

**CITY OF CRAIG  
COUNCIL AGENDA  
SEPTEMBER 19, 2024  
COUNCIL CHAMBERS 6:30 PM**

**ROLL CALL**

Mayor Kasey Smith, Hannah Bazinet, Shauna Thomas, Josh Bennett, 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.*

- Meeting Minutes of September 5, 2024
- Meeting Minutes of September 11, 2024

**HEARING FROM THE PUBLIC**

- Ordinance 782, City Business License

**READING OF CORRESPONDENCE**

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**CONSIDERATION OF RESOLUTIONS AND ORDINANCES**

- Ordinance 782, City Business License

**UNFINISHED BUSINESS**

- School Capital Project Funding Discussion

**NEW BUSINESS**

- Teleconference Participation In Council Meetings Discussion
- Jail Capital Improvements

**COUNCIL COMMENTS**

**ADJOURNMENT**

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.

**CITY OF CRAIG  
COUNCIL AGENDA  
SEPTEMBER 5, 2024**

**ROLL CALL**

Mayor Kasey Smith called the meeting to order at 6:32 pm. Present were Hannah Bazinet, Shauna Thomas, Josh Bennett (telephonically), Michael Kampnich, Chanel McKinley, and Millie Schoonover.

**CONSENT AGENDA**

Meeting minutes of August 1, 2024

Meeting minutes of August 15, 2024

Ordinance 782, Requiring a City of Craig Business License

KAMPNICH/THOMAS

Motion to adopt the Consent Agenda  
MOTION CARRIED UNANIMOUSLY

**HEARING FROM THE PUBLIC**

Letter from Aaron Bean

Letter from HOPE

Jim See made a public comment to discuss the land sale and inquired about how many times it appeared in the newspaper. Brian Templin confirmed that it was advertised for four consecutive weeks in the Island Post. He also made a comment about Council Member Schoonover's voting in the previous meeting.

Charlene Wolfe made a public comment regarding the land sale to the CTA and expressed dissatisfaction with the process and pointed out many standstills.

Aaron Bean made a public comment in reference to his letter submitted. He stated that the land sale should go through and there have been many delays on something already agreed upon. He questioned if these delays would still be taking place if it were a different buyer.

Johnny Rice made a public comment to inquire about NOAA and the halibut quota. He inquired about the CQE information and Brian Templin stated a representative will be present at a later meeting.

Clinton E. Cook Sr., Craig Tribal Association President, made a public comment to discuss the due date for sending opposition letters to NOAA regarding king salmon endangered species listing. President Cook spoke about the Tongass old growth initiative plan and invited the City of Craig to discuss areas that need to be protected.

Jackie Hansen, CCSD Superintendent, made a public comment to discuss the Craig Elementary and Craig Middle School renovation projects, which will cost \$8.4 million. She talked about various different funding sources and requested the council's assistance with funding the project.

Tiffany Mills, Executive Director of HOPE, made a public comment in reference to her letter submitted to speak about the RISE Shelter for domestic violence victims.

Scott McKelvey, general manager of Waterfall Resort, made a public comment to discuss the access permit that the resort has and requested more information in regard to recent discussions by the council.

Council Member Schoonover thanked Aaron Bean for his letter and Aaron responded that procedure needs to be followed. He stated that litigation would be very costly for Craig to fund.

President Cook also spoke about the CTA's totem pole raising taking place on September 13<sup>th</sup> and 14<sup>th</sup>.

## **REPORTS FROM CITY OFFICIALS**

Mayor Smith reported his recent work with the CTA land sale.

Brian Templin, Administrator, submitted a written report and announced the resignation of the interim Planner, Alan Lanning. Council Member Josh Bennett inquired about the HR position and if she has taken on any grant writing. Brian stated that her main focus right now is HR work and providing support to staff as needed.

Kimber Mikulecky, Treasurer, submitted a written report.

Mary Salazar, City Clerk, submitted a written report.

Venessa Richter-Russell, EMS, submitted a written report.

Hans Hjort, Harbormaster, submitted a written report and spoke about ice house maintenance.

RJ Ely, Chief of Police, submitted a written report.

