



MUNICIPALITY OF SKAGWAY, ALASKA  
REGULAR ASSEMBLY MEETING

January 5, 2017  
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**DRAFT**

1. **Call To Order:**

Mayor Schaefer called the meeting to order at 7:02 p.m.

2. **Roll Call:**

**Present:** Mayor: Mark Schaefer Assembly Members: Jay Burnham, Steve Burnham Jr.,  
Tim Cochran, Orion Hanson, Spencer Morgan

**Absent:** Angela Grieser (excused)

**Motion/Second: S. Burnham/Cochran**

To excuse Angela Grieser from the January 5, 2017, Assembly meeting.

**Motion passed by roll call vote, 5 yes, 0 no, 1 absent.**

3. **Approval of Minutes:**

Minutes for the December 15, 2016, regular Assembly meeting were approved as presented by roll call vote, 5 yes, 0 no, 1 absent.

4. **Approval of Agenda:**

The agenda of the January 5, 2017, regular Assembly meeting was approved with the addition of New Business Item I. 2023 Port RFP and Item J. Municipal Environmental Regulations, 5 yes, 0 no, 1 absent.

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

**A. Mayor's Report:**

Municipal flags have been lowered in honor of former Public Works Water/Waste Water Superintendent Tim Gladden, who recently passed away.

**B1. Finance Committee:**

**Motion/Second: S. Burnham/Cochran**

To approve the check run for January 5, 2017:

- General checks 112784 through 112875 and EFT totaling \$1,711,188.94;
- Payroll checks 112779 through 112783 and Direct deposits DD17315 through DD17379 totaling \$126,472.70;
- Grand total of \$1,837,661.64.

Assemblyman Cochran noted there is a check for Petro Marine Services, a company for which he is plant manager.

**Motion passed by roll call vote, 5 yes, 0 no, 1 absent.**

**B2. Public Safety Committee:** None.

**B3. Public Works Committee:**

Assemblyman Morgan reported that the Pool Ad Hoc Committee will meet to finalize a presentation to give to the Assembly on February 2, 2017.

**B4. Civic Affairs Committee:** None.

**B5. Health, Education and Welfare Committee:**

Assemblyman Cochran reported that Skagway School Superintendent Josh Coughran, Borough Manager Scott Hahn and Assemblyman Cochran met to score the submitted proposals for the Skagway School Vocational Education Building request for proposals (RFP). Assemblyman Cochran reported that the Port Commission recommends hiring a Port Director in light of the focus that is needed at the Port.

**B6. Parks and Recreation Committee:**

Assemblyman Hanson reported that at its meeting of January 3, the Parks and Recreation Committee discussed and drafted arctic tern signage for the Borough Attorney to review.

Assemblyman Hanson reported that committee also discussed the old CCC trail to the Denver Glacier and that he learned that the trail was created by a volunteer group; it seems that a rock slide took out part of the old road. Assemblyman Hanson reported that Assemblyman Morgan is to discuss the trail with White Pass & Yukon Route Railroad (WPYR) to obtain a clear understanding on their direction concerning rights-of-way. Mayor Schaefer asked that the National Park Service (NPS) be involved in the process.

Assemblyman Hanson reported that he discussed obtaining support from the State of Alaska regarding development in Dyea, and moving the matter higher on the State of Alaska's priority list with Borough Lobbyist John Walsh.

**C. Manager's Report:** None.

**6. Communications to the Assembly:**

**A. Correspondence:**

No additional correspondence was received.

**B. Hear Citizens Present:**

Volunteer Fire Chief Jeremy Simmons reported that the 2016 Fire Department Inspection and Evaluation has been completed; the evaluation determines the ISO rating and the cost of home insurance for the community. Chief Simmons indicated that this is the first time that the

Municipality's rating has improved, and the tremendous improvements are thanks to the hard work of the Fire and Water Departments.

Mayor Schaefer thanked both departments for the work they do for the community.

7. **Ordinances, Resolutions & Proclamations:** None.

8. **Unfinished Business:** None.

9. **New Business:**

**A. Amendment to Memorandum of Agreement Between National Park Service and the Municipality re: Dyea Road Improvements Project**

Mayor Schaefer indicated that he anticipates some traffic problems with the road being so narrow, but the Municipality will wait until the project is finished to see if issues occur.

Assemblyman S. Burnham noted that he questions the amendment language and its ability to extend the project.

**Motion/Second: S. Burnham/Cochran**

To have the Borough Attorney and Manager work up an agreement with the National Park Service to allow for the removal of all non-organic project materials from Municipality property by November 2017 in regards to the Memorandum of Agreement regarding Dyea Road Improvements.

**Motion passed by roll call vote, 5 yes, 0 no, 1 absent.**

**B. Discussion of Capital Project Priorities**

Assemblyman S. Burnham indicated that the Finance Committee recommends: swapping the positions of item #2 Solid Waste and item #3 Seven Pastures Dike on the capital improvement project (CIP) priority list presented as Resolution No. 15-40R; and retain the Commercial Passenger Vessel (CPV) funding list as presented with Resolution No. 15-41R.

