



MUNICIPALITY OF SKAGWAY, ALASKA
REGULAR ASSEMBLY MEETING

July 7, 2022
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1. **Call to Order:**

Mayor Cremata called the meeting to order at 7:00 p.m.

Mayor Cremata formally acknowledged that the Assembly is gathered on the traditional land of the Chilkat people.

The pledge of allegiance was recited.

2. **Roll Call:**

Present: Mayor: Andrew Cremata **Assembly Members:** Sam Bass, Jay Burnham, Orion Hanson, Reba Hylton, Deb Potter, Dustin Stone (via telephone)

Absent:

3. **Approval of Minutes:**

A. June 16, 2022

B. June 21, 2022 – Special Assembly

Main Motion/Second: Hanson/Potter

To approve the June 16, 2022, Regular meeting minutes.

The main motion passed by roll call vote, 6 yes, 0 no, 0 absent.

Assemblymember Hanson indicated that the June 21, 2022, Special Assembly minutes were not yet available for approval.

4. **Approval of Agenda:**

Main Motion/Second: Stone/Burnham

To approve the July 7, 2022, Regular Assembly meeting agenda.

The main motion passed as amended by roll call vote, 6 yes, 0 no, 0 absent.

5. **Reports of Officials and Committees:**

A. **Mayor's Report:**

Mayor Cremata indicated that there is a mayor's report included in the meeting packet.

B. **Assembly Committee Reports:**

- Assemblymember Jay Burnham:

Motion/Second: Burnham/Potter

To approve the check run dated July 7, 2022, totaling: \$2,043,971.82.

Motion passed by roll call vote, 6 yes, 0 no, 0 absent.

Assemblymember Burnham indicated that finance met on July 5, 2022. Burnham indicated that the Finance Committee reviewed all of the items on tonight's Assembly agenda and will consider Community Grant Funding awards at its next meeting.

2. **Assemblymember Hylton** indicated that the Health, Education and Welfare Committee met July 6, 2022. Hylton indicated that the committee recommends approval of the COORS proposal regarding Clinic Board education. The committee also discussed SEARHC and their continued interest in managing the clinic.

C. Reports from Boards, Commissions, and Solid Waste Advisory Committee

- Dyea Community Advisory Board Report dated June 15, 2022

D. Manager's Report :

Manager Ryan indicated that, in addition to his written report:

- The rockslide area is being investigated.
 - White Pass is continuing to tender from the aft of the Railroad Dock.
 - Many consultants are investigating the rockslide area.
 - Shannon & Wilson were brought to town by the Municipality, to immediately review the rockslide area.
 - The most dramatic finding is that the large rock is moving out about an inch and one half per year.
- There has been a lot of discussion about a community garden at the property adjacent to seven pastures.
 - Public Works has removed the fence on the south side of the gardens.
 - RESPEC is doing a survey to identify the exact location of the property.
 - The Recreation Center will be conducting a clean-up on July 15th.
 - The Municipality is not currently managing the property, just cleaning it up to keep it safe.
 - This winter a process will be undertaken to determine how to operate a community garden.
- Discussions were held with the Department of Transportation yesterday and they seem very interested in the Port of Skagway.

6. Communications to the Assembly:

A. Correspondence:

Correspondence was received from:

- D.Caposey re Community Garden (June 16, 2022)
- M.Munson re Rockslide (June 29, 2022)
- Frieda Joubert re Thank You (June 30, 2022)

- Skagway Child Care Council re Wine Tasting Fundraiser (June 29, 2022)
- K.Jared re Historic District Commission (July 5, 2022)
- S.Rappleye re Historic District Commission (July 5, 2022)
- S.Watson re Support of Ordinance 22-05 Regarding the Medallion Program (July 6, 2022)
- D.Griffard re Support of Ordinance 22-05 Regarding the Medallion Program (July 6, 2022)
- SDC re Support of Ordinance 22-05 Regarding the Medallion Program (July 6, 2022)
- A.Bagdon re Support of Ordinance 22-05 Regarding the Medallion Program (July 6, 2022)
- C.Bourcy re Support of Ordinance 22-05 Regarding the Medallion Program (July 6, 2022)
- S.Bagdon re Medallion Program (July 6, 2022)
- S.Corrington re Support of Ordinance 22-05 Regarding the Medallion Program (July 6, 2022)

Hear Citizens Present:

Billi Clem indicated that:

- It is imperative that Ordinance 22-05 be adopted, as the president of Princess Cruise Lines is only interested in benefitting Princess.
- Other cruise lines may attempt to implement similar programs.
- Local businesses cannot afford to have a cruise company take 18% of the profit.