Oliver Lewis, Public Works/Parks & Recreation, submitted a written report. Brian wanted to recognize Oliver for granting a 6-year-old boy his birthday wish by giving him a ride along on the garbage truck.

Gretchen Klein, Recreation, submitted a written report. Brian wanted to recognize that he always hears compliments for how Gretchen is running the Recreation program.

Stephanie Merritt, Librarian, submitted a written report and wanted to highlight the library's recent funding loss.

## **READING OF CORRESPONDENCE**

Alaska Delegation Celebrates Ninth Circuit Ruling Defending Southeast Troll Salmon Fishery Planning for Regional COE in Southeast Alaska

## **UNFINISHED BUSINESS**

Title 16 Discussion – Council Member Bennett made the following suggestions for improving language: modify 16.03.050B to change “the administrator” to “the administrator or mayor,” modify 16.03.070 to fit the schedule of our local newspaper, and 06.04.020 to modify the language of permits. Council Member Kampnich suggested to improve the language of 16.03.020 regarding public opposition.

## **NEW BUSINESS**

Donation Request for CMS Athletic Program – Council Members Kampnich and Thomas recalled asking if the schools would be willing to ask local businesses to donate and fundraise that way. Council Member McKinley stated that since the school year and sports have already started, that might prolong them getting new uniforms. Mayor Smith gave direction to staff to reach out to CMS and see what fundraising they can do first.

Survey and Appraisal Appropriation Related to Land Sale/Exchange with Robert Anderson  
KAMPNICH/BAZINET

Motion to appropriate up to \$11,000 from the Craig Land Development Fund related to a land sale/exchange with Mr. Robert Anderson  
MOTION PASSED (5-1)

Appointment of Election Judges and Set Compensation  
MCKINLEY/THOMAS

Motion to appoint Ahley Knock, Jessica Benson, Evelyn Wilburn, Nicole Vickers, and Heather Mendonsa as 2024 Municipal Election Judges  
MOTION CARRIED UNANIMOUSLY

MCKINLEY/THOMAS

Motion to approve a stipend of \$200 for the chairperson judge, approve a stipend of \$150 for each participating election judge, and approve a stipend of \$100 for each participating relief worker election judge.  
MOTION CARRIED UNANIMOUSLY

Island Daycare Lease/Craig Daycare Center Discussion Memo – Council Member McKinley stated she thought Venessa had a full staff and Brian responded that they all resigned. She also asked if the daycare was ready yet and Brian said no and there was money appropriated for maintenance. He stated that the city replaced the toilets, and Facilities can draft a budget for the cost of other repairs. Council Member Thomas asked how much money was given to Venessa and Brian responded \$6,000 for startup costs. Council Member Thoams inquired about how much of that has been spent and stated she hasn't seen any advertisements for the vacant positions. Council Member Kampnich asked if Tlingit and Haida was opening a daycare and President Cook spoke about the Early Learning Center that Tlingit and Haida is building, which includes a daycare. Council Member Bennett inquired about the new playground. The council gave staff direction to put this item on the next agenda.

Jail Fund Appropriation  
MCKINLEY/BAZINET

Motion to appropriate \$60,259.95 from the general fund to the Police Department for jail improvements.  
MOTOIN CARRIED UNANIMOUSLY

Discussion on PRO Housing Grant – Mayor Smith asked what the cost would be to hire a grant writer for this, and President Cook stated that the CTA has a contract for grant services and is willing to collab with the city.

Waterfall Resort Access Permit Discussion – Council Member Bennett requested to postpone this discussion.

School District Capital Funding – Council Member Bennett inquired about a bond for the school renovation project and emphasized that the project needs to happen. Brian talked about various options and the council chose to hold further discussion after the election.

**EXECUTIVE SESSION**

Executive Session for the Purpose of Consulting with the City Attorney Regarding Terms of a Sale of City Land to the Craig Tribal Association

THOMAS/BENNETT

Motion to move into executive session at 8:49 pm

MOTION CARRIED UNANIMOUSLY

BAZINET/SCHOONOVER

Motion to exit executive session and reconvene the regular meeting at 9:56 pm.

