:

**WHEREAS**, the form of Health Reimbursement Arrangement, as authorized under Section 105 of the Internal Revenue Code, presented to this meeting is hereby adopted and approved and that the proper officers of the Employer are hereby authorized and directed to execute and deliver to the Plan Administrator one or more copies of the Plan.

**WHEREAS**, the Plan Year shall be for a 12-month period, beginning on July 1, 2020.

**WHEREAS**, the Employer shall contribute to the Plan amounts sufficient to meet its obligation under the Health Reimbursement Plan, in accordance with the terms of the Plan Document and shall notify the Plan Administrator to which periods said contributions shall be applied.

**WHEREAS**, the proper officers of the Employer shall act as soon as possible to notify employees of the adoption of the Health Reimbursement Arrangement by delivering to each employee a copy of the Summary Plan Description presented to this meeting, which form is hereby approved.

**NOW THEREFORE BE IT RESOLVED**, the undersigned certifies that attached hereto is a true copy of the Plan Document for City of Craig Health Reimbursement Arrangement approved and adopted by this resolution.

The undersigned further certifies and attests that the above resolution is made with the consent of the Craig city council.

APPROVED \_\_\_\_\_

\_\_\_\_\_  
MAYOR, TIM O'CONNOR

ATTEST \_\_\_\_\_  
TRACEY JENSEN, CITY CLERK

### **CITY OF CRAIG HEALTH REIMBURSEMENT ARRANGEMENT**

Employees of City of Craig enrolled in the Premera Blue Cross Blue Shield of Alaska health plan called the Preferred Choice HP that covers only the employee (single plan) shall be responsible for the first \$500 of the enrolled plan (Preferred Choice HP). The Preferred Choice HP Plan in network deductible is \$3,000 and the out of network is \$6,000. Employees will be reimbursed for the annual deductible minus the first \$500 up to a maximum annual benefit of \$2,500 for the in network expenses or a maximum of \$5,500 for the out of network expenses. The Preferred Choice HP plan maximum in network out of pocket expenses is \$6,000. Employees will be reimbursed for in network out of pocket expenses greater than \$5,000 to a maximum of \$1,000. The maximum annual benefit is \$3,500 for in network expenses and \$5,500 for out of network expenses.

Employees of City of Craig enrolled in the Premera Blue Cross Blue Shield of Alaska health plan that covers the employee and dependents; employee and spouse; and family, the first two participants in the Preferred Choice HP plan shall be responsible for the first \$500 for a total of \$1,000 of the enrolled plan (Preferred Choice HP) annual deductible. The Preferred Choice HP plan in network deductible is \$6,000 and the out of network is \$12,000. Employees will be reimbursed for the annual deductible minus the first \$1,000 up to a maximum benefit of \$5,000 for the in network expenses to a maximum of \$11,000 for the out of network expenses for the Preferred Choice HP Plan. The Preferred Choice HP plan maximum in network out of pocket expenses is \$12,000. Employees will be reimbursed for in network out of pocket expenses greater than \$10,000 to a maximum of \$2,000. The maximum annual benefit is \$7,000 for in network expenses and \$11,000 for out of network expenses.

Claims for reimbursement must be submitted with a completed claim form and proof of medical expenses applied to the deductible. The proof can be either the Explanation of Benefits or documentation from the employee's account from Premera's website. As this benefit pays on a calendar year basis, the final day to submit claims for 2020 expenses will be June 30, 2021.



**CITY OF CRAIG  
MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: June 8, 2021  
RE: Resolution 21-14: Proposed Change to Personnel Policy Manual

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The mayor asked that I draft a policy for the city's personnel manual that would provide for purchase of accrued annual leave in certain circumstances. In response I drafted the text below.

*Section 302 – Annual Leave Benefits*

*Payment for Accrued Annual Leave In the rare circumstance that an employee is unable to use accumulated annual leave time due to staffing shortage or some other work-related cause, and the inability to use annual leave results in the stoppage of annual leave accrual due to the employee reaching the leave accrual cap, the employee may submit a written request to the City Administrator to sell back to the city as many hours as necessary to keep the employee under the maximum accrual cap, up to 80 hours. A request is subject to the approval of the City Administrator, who may approve or deny a request in whole or in part. Such request may be made once per calendar year.*

The goal of this policy is to provide an opportunity for an employee to be paid for accumulated leave when the employee is at the leave cap and cannot take time away from work due to some anomalous workplace circumstance, such as lack of staff, or work on some particularly demanding or time-sensitive project.

The policy is not intended to be a general substitute for taking leave. Requests made for leave purchase under this policy will have to demonstrate the usual circumstance that led to the inability to take leave, and justify the amount of hours requested for buy back.

I shared an earlier version of this draft policy with the department managers on June 2 for their input. I also consulted with the city attorney as to the text.

Changes to the personnel policy manual are typically done by resolution. Resolution 21-14, is attached for council consideration.

**Recommendation**

Adopt Resolution 21-14.