Assemblyman S. Burnham noted that the State Street utility replacement preliminary engineering is mostly complete and may cost \$1 million to complete. Assemblyman S. Burnham noted that the Municipality should promote this project via the CIP resolution because the State Street utilities have to be upgraded earlier than expected. Assemblyman S. Burnham indicated that the Assembly should get a recommendation on how best to help Lobbyist Walsh communicate the urgency of this project.

**Motion/Second: S. Burnham/Cochran**

To swap items #2 and #3 on the Capital Improvements Priority (CIP) list, Resolution No. 15-40R, to read:

1. State Street Utility Replacement Preliminary Engineering (\$1,000,000)
2. Seven Pastures Recreation Area Flood Dike (\$1,000,000)
3. Solid Waste, Recycling and Public Works Facility (1,000,000)
4. Senior Center / Housing (1,000,000)

and bring the resolution forward to the next meeting along with Resolution No. 15-41R, Commercial Passenger Vessel (CPV) list, as is and was previously adopted.

**C. School Vocational Education Building Project Award**

Assemblyman Cochran discussed the scope of the project and indicated that several proposals were received for the School Vocation Education Building RFP. Assemblyman Cochran discussed the scoring results and indicated that there has not been an award letter sent. Assemblyman Hanson indicated that there was a lot of information to go through. Assemblyman Cochran reported that the scoring committee has gone through the proposals thoroughly, but there is no rush in awarding the project.

Assemblyman Hanson asked if it is possible to use CPV funds to pay for the emergency generator, as the expense seems appropriate for emergency preparedness.

Assemblyman S. Burnham indicated that the borough manager could ask Jim Van Altvorst about using CPV funds to pay for the generator, as the study being updated could include this question.

**Motion/Second: S. Burnham/Hanson**

To put the School Vocational Education Building award on the second Assembly meeting agenda in January.

**Motion passed by roll call vote, 5 yes, 0 no, 1 absent.**

**D. Police Dept. Records Management System Request for Proposals**

Assemblyman S. Burnham indicated that the Finance Committee recommends approval of a \$161,328 budget amendment to purchase the Spillman Records Management System, assuming the procurement meets code. The Assembly and Police Chief Ray Leggett discussed the quotes that were received and the cost of the software needed for records management.

Assemblyman Hanson asked if it is customary for the Police Department to submit quotes and not go through the request for bids (RFB) process. Assemblyman Cochran noted that municipal code indicates that an RFB is not required when purchasing specialty or data-specific software.

**Motion/Second: S. Burnham/J. Burnham**

To approve a \$161,328 budget amendment to purchase the Spillman Records Management System, assuming the procurement meets code.

**Motion passed by roll call vote, 5 yes, 0 no, 1 absent.**

**E. Consideration of Gold Rush Brewery “Brewery” License Renewal  
Motion/Second: Hanson/Cochran**

To protest Gold Rush Brewery liquor license renewal.

**Motion failed by roll call vote, 0 yes, 5 no, 1 absent.**

**F. Consideration of Gold Rush Restaurant “Restaurant/Eating Place – Public Convenience Seasonal” License Renewal  
Motion/Second: Hanson/Cochran**

To protest Gold Rush Restaurant “Restaurant/Eating Place – Public Convenience Seasonal” License Renewal.

**Motion failed by roll call vote, 0 yes, 5 no, 1 absent.**

**G. Discussion of Joint Meeting with HRSA**

Mayor Schaefer noted that a representative from HRSA will be calling in with their legal counsel to discuss issues HRSA has with the agreement that the Assembly and Clinic Board thought was resolved. Assemblyman Cochran asked if the HRSA project manager is new to HRSA because she sounds very unfamiliar with the Assembly and how things work at the Municipality. Dahl Memorial Clinic Executive Director Shelly O’Boyle indicated that the project manager’s questions are appropriate and that there are eight topics that need to be addressed. Ms. O’Boyle indicated that there may be a small misunderstanding and there are other entities like the Municipality and the Dahl Memorial Clinic that work with HRSA. The Mayor, Assembly and Ms. O’Boyle discussed HRSA and the how the changing project officers are interpreting the agreement differently.

Assemblyman S. Burnham indicated that this meeting should be a joint HEW Committee and Clinic Board meeting; it would not be a work session, but a question-and-answer session and public meeting.

**H. Request for Approval to Purchase WWTP Vacuum System**

Assemblyman S. Burnham reported that the vacuum system was discussed at the Finance Committee, and a budget amendment is needed to purchase the vacuum and to build a platform for it.

**Motion/Second: S. Burnham/Cochran**

To increase line item #6050 under Water Sewer Plant Upgrades by \$60,000 so that the final amount is \$160,000, and that funding come from an appropriate percentage amount of Sales tax and CPV funds.