MOTION CARRIED UNANIMOUSLY

**NEW BUSINESS (CONTINUED)**

Consider Final Sale Agreement to the Craig Tribal Association

THOMAS/BAZINET

Motion to approve the final sale agreement to the Craig Tribal Association

PASSED (5-1)

**COUNCIL COMMENTS**

**ADJOURNMENT**

MCKINLEY/BAZINET

Motion to adjourn the meeting at 10:07 pm

MOTION CARRIED UNANIMOUSLY

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KASEY SMITH  
MAYOR

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MARY SALAZAR  
CITY CLERK

**CITY OF CRAIG  
SPECIAL MEETING MINUTES  
SEPTEMBER 11, 2024**

**ROLL CALL**

Mayor Kasey Smith called the meeting to order at 6:30 pm. Present were Hannah Bazinet, Shauna Thomas, Josh Bennett, Michael Kampnich, and Millie Schoonover. Chanel McKinley was absent.

**HEARING FROM THE PUBLIC**

Justna Cook, Craig Tribal Association Administrator, made a public comment to ask when the CTA would be able to sign the documents. Brian Templin replied that one of the required signatures is from Oliver Lewis, who is currently out of the office until Monday.

**NEW BUSINESS**

Temporary Appointment of Platting, Planning and Building Official – Council Member Thomas asked to give staff a directive to have the documents signed by Tuesday.

Mayor Kasey Smith appointed City Administrator Brian Templin as the platting, planning, and building official for the City of Craig until a new planner is hired.

KAMPNICH/BAZINET

Motion to confirm the appointment of City Administrator Brian Templin as the platting, planning, and building official for the City of Craig until a new planner is hired

MOTION CARRIED UNANIMOUSLY

**ADJOURNMENT**

BENNETT/THOMAS

Motion to adjourn the meeting at 6:36 pm.

MOTION CARRIED UNANIMOUSLY

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KASEY SMITH  
MAYOR

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MARY SALAZAR  
CITY CLERK

**CITY OF CRAIG  
MEMORANDUM**

To: Craig Mayor and City Council  
From: Brian Templin, City Administrator  
Date: September 11, 2024  
RE: Ordinance 782, Requiring a City of Craig Business License, Final Reading

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During the budget meetings leading up to the city's FY2025 budget the budget committee, and subsequently the full council directed staff to start charging a \$100 per year business license fee to do business in the City of Craig.

Past practice has been to require business registrations at no cost. The change to a licensing fee will increase revenue that will help to maintain business accounts by the city and will clarify regulations and requirements for businesses making it easier to track sales tax accounts and work through delinquent accounts.

Ordinance 782 is attached which shows the changes to the current municipal code, substantially changing the process from a registration to a licensing system for businesses operating in Craig..

If approved, this requirement will go into effect January 1, 2025 to coincide with the start of a new sales tax quarter and calendar year.

Recommended Motion: Move to approve Ordinance 782 and set the public hearing on the ordinance for September 19, 2024.

**CITY OF CRAIG  
ORDINANCE No. 782**

AMENDING SECTION 3.08 OF THE CRAIG MUNICIPAL CODE, AMENDING SECTION 3.08.170 – 3.08.200 ESTABLISHING REQUIREMENTS FOR CITY BUSINESS LICENSES

Section 1. Classification. This ordinance is of a general and permanent nature and the code sections adopted hereby shall become a part of the code of the City of Craig, Alaska.

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

Section 3. Effective Date. This ordinance shall be effective January 1, 2025.

Section 4. Findings. The Craig City Council finds the following:

**WHEREAS**, in 2024 the Craig Budget Committee and Craig City Council directed staff to implement a process requiring businesses to have a current city business license to operate; and

**WHEREAS**, prior to FY2024 businesses were required to register with the city at no charge; and

**WHEREAS**, this change will provide revenue to assist the city with sales tax collection and maintenance of delinquent accounts; and

Section 5. Action. This ordinance amends Section 3.08.020 to the Craig Municipal Code as detailed in Attachment A. Language added to the Craig Municipal Code is shown in **bold and underlined text**, language deleted by this ordinance is shown with [~~brackets and strikethrough~~].

