



MUNICIPALITY OF SKAGWAY, ALASKA
REGULAR ASSEMBLY MEETING

August 18, 2022
Page 1 of 7

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

Absent:

3. Approval of Minutes:

A. August 4, 2022

Main Motion/Second: Hanson/Stone

To approve the August 4, 2022 Assembly minutes.

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

4. Approval of Agenda:

Main Motion/Second: Potter/Hanson

To approve the August 18, 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, and added that he met with the president of Princess cruise lines and was given a tour of the interior workings of a cruise ship. He also met with Juneau City Manager Rorie Watt and Juneau Tourism Director Alexandra Pierce and hiked with them to the top of the rockslide area.

B. Assembly Committee Reports:

A. Assemblymember Jay Burnham:

Motion/Second: Burnham/Hanson

To approve the check run dated August 18, 2022, totaling: \$1,020,956.84.

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

Assemblymember Burnham indicated that finance met on August 17, 2022. Burnham indicated that the Finance Committee recommended Resolution 22-24R for approval by Assembly.

- B. **Assemblymember Bass** indicated that the McGrath audit of the fire department recommended adding two new positions to the department and the Assembly will need to consider those additions during the fiscal year 2023 budget process.

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

D. Manager's Report :

Manager Ryan indicated:

- That ADOT has inquired whether the Municipality would like to attain the airport; the Assembly should indicate if that is a discussion that should be had.
- His thanks to the Skagway Traditional Council for their assistance and support during the pandemic as they are now closing their testing site.
- Shannon and Wilson have begun to work on a mitigation design for the rockslide; hopefully the project can commence during the fall or winter and conclude in spring 2023.
- The Municipality is looking into dock modifications for spring 2023 so that Skagway can host Norwegian Cruise Lines ships by April 18th.

6. Communications to the Assembly:

A. Correspondence:

Correspondence was received from:

- SEARHC re Next Steps (August 10, 2022)
- L.Lavoie re Railroad Dock Shorex Booths (August 11, 2022)
- L.Mandeville re SEARHC (August 5, 2022)

B. Hear Citizens Present

Tom Cochran indicated that:

- The waterfront RFP process could have been modified to make it a less onerous transition for the new tenants.
- The rockslide near the railroad dock has threatened the safety of the cruise operations there and the business community is fearful of the future.
- The current ore dock project does not allow for more than one cruise vessel at a time.
 - It is imperative that that the Municipality make adjustments to the dock facilities so they can accommodate two large cruise vessels and industrial uses.

- It would be wise to look at all available options.
- He appreciated all the efforts of the Skagway Traditional Council during the pandemic.

Frank Deramo, indicated:

- Spring Street is now slow and quiet due to the changes instituted by the Municipality, though this has caused major issues.
 - That the city went overboard backwards trying to satisfy one or two people.
 - That speed humps should replace the speed bumps.

Tim Cochran indicated:

- Petro Marine was the only bidder on the fuel RFP and is looking forward to negotiations.
 - Petro Marine will be working with Cox Environmental and accommodating testing and site digging on the lease property.

Kelly Healy indicated that:

- Temsco Helicopters is encouraged to see the memo and recommendation to enter lease negotiations and hopes the Assembly directs staff to do that.

Mavis Henricksen indicated that:

- The Municipality should have realized the rockslide area was out of control long before it did.
 - If the slide is not dealt with by November 1st, it will be too late to conduct the work.
- Childcare is not the Municipality's duty.
 - It isn't the government who creates the issue, it is the mother and father who should pay and take care of the children.

Jan Wrentmore indicated that:

- The public has a right to access the riverbank and tideland area and should not be prohibited from that by the Temsco fence or lease.
 - The fence violates the "public trust doctrine" which gives the public the right to access the tidelands.
- She would like a seawalk to be installed that goes from one side of the valley to the other.

Katie Auer indicated that:

- The Alaska Marine Highway is considering no ferry service to Skagway between January and March.
 - Wintertime flights are unreliable.
 - Avalanches can block the Klondike Highway.
 - Ferry service is a true lifeline.
 - Auer encouraged citizens to comment through the AMHS public input email.

Lisa Hollander indicated that:

- It was amazing to see everyone at the landslide working together to get passengers safely back on their ships; hopefully this cooperation will continue.

7. Ordinances, Resolutions, & Proclamations:

- A. Public Hearing and Adoption of Resolution No. 22-24R:** Amending the Employee Pay Scale by Increasing Wages Due to the Cost of Living in Rural Alaska

Main Motion/Second: Burnham/Potter For public hearing and adoption of Resolution 22-24R.

Public Hearing

The public hearing was closed with no comments.

Assemblymember Bass inquired what sort of budget increase adoption of this resolution could cause.

Manager Ryan indicated that it would be an increase of around \$500,000 depending how many employees are maintained or added.

Assemblymember Hanson indicated that as a contractor he has to pay employees to be competitive but without benefits. Hanson indicated that some of these wages are low.

Secondary Motion/Second: Burnham/Stone That resolution 22-24R be amended by adding to the last paragraph which begins with "Now therefore be it resolved": "is hereby implemented and considered in effect beginning Tuesday, August 16, 2022."