**Motion passed by roll call vote, 5 yes, 0 no, 1 absent.**

**I. 2023 Port RFP**

Mayor Schaefer indicated that putting out an RFP for the Port would be a low-cost exercise to see if there is any interest in doing something new with the Port. Assemblyman Morgan indicated that an RFP would be an insurance policy and asked if Moffatt & Nichol is working on this idea at all. Assemblyman Hanson noted that an RFP may be premature since Moffatt & Nichol are engaging the stakeholders and the Municipality might be alienating the stakeholders if it goes out to RFP. Assemblyman S. Burnham noted that the importance of the exercise is developing the RFP, not necessarily the execution of the RFP. The Mayor and Assembly discussed having a plan in place for the Port post-2023.

**Motion/Second: S. Burnham/J. Burnham**

To have the discussion transcribed for the Port Commission and request that the Port Commission do a draft RFP outlining what should happen with the Port post-2023.

**Motion passed by roll call vote, 5 yes, 0 no, 1 absent.**

**J. Municipal Environmental Regulations**

Mayor Schaefer indicated that the Municipality can add environmental controls above and beyond what the Alaska Department of Environmental Conservation (ADEC) does and write some of its own regulations. Mayor Schaefer noted that he is not satisfied with ADEC and does not like the way they are operating. Mayor Schaefer indicated that developing environmental regulations will be a long process and the Assembly should start thinking about it now. Mayor Schaefer noted that ADEC may say that contamination is of no harm to human health, but in addition to health the contamination effects the economy. Mayor Schaefer indicated that he believes White Pass will complete the clean up before the lease ends. Assemblyman S. Burnham noted that there are many moving parts and that looking at other large ports and seeing what regulations they have would be beneficial. Assemblyman S. Burnham indicated that a consultant may help with the research and advise the Municipality on how to enforce the regulations.

**Motion/Second: S. Burnham/Cochran**

To formally request that the Port Commission have a deep discussion about environmental regulations on the waterfront and the Port in general and how they see best to move forward in that area.

**Motion passed by roll call vote, 5 yes, 0 no, 1 absent.**

10. **Executive Session:** None Scheduled.

11. **Mayor and Assembly Discussion Items:**

Mayor Schaefer noted that the Mineral Roundup is approaching and encouraged the Assembly to attend. Mayor Schaefer pointed out that Roundup is at the same time as the Port Consultant Open House on January 23, 2017. Assemblyman S. Burnham indicated he is going to try to attend Roundup. Assemblyman Hanson indicated that advertising the open house is important and suggested an announcement on KHNS radio.

Assemblyman Hanson noted that he had an educational conversation on the phone with Lobbyist Walsh; they discussed the need for the Port to be dredged and the many reasons that more depth in the Port is needed. Mayor Schaefer discussed how accessible and supportive John Walsh is to the Assembly.

Assemblyman Morgan indicated that in regards to CIP and CPV priorities, the Broadway Sidewalk Improvements project needs to be completed as soon as possible for safety reasons, and the Small Boat Harbor Phase II project has lost momentum as a priority, but the use of the facility and tourism has increased in that area. Assemblyman Morgan noted that the Harbor is essential to the Port and this project is doable and can be completed. Mayor Schaefer indicated that the Small Boat Harbor Improvements project will cost close to \$18 million to complete and there are a lot of other demands for money, so it is unrealistic. Mayor Schaefer noted that the Harbor Enterprise Fund comes the closest to breaking even as a fund, which is good.

Assemblyman Cochran indicated he is concerned about how truck and tourism traffic will be affected by the Capt. William Moore Bridge Replacement project because of longer lines at the border. Assemblyman S. Burnham noted that it may be time to consider granting funding to the Border to run the border more efficiently. Assemblyman S. Burnham noted that WPYR could grant funding also for more staff during the construction periods.

**Motion/Second: S. Burnham/Cochran**

That anyone from the Port Commission, Assembly, the Mayor, the Manager or the Lobbyist be permitted to attend Mineral Roundup in Vancouver.

**Motion passed by roll call vote, 5 yes, 0 no, 1 absent.**

**Motion/Second: S. Burnham/Cochran**

To send congratulations and thank you for all the hard work to the Skagway Volunteer Fire Department on the improved ISO rating.

**Motion passed by roll call vote, 5 yes, 0 no, 1 absent.**

**Motion/Second: S. Burnham/Hanson**

To request that the Borough Manager inquire with Mr. Van Altvorst regarding using CPV funding for the emergency generators.

**Motion passed by roll call vote, 5 yes, 0 no, 1 absent.**

12. **Adjournment:**

**Motion/Second: Cochran/Morgan**

To adjourn the meeting of January 5, 2017, at 9:27 p.m. **Motion passed by voice vote.**

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Mark Schaefer, Mayor

ATTEST:

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Emily A. Deach  
Municipal Clerk

(SEAL)

**Approved:**