Passed and approved this \_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Mayor Kasey Smith

Attest \_\_\_\_\_  
Mary Salazar, City Clerk

# Ordinance 782, Attachment A

## 3.08.170 ~~[Registration.]~~ Business License Required

- A. A person, firm, partnership, corporation or other business entity shall file an application for ~~[registration]~~ **a business license** at Craig City Hall (forms provided), prior to making any retail sales, rendering any services, making rentals or opening of an additional place of business within the city limits of Craig. The completed application shall be returned to City Hall along with a copy of the business entity's Alaska State business license, if applicable.
- B. Each business entity shall be registered under the advertised name, and each separate business shall be registered under its own account.
- C. **No individual or entity may engage in business in the City of Craig without a City of Craig business license unless specifically exempted from this requirement. The purpose of the business license is to aid the city in the collection and reporting of sales tax and business sector activity.**
- D. **Exemptions to the Business License Requirement. All businesses (including intermittent or contract businesses must have a current City of Craig business license unless specifically exempted under this section:**
  - 1. **Businesses in which all sales and services are exempt from sales tax reporting under exemptions shown in CMC 3.08.020 are exempt from this requirement.**
  - 2. **Businesses whose taxable gross sales of goods and services total less than \$2,000 per year are exempt from this requirement.**
  - 3. **Businesses who operate only at bazaars, craft fairs, swap meets, or similar events within Craig city limits.**
- E. **Business License Application. Applications shall be made on a form provided by the city, shall be submitted to the city with a copy of applicant's Alaska State business license, and an annual \$100.00 fee. Applications will include a copy of a current valid State of Alaska business license. Incomplete applications shall not be accepted by the city. Applications may be denied if the applicant is in arrears with respect to money owed to the city and those delinquencies are not covered by a current payment plan, if the business is in arrears on required sales tax reporting or payments, or if the business is unlawful. A current copy of the city business license must be displayed in the place of business. One business license may cover multiple lines of business activity, as long as all business advertising and operating occur under the same business name and same business owner. Business license fees for businesses who register after January will pay a prorated fee for the current license year.**
- F. **Renewal of Business License. A city business license expires on December 31<sup>st</sup> and must be renewed no later than January 31<sup>st</sup> of each year. Businesses must meet all requirements for application under section C above. The city shall review all city business licenses during the months of November and December and shall notify all license holders of the renewal including the renewal fee and any additional information required. Renewals will be issued at the rate of \$100 per business each year. No business license will be renewed if the applicant is delinquent on any taxes and fees (including sales tax remittance), interest, and other costs resulting from such delinquency until all delinquent payments have been remitted and all sales tax reports and other required forms have been submitted to the city. Individuals may not get a new or renewed business license if they are a principal owner of a business that is not eligible for a license under this code.**

## 3.08.175 Violations

# Ordinance 782, Attachment A

**Violators who operate a business in the City of Craig in violation of this code are subject to a civil penalty of \$300 for each day that the business is operating without a valid city business license in addition to other fines, penalties, and interest on delinquent accounts as shown in CMC 3.08.080.**

3.08.180 **City Business License** [Certificate] displayed.

A. Upon receipt of a properly executed application indicating that all returns required have been filed pursuant to this chapter, along with a copy of the pertinent Alaska business license, the city shall issue ~~[without charge]~~ to the seller a ~~[certificate of registration]~~ **city business license**. The **license** ~~[certificate]~~ shall state the address of the place of business to which it is applicable, the Alaska business license number, if applicable, and shall authorize the seller to collect sales tax.

B. The ~~[certificate]~~ **license** must be prominently displayed at the place of business named in the certificate.

C. Where the application or city records indicate that applicant is currently in violation of filing any remittance requirements of the city sales tax provision, the city may deny the application for **a license** ~~[registration]~~ until such time as applicant enters a binding agreement setting out a method by which full compliance will be attained.