**CITY OF CRAIG  
RESOLUTION 21-14**

**AMENDING THE CITY OF CRAIG EMPLOYEE HANDBOOK**

**WHEREAS**, the City of Craig Employee Handbook, also known as the Personnel Rules, sets many terms and conditions of employment at the City of Craig; and,

**WHEREAS**, the Handbook is modified from time to time by the city council, by resolution; and,

**WHEREAS**, this resolution modifies the Handbook by adding text to Section 302 “Annual Leave (Vacation) Benefit”.

**NOW, THEREFORE BE IT RESOLVED THAT** the Craig city council amends the City of Craig Employee Handbook to add text to Section 302-Annual Leave (Vacation) Benefit, the text of which is shown below

*“Payment for Accrued Annual Leave In the rare circumstance that an employee is unable to use accumulated annual leave time due to staffing shortage or some other work-related cause, and the inability to use annual leave results in the stoppage of annual leave accrual due to the employee reaching the leave accrual cap, the employee may submit a written request to the City Administrator to sell back to the city as many hours as necessary to keep the employee under the maximum accrual cap, up to 80 hours. A request is subject to the approval of the City Administrator, who may approve or deny a request in whole or in part. Such request may be made once per calendar year.”*

**BE IT FURTHER RESOLVED** that the effective date of this action is June 18, 2021.

PASSED AND APPROVED by a duly constituted quorum of the city council this 17th day of June, 2021.

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Mayor Tim O’Connor

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Tracey Jensen, City Clerk

## **CITY OF CRAIG MEMORANDUM**

To: Craig City Council  
From: Jon Bolling, City Administrator  
Date: June 10, 2021  
RE: Ordinance No. 737: FY 2022 City of Craig Operating Budget

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Attached is Ordinance No. 737. The ordinance adopts the city's FY 2022 operating budget. The council's June 3 packet contained a full copy of the budget, and a lengthy cover memo. The ordinance is presented here at second reading.

Upon staff review of Ordinance 737, and following council action at its June 3 meeting, I recommend making the following changes to the ordinance.

1. The FY 2022 budget includes purchase of a shop truck, financed with \$40,000 of Craig Endowment Fund earnings. However, on June 3, the council authorized purchase of this equipment in the current fiscal year.

Staff recommends that this line item be increased to \$60,000 and reassigned to fund the first payment on the box-style garbage collection truck that the council authorized purchase of on June 3, and for freight costs to Craig.

2. Perimeter Fence, Wastewater Treatment Plant - \$36,000. This item was placed in the wastewater department budget for FY 22 at \$8,000. A subsequent estimate to provide and install the fence came in at \$36,000. The perimeter fence is a security requirement for the facility. Portions of the existing fence have deteriorated and need replacement.

Staff recommends that the council add \$22,000 to the existing \$8,000 perimeter fence line item in the Wastewater Department budget.

3. Council Stipends. Some council members decline the monthly stipend. Staff will make individual adjustments to the council budget to accommodate the preference of each council member.

On a related note, the city is still waiting for its full property, general liability, automobile, and workman's compensation insurance quote for FY2022. Based on preliminary pricing information, some adjustments may need to be made to the insurance expense line items in the supplemental budget process later in the fiscal year.

### **Recommendation**

Adopt Ordinance No. 737 at second reading to include changes 1-3, above.

Recommended motion: I move to adopt Ordinance No. 737, to include the three changes recommended by staff in its June 10, 2021 memo to the council.

CITY OF CRAIG

ORDINANCE NO. 737

PROVIDING FOR THE ADOPTION OF THE FISCAL YEAR 2022 OPERATING BUDGET

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

Section 1. Classification. This ordinance is a non-code ordinance and is not of a general and permanent nature and shall not become a part of the code of the City of Craig, Alaska.

Section 2. Effective Date. This ordinance shall become effective July 1, 2021.

Section 3. Authorization and Appropriation. The appropriations identified in "Attachment A" hereto are adopted and authorized for the period of July 1, 2021 through June 30, 2022 and are the budget for that period. The Administrator may modify line-item expenditures within an authorized appropriation to another line item in any amount which would not annually exceed ten (10) percent or \$10,000, whichever is more.

Section 4. Unexpended Balances. All unexpended balances lapse as of June 30, 2022.

APPROVED this \_\_\_\_\_ day of June, 2021.

\_\_\_\_\_  
MAYOR - TIM O'CONNOR

\_\_\_\_\_  
ATTEST: Tracey Jenson - CITY CLERK

## Attachment A

<b>General Fund Revenues</b>	\$ 3,808,162	
Transfer in: Endowment Fund	249,000	
Enterprise Fund	-57,991	
Police Checking	15,000	
Total	\$ 4,014,171	
<b>General Fund Expenditures</b>		
Administration	622,936	
Aquatic Center	627,069	
Council	21,796	
EMS	298,295	
Facilities & Parks	320,341	
Fire	26,613	
Library	134,921	
Planning	76,282	
Police	1,066,788	
Public Works	499,201	
Recreation	123,837	
Total Expenditures	\$ 3,818,079	
<b>Operating Transfer Out</b>		
School Financing	(200,000)	
<b>Operating Transfer in</b>		
Total Transfers	6,009	
Wage & Benefit Factor	67,386	
Total		(126,606)
<b>Total General Fund Expenditures &amp; Transfers</b>		3,944,684
<b>Excess of Revenues/Transfers over Expenditures</b>		\$ 69,486
Total Transfers		(6,009)
Bonus		(58,754)
		\$ 4,723
<b>Enterprise Fund Revenues</b>		
Cannery	7,000	
Harbor	269,600	
JTB Industrial Park	592,589	
Garbage	322,280	
Wastewater	290,000	
Water	364,868	
Total	\$ 1,846,337	
<b>Transfer In From Endowment</b>		
Water	22,000	
Waste Water	22,000	
		\$ 44,000
<b>Enterprise Fund Expenses</b>		
Cannery	53,370	
Harbor	446,475	
JTB Industrial Park	359,246	
Garbage	358,641	
Wastewater	266,717	
Water	463,880	
Total	1,948,329	
<b>Excess of Revenue/Transfers over Expenditures</b>		\$ (101,991)
Expense to Reserves		\$ (57,991)