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

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

- B. Public Hearing and Adoption of Resolution No. 22-25R** Adopting Port of Skagway Tariff No. 3

Main Motion/Second: Potter/Burnham For public hearing and adoption of Resolution 22-25R.

Public Hearing

The public hearing was closed with no comments.

Secondary Motion/Second: Hanson/Hylton To amend Resolution 22-25R to adopt the amendments from the Ports and Harbors Advisory Board in the memo dated August 17, 2022.

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

Tertiary Motion/Second: Potter/Hylton To postpone till the September 1, 2022 Assembly meeting.

Tertiary Motion failed by roll call vote, 1 yes, 5 no, 0 absent; with Assemblymember Potter assenting.

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

- C. **Public Hearing and Adoption of Resolution No. 22-26R** Approving a Port Berthing Agreement Template and Authorizing the Manager to Negotiate Port Berthing Agreements with Passenger Cruise Ship Companies

Main Motion/Second: Stone/Hanson For public hearing and adoption of Resolution 22-26R.

Public Hearing

Tim Cochran indicated that:

- The issues and challenges presented by the landslide area combined with projected cruise visitation means the Municipality must be cognizant of the fact that there must be an industrial component that can coexist with the cruise ships.

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

8. **Unfinished Business:**

9. **New Business:**

- A. Consideration of Woadie's South East Seafood Restaurant / Eating Place Seasonal Application #6073

Motion/Second: Hanson/Stone to protest Woadie's South East Seafood Application #6073.

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

- B. Approval of Community Grant Funding Awards: Little Buck-a-roo Daycare

Motion/Second: Potter/Hylton to approve community funding grant for Little Buck-a-roo Daycare for \$14,600.

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

- C. Approval of Selection Committee Recommendation re: General Waterfront Lease Proposal

Motion/Second: Hanson/Stone to authorize the Manager to enter into negotiations with Temsco Helicopters.

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

- D. Approval of Selection Committee Recommendation re: Intermodal Freight Facility Lease Proposal

Motion/Second: Hanson/Stone to authorize the manager to enter negotiations with Alaska Marine Lines for the lease of their facility.

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

- E. Approval of Selection Committee Recommendation re: Fuel Storage and Transfer Facility Lease Proposal

Motion/Second: Stone/Bass to authorize the Manager to enter into lease negotiations with Petro 49 incorporated.

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

- F. Confirmation of Library Director Appointment per SMC 3.02.010(C)(2)

Motion/Second: Burnham/Potter to confirm the Library Director appointment.

Assemblymember Hanson indicated that he was on the hiring committee which unanimously recommended Rachel Dewan for the position.

Assemblymember Potter indicated her thanks to Jennifer Sassalli for her work as Library Director.

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

10. Executive Session:

11. Mayor and Assembly Discussion Items:

Assemblymember Burnham indicated that the Municipality needs more information regarding the acquisition of the airport.

Manager Ryan indicated that he could reach out for more information.

Mayor Cremata indicated that there will be at least one town hall meeting to familiarize the community regarding the revenue bond proposition.

Assemblymember Hylton indicated that:

- If anyone has questions regarding SEARHC, please reach out to the Assembly.

Assemblymember Hanson indicated that:

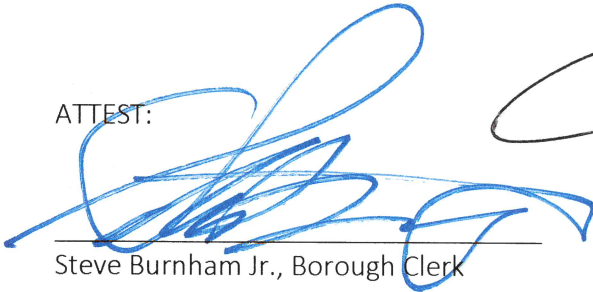
- That the wage concerns affect him as an employer, as he's had to raise wages to accommodate for childcare.
- The Municipality needs to stay the course and approve the \$65 million revenue bond.

- The Manager and Port Director are diligently working to ensure that Skagway can port Oasis class ships for 2023. The sooner the community has those plans, the better businesses can plan for next year.
- The Municipality is following a port master plan that was vetted thoroughly by the community.

12. Adjournment:

With no more business on the agenda, Mayor Cremata adjourned the regular Assembly meeting of August 18, 2022 at 8:32 p.m.

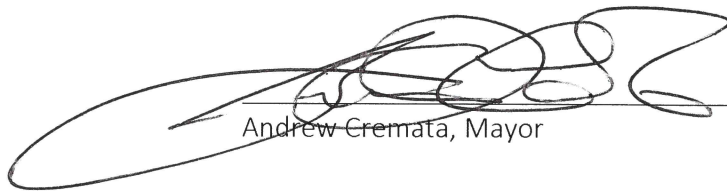
ATTEST:



Steve Burnham Jr., Borough Clerk

(SEAL)

Approved: September 15, 2022



Andrew Cremata, Mayor