3.08.190 Certificate nonassignable.

The **city business license** ~~[certificate of registration]~~ is nonassignable and nontransferable. **If a business changes ownership, it is the responsibility of the owner to notify the city in a timely manner and to properly register for a new license issued to the new owner.**

3.08.200 Failure to register.

Failure to obtain **a city business license** ~~[register]~~ may result **in fines as outlined in 3.08.175, and a** ~~[in a]~~ proceeding being filed by the city in superior court no earlier than 15 days after providing notice by regular mail to any business which has failed to obtain its initial **license** ~~[registration]~~ **or a renewed license** under this chapter.

**CITY OF CRAIG  
MEMORANDUM**

To: Craig Mayor and City Council  
From: Brian Templin, City Administrator  
Date: September 11, 2024  
RE: School Capital Project Funding Discussion

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At the September 5<sup>th</sup> council meeting School District Superintendent Jackie Hanson talked with the city council about matching funding for the Elementary/Middle School major maintenance grant.

The council may recall that this \$13.3 million project includes building repairs and a major renovation of the Craig Middle School. Funding includes \$11.5 million in grant funding through the Department of Early Education with a requirement for a \$1.84 million match.

In March of this year the CCSD board and superintendent met with the city council to discuss the operating budget for the school district and talk about the operating deficit. At that time the school district commented to the council that they had just over \$1.84 million in the school's capital fund, just enough to make the match for the major renovation project and enough to cover the remainder of the High School Biomass project. At that time the school board noted that they would likely be asking the city for some help with the grant match in order to not exhaust their capital fund.

At the September 5<sup>th</sup> meeting the superintendent notified the council that much of the capital fund had been drawn down and moved to the operating fund for the school district. According to Jackie there is about \$757,000 remaining in the capital fund and likely another \$300,000 will need to be deducted to cover other expenses. This leaves the district far short of the capital needs to match the renovation grant. The district has asked the city to cover the entire match amount of \$1.838 million for the major maintenance grant. At that meeting the city council asked staff to look at options of where to draw this funding from.

There also appeared to be some confusion about available funding between the city's local contribution (which is used for school operations) and funding available to provide the capital project match.

**Operations Funding (Required Local Effort).** The school district operates using funding from a variety of sources (local, state, federal, and grants). Under Alaska state law the municipality is required to make a contribution to the district based on total real and personal property tax values. In Craig's case for FY25 this resulted in a minimum contribution of about \$485,000 and a maximum contribution of about \$1.8 million. Prior to this fiscal year, the last several fiscal years have included a local contribution of \$550,600 - \$685,000. The FY25 contribution was calculated at \$736,000 plus up to \$850,000 in additional funding (the additional funding would be less any additional state funding included in the FY25 state budget). Based on additional one time funding from

the state this year the state will provide about \$670,000 in additional funding, leaving the city with an additional \$180,000 - \$200,000 (based on the student count in October).

Traditionally we have used three sources of funding to make the local contribution:

1. Secure Rural Schools Payment. Each year we receive a federal payment in lieu of property taxes. This payment fluctuates but has been about \$475,000 each of the last two years. It is anticipated that this payment will be reduced over the next several years to pre-pandemic levels of about \$325,000. All of the SRS payment is included in the local contribution. There is no excess SRS payment available for capital funding.
2. School Reserve Account. We maintain an account with Alaska Permanent Capital Management that is primarily a result of larger SRS payments over the past 20 years. Currently that account sits at \$3.06 million. The intent of this account was to ensure that the city would have adequate transition time to increase revenue or budget for school funding in the event that SRS payments stopped. The SRS program has to be reauthorized by congress every 2 – 6 years and there have been occasions when reauthorization was not guaranteed. The funds in this account can only be used for school related expenses, but can be used for either operations or capital needs.
3. General Fund Revenue. The city has included some funds through the general fund budget process to supplement the local contribution to the school district each year. For FY25 the city budgeted \$200,000 in unrestricted general fund revenue.

The total funding approved by the council for FY25 was \$1,586,656 minus any additional funding from the State of Alaska for FY25.

It is important to note that funds used for operations through the local contribution are not available to match the capital grant program. It is also important to note that there is a sales tax proposition on the October 2024 ballot which, if approved, would provide approximately \$750,000 in additional general fund revenue to be used for school funding.

**Capital Project Match Funding.** The council has asked staff to identify funding sources for the \$1.838 million match for the major maintenance grant. There are four primary sources that this match could be drawn from.