Paul Taylor indicated that:

- He conducted a financial analysis of the ore peninsula project and discovered that, based on a \$60 million-dollar overall cost, the revenue will be approximately \$8 million short.
- The project will not be \$60 million as was anticipated two months ago; it will be \$87 million.
- In order to remedy this shortfall, the Municipality must build more revenue producing structures.
- The floating dock should be double-sided.
- A replacement project cannot gather the revenue required.

Nancy Corrington indicated that:

- The medallion program will not benefit businesses any more than advertising on the ships benefitted local businesses.
- The Municipality should retain the Historic District Commission despite the difficulties Corrington business has had with the commission, it is important to maintain a historic downtown.

Jan Wrentmore indicated that:

- She has maintained a long-standing relationship with the cruise lines since 1986.
- If the cruise lines gain a foothold in the community, they will own Broadway St.
- Eventually the cruise lines will be dictating prices on Broadway; 18% is just a start.

Tim Cochran indicated that:

- A large fuel barge, Thursday night, was asked to move to accommodate cruise ships which delayed the barge. There were not safety reasons for this decision and it was not explained.
- The KPFF presentation is good, however it still pins the freight or fuel barges into the north end of the dock, where they will need to wait for the cruise ship to depart before they can depart.
- The Assembly should consider Paul Taylor's suggestion so that industry can operate while cruise ships are in port.

Courtenay Hudson Thoe indicated that:

- She is opposed to the Princess Medallion program as they want 6% of her gratuities as a server. If this program is allowed, there will be robots staffing the hospitality industry.
- It is important to maintain the historical society. The ketchup and mustard building went through and without the society reigning things in Skagway will have glitter gulch on Broadway.

Alex Weddell indicated that:

- She is glad there is an ordinance to block the medallion program.
- The childcare crisis affects her as she had to spend an enormous amount of money to hire a private sitter during the last winter. Thank you for considering the childcare resolution as the assistance is crucial.

7. Ordinances, Resolutions, & Proclamations:

- A.** Introduction and First Reading of Ordinance No. 22-05: Amending SMC 5.01 Regulations Related to the Operation and Use of Currency within the Municipality

Main Motion/Second: Potter/Burnham For introduction and first reading of Ordinance 22-05.

Assemblymember Potter indicated that this ordinance was drafted by the business community and added that:

- The Princess Medallion Program is an existential threat to wellbeing in Skagway.
- First reading should be passed and if amendments are necessary, they can be prepared before second reading.

Assemblymember Stone indicated that he is disappointed that the Assembly must consider an ordinance to prevent Princess from extorting local businesses.

Assemblymember Bass indicated that:

- The choice to sign up for the Medallion Program is up to the business.
- It is not a likely concern that Princess intends to install sensors through town and if that did occur there are already laws regulating that.
- The ordinance will restrict businesses from joining the program rather than giving them a choice.

- The ordinance sets up a future scenario where the Assembly has the power to vet business programs and partnership agreements.

Assemblymember Hanson indicated that:

- When vacationing one should expect to use the currency of the locality you are visiting.
- There is a precedent for a convenience fee such as that charged by credit card companies, however this fee by Princess is quite a bit more expensive.
- Restricting the program based on its name will not work if the name can be changed.

Assemblymember Hylton indicated that:

- She did not have an opportunity to fully review the ordinance as it only arrived in the packet on Tuesday.
- The Municipality should work with other southeast communities and put something together that will really make a statement, as the program is unacceptable.

Assemblymember Stone indicated that he is okay passing this on first reading, however it should go to committee in-between readings.

Assemblymember Potter indicated that the Medallion Program can track individuals based on their shopping behavior. If the data indicates that certain items sell better, the cruise ship may begin selling those items onboard.

Motion passed by roll call vote, 4 yes, 2 no, 0 absent; with Assemblymembers Bass and Hylton dissenting.