1. School Reserve. As noted above there is currently \$3.06 million in the school reserve investment account. This money may be withdrawn and used for any school related purpose, including matching the grant. After the remainder of the local contribution is made to the district in January/February the account balance will likely be about \$2.7 - \$2.8 million. Withdrawing the full grant match from the school reserve would leave about \$1 million. That money could be approved for other capital projects or used to supplement operational funding for the next couple of years. There is no other source of funding (other than the SRS payment, which is fully dedicated to the local contribution) for this account so under the current funding the account will not be replenished. A full draw of the match from the school reserve will significantly reduce the amount available to

draw to assist with operations for the next couple of years. This could be especially important if the tax proposition does not pass. The end result would likely be sharp operational cuts for the school.

2. **City Capital Reserve.** Three years ago the city established a capital reserve account at Alaska Permanent Capital Management that gathered funds from various savings accounts, CDs and other investment tools into a single investment account in order to readily see funds available for city capital projects and to provide a mechanism for some earnings/growth potential that we were not seeing in our other savings options. Currently this account has \$2.98 million. About \$700,000 of that is designated as “land development” funding. These funds are generated from sales of city lands and the intent of these funds has been to use them for city land purchases or land developments (treating land like a permanent asset). This leaves about \$2.2 million available for capital projects. Each year departments submit capital project needs through the annual budget process. Funds are dedicated to capital spending (including the 4% POMV withdrawal from the endowment fund, excess fish tax revenue, and excess lease revenue from Silver Bay). These identified funds are then supplemented with a draw from the capital reserve to fund capital projects at a level agreed upon by the council. For FY25 the city intends to draw up to \$254,000 from the reserve for capital projects. A full draw of the \$1.838 million from the city capital reserve would essentially eliminate available funds for next year and limit the city capital projects. This is especially important to the council given the additional number of planning and development projects that the council is currently discussing. It is also important to note that this fund is generally used for emergency repairs or purchases (i.e. ice house compressors, water line repairs, pump replacements, computer failures, etc.). Overly drawing down this account affects both regular city capital projects and funds available to respond to emergency situations.
3. **Endowment Fund.** The city holds funds at APCM in a permanent endowment fund. Under current municipal code a unanimous vote of the council is required to spend any of the principal of the fund. The Endowment fund currently stands at \$16.9 million. Under code, the city is allowed to draw up to 4% of the market value based on a five year rolling average for city expenses. It has been practice since this 4% POMV draw was created to use those funds for capital and other one time expenses. Currently these funds are dedicated to city capital projects each year and constitute about one half of the city funds used to pay debt overhead on bonds and loans and to fund other city capital projects.
4. **General Obligation Bonds.** Council members have the option of issuing a bond to pay the match. The city has bonded projects in the past and currently has a bond on the aquatic center for repairs, renovations and maintenance done a few years ago. A bond would not be a quick solution since it would have to be approved by the voters and would have to go through a bond package. The full process for the bond would probably 18 – 24 months. A quick estimate shows that a bond issued for this project would cost the city about \$105,000 per year for the next twenty years. Unless other funding were identified to make bond payments, funding for payments would likely come from other city capital project funding reducing the

available funds for city capital projects by about 10% per year for the next twenty years.

**Future Funding Variables.** There are a couple of important variables that may affect potential funding that could be used to help with the capital project in the future. First is the sales tax proposition on the ballot in October. If approved this would provide an additional \$750,000 per year for school funding. If there are no changes to the state funding in FY26 and all other school funding sources remained the same there would be about \$1.225 million available (without dedicating additional general funds) for the local contribution next year. This would be about \$360,000 less than what is approved for the current fiscal year. If the proposition is not approved and no other general funds are used to supplement the local contribution the contribution would be about \$675,000 or about \$910,000 less for FY26 than FY25. Without additional funding provided by the state it is unlikely that there will be other revenue to fill these gaps.

State funding levels are a huge variable in this discussion. For FY25 the legislature and governor approved a \$680 per student one-time increase in funding. This will likely result in about \$670,000 in additional state funding for this year. There is no indication of what may pass the legislature and the governor next year.