- B.** Public Hearing and Adoption of Resolution No. 22-16R Providing Year-Round Subsidies for Licensed Childcare Providers in Skagway, and Repealing Resolution No. 20-45R

Mayor Cremata indicated that a motion was already active, and the public hearing had already been held.

Main Motion/Second: Hylton/Potter For public hearing and adoption of Resolution 22-16R.*

**The Main Motion was already active as it was postponed from the June 2, 2022, meeting.*

Secondary Motion/Second: Hylton/Hanson to amend Resolution 22-16R by replacing it with a substitute dated June 22, 2022.

Tertiary Motion/Second: Hylton/Hanson to amend the amendment by modifying the Applicant Eligibility "3rd Bullet" to replace "under the startup daycare subsidy program with: "during the year of application."

Tertiary Motion passed by roll call vote, 6 yes, 0 no, 0 absent.

Secondary Motion passed by roll call vote, 6 yes, 0 no, 0 absent.

Assemblymember Bass indicated that there are other local businesses that are also paramount to living in Skagway, that are required to survive here. Bass indicated that he supported Resolution 22-15R as it was about starting up necessary business.

Main Motion passed by roll call vote, 5 yes, 1 no, 0 absent; with Assemblymember Bass dissenting.

- C. Public Hearing and Adoption of Resolution No. 22-20R Amending Municipality of Skagway Personnel Policy to Add Juneteenth as a Municipal Holiday

Motion/Second: Stone/Burnham For public hearing and adoption of Resolution 22-20R.

Public Hearing:

No citizens commented.

Assemblymember Hanson indicated that as an employer he is unable to provide 13 paid holidays and that this resolution tips the balance against private businesses.

Main Motion passed by roll call vote, 5 yes, 1 no, 0 absent; with Assemblymember Hanson dissenting.

- D. Public Hearing and Adoption of Resolution No. 22-21R Amending Accounting Policies and Procedures to Implement a Fund Balance Policy

Motion/Second: Potter/Hanson For public hearing and adoption of Resolution 22-21R.

Public Hearing:

No citizens commented.

Manager Ryan indicated that it is a new requirement, because of the annual audit, that the Municipality have an established fund balance policy, and that he recommends that 50% be maintained in the general operating fund as a minimum balance.

Main Motion passed by roll call vote, 6 yes, no, 0 absent.

8. Unfinished Business:

- A. Consideration of Liquor License Application
 - 1. Garden City Enterprises, LLC, DBA Jewell Gardens, Restaurant/Eating Place—Public Convenience Seasonal, Liquor License #5658

Motion/Second: Stone/Potter To protest liquor license application #5658.*

**The Motion was already active as it was postponed from the June 2, 2022, meeting.*

Clerk Burnham indicated that the applicant delivered a check to city hall during that last five minutes of the workday causing administrative workers to stay on overtime. The check will not be able to clear by this meeting, so for consideration during this meeting, the applicant has not covered his debts.

Motion passed by roll call vote, 6 yes, 0 no, 0 absent.

Motion/Second: Hanson/Stone that the Municipality correspond with the Alcohol, Marijuana Control Office, the reasons for protest: 1. The application is out of compliance with Skagway municipal code 5.12.030 municipal business license required. 2. The applicant maintains several debts, the municipality, including utility bills from the Harbor and sales tax remittance or rental properties, which causes them to be out of compliance with SMC 5.12.040.

Motion passed by roll call vote, 6 yes, 0 no, 0 absent.

Motion/Second: Hanson/Bass to schedule a hearing before July 14, 2022.

Motion passed by roll call vote, 6 yes, 0 no, 0 absent.

9. New Business:

A. KPFF Presentation of Ore Peninsula Redevelopment 30% Design

Port Director Cody Jennings indicated that the port has had several phases of development and planning in recent years: Phase One occurred in early 2021 with the installation of Shoreline Park; Phase Two was in the fall of 2022 when the Shoreline Park Restroom was constructed; Phase Two B was the extension of sewer lines to the end of the AMHS ferry peninsula; and added that tonight's presentation will detail options 3A and 3B, which are the Ore Peninsula Dock and the Roll-on Roll-off ramp.

Jennings indicated that the master planning process began in October 2020 and was completed in June 2021, and added that:

- In March 2023, the Port of Skagway operations will revert to the Municipality of Skagway.
- The Municipality will begin construction on the Ore Peninsula in October 2023.
- The new floating dock will be installed by April 2024.