Best case scenario would be passage of the sales tax initiative and additional funding from the state in FY26. Under this scenario there could actually be a surplus of school dedicated funding after a full local contribution is made that could be used to replenish reserves, or to spend on capital projects. We will know about the sales tax proposition in October, but will not know the final outcome of the state funding likely until July 2025.

**Recommendation.** This is an important project that is currently at the top of DEED's major maintenance project. If the district does not follow through with the current grant, it may be a long time before the funds are available again. The current request to fund the entire \$1.838 million is a large one and potentially has severe effects on the school district's future operations funding, city capital projects, or emergency funding needs by the city. This discussion also does not include other school district capital funding needs (i.e. HS biomass, fire alarm systems for most campuses, etc.). The council should discuss the various funding sources and give staff some direction on how the council wants to proceed .

**CITY OF CRAIG  
MEMORANDUM**

To: Craig Mayor and City Council  
From: Brian Templin, City Administrator  
Date: September 12, 2024  
RE: Teleconference Participation Discussion

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As the council is aware, council members and the mayor may participate in council meetings for most purposes, including voting on items, by teleconference.

This option is used fairly regularly. A couple of years ago we purchased new teleconference equipment as part of this process.

Traditionally the city has used GCI for teleconferences. About a year ago GCI notified the city that they would no longer be hosting teleconference lines. The city clerk located another service that would allow council members to call in toll free.

Recently, individual council members have had some difficulties with using the teleconference equipment. It is not know how much of the problem is the physical equipment, how much is the teleconference system, and how much is technological issues that council members have with their phones or earphones.

Council Member Josh Bennett asked for a discussion at the council meeting about our system.

This is also a good time to note that while reviewing CMC 2.04.165, which regulates the use of teleconference participation, there are a few changes to procedure that the council should use to remain compliant with the code. Most significantly:

1. Council members must notify the clerk by 4:00 pm on the Friday before the Thursday regular meeting or at least 12 hours before any special council meeting in order to participate by teleconference. This includes the mayor or presiding officer. (CMC 2.04.165 A.1.a and b.)
2. The mayor or presiding officer MAY NOT preside over the meeting by teleconference. (CMC 2.04.165 A.1.b.)
3. If any member is participating by teleconference then ALL voting at the meeting shall be by roll call vote. (CMC 2.04.165 A.1.e.)
4. Each council member and the mayor may only participate by teleconference four times per year. (CMC 2.04.165 A.1.f.)
5. Council members or the mayor may attend additional meetings by teleconference if expressly approved for good cause in each instance by a vote of the council. Good cause may include, but is not limited to, absence required for extended medical care needed for the individual or the individual's immediate family. (CMC 2.04.165 A.1.g.)

There are a few immediate changes that should be made to protocols in order to ensure that the council meets the requirements of CMC 2.04.165. These include:

- The clerk is currently reviewing council member and mayor attendance for the current calendar year to determine how many meetings have been attended by teleconference by each elected official.
- All voting done at meetings where there is one or more persons remotely attending should be done by roll call vote for future meetings.
- Council members or the mayor who wish to attend by teleconference must notify the clerk by 4:00 pm on the Friday before the Thursday regular meeting, or at least 12 hours prior to a special meeting.

Recommendation: There is no action needed on this item at this time. Since the discussion is on the agenda at Josh's request, Josh should lead the discussion.

## **CITY OF CRAIG MEMORANDUM**

To: Craig City Council  
From: Kimber Mikulecky  
Date: September 19, 2024  
RE: Additional Money Appropriation – Finance Director

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The city received a check from the Department of Corrections for \$83,639.55 for FY2024 capital project requests, outlined as follows:

1. Jail operations i.e. recruitment/retention efforts
2. Refurbishing
3. Facility improvements
4. Fire, life & safety equipment
5. Training

This money is required to be used for the items of operation as listed above.

Recommendation: Council appropriates \$83,639.55 from the general fund to the Police department specifically for FY24 jail capital improvements as specified above.

If you have any questions, please reach out to me directly via email at [finance@craigak.com](mailto:finance@craigak.com) or by phone at 907-826-3275 extension 226.