Port Director Jennings introduced Ed DeBroeck of KPFF.

Following is a summary of the presentation given by Ed DeBroeck of KPFF, and the presentation is included in the meeting packet:

- That the 30% design includes:
 - Added Marine Services Platform for Ore Loading to the specifications of the Yukon Government, as they are the sponsor of this item.
 - A 500' long and 50' wide, steel pontoon style, cruise float with timber decking.

- Maintaining a portion of the existing concrete dock.
 - A refurbishment of fendering on existing dolphins (that will be retained)
 - A roll-on roll-off ramp designed for rolling cargo.
- The next steps for the project:
 - Are to continue to 60% design for the dock and begin the 30% upland design.
 - Submit for permits.

B. Award of Rockslide Assessment Contract

Motion/Second: Potter/Hanson to award the rockslide assessment contract to Shannon & Wilson for \$299,681.00.

Motion passed by roll call vote, 6 yes, 0 no, 0 absent.

C. Award of Cruise Terminal Float Contract

Motion/Second: Hanson/Bass To award the cruise terminal float contract to Transpac Marina in the amount of \$11,878,800.

Motion passed by roll call vote, 6 yes, 0 no, 0 absent.

D. Award of Small Boat Harbor Boat Launch Extension Contract

Motion/Second: Bass/Potter To award the small boat harbor boat launch extension contract to Hamilton Construction for \$724,750.75

Motion passed by roll call vote, 6 yes, 0 no, 0 absent.

E. Approval of Cox Environmental Phase II Environmental Site and Sampling Assessment Proposals

Motion/Second: Hanson/Potter To award the phase two environmental site and sampling assessment to Cox Environmental for \$785,512

Motion passed by roll call vote, 6 yes, 0 no, 0 absent.

F. Approval of Coors Proposal for Dahl Memorial Clinic Board Education

Motion/Second: Stone/Burnham To approve COORS proposal for Dahl Memorial Board education for \$29,750 with additional expenses not to exceed \$8,000.

Motion passed by roll call vote, 6 yes, 0 no, 0 absent.

7. **Executive Session:**

6. Mayor and Assembly Discussion Items:

Assemblymember Stone indicated that everyone should find opportunities to take care of themselves as self-care is important.

Assemblymember Potter indicated that:

- She looks forward to discussing the medallion ordinance further in committee.

Assemblymember Bass indicated thanks to everyone involved in the President's Cruise event as well as the 4th of July parade.

Assemblymember Hanson indicated thanks to the Parks and Recreation team that has been taking care of the ballfields, added that the 4th of July was a lot of fun.

Assemblymember Hylton indicated that:

- She led her first protest in support of a woman's right to choose and it was amazing.
- A constitutional convention, if elected in November, could have an affect on women's rights in Alaska.

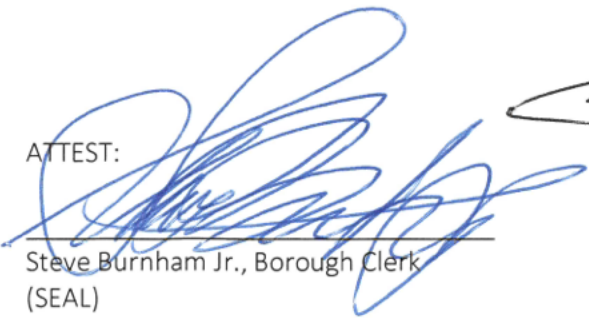
Mayor Cremata indicated:

- His thanks to the clinic staff who were good during the pandemic and now, during a more challenging time.
- That a railing on the Ore Dock was loose and perhaps staff could reach out to White Pass and get that shored up.
- His thanks to John Padgett of Princess Cruise Lines for taking the time to travel to Skagway and visit with Municipal staff and local business owners. Cremata indicated that it seems that Padgett wanted to vet the Medallion Program more thoroughly though a better compromise could not be reached.

12. Adjournment:

With no more business on the agenda, Mayor Cremata adjourned the regular Assembly meeting of July 7, 2022 at 9:38 p.m.

ATTEST:


Steve Burnham Jr., Borough Clerk
(SEAL)

Approved: July 21, 2022


Andrew Cremata, Mayor

