



WHITE PASS & YUKON ROUTE

THE SCENIC
RAILWAY OF THE WORLD

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July 3, 2020

Sent via e-mail only

Mayor Andrew Cremata, Manager Brad Ryan & Skagway Assemblymen
Municipality of Skagway
P.O. Box 415
Skagway, AK 99840

Re: White Pass Cooperation & Partnership

Dear Mayor, Manager & Assemblymen,

The global COVID-19 pandemic has created unprecedented challenges and uncertainty not only for us in Southeast Alaska, but across the world. I would first and foremost like to say thank you and commend the Municipality of Skagway for its proactive approach to helping local residents and businesses the past few months as we all work to find ways to reach what is hopefully a healthy, successful and busy 2021 season. Given the current state of the economy, the uncertainty in the cruise industry, and the unknowns around how long the COVID-19 pandemic may last, we believe it is more important than ever for White Pass to work cooperatively with the Municipality of Skagway to protect the delicate balance of the overall health and welfare of the community of Skagway. The Port has, and will continue to play, a vital role in Skagway's future. It is critical for both White Pass and the Municipality to create certainty and consistency in the operation of the port, especially as the current lease begins its final two years.

Several times since assuming ownership and management of White Pass & Yukon Route Railroad in August 2018 we have addressed the Assembly and expressed our desire to either renew our lease or create a public private partnership with the Municipality. As such, we would like to re-engage with Municipal and civic leadership to address several important issues prior to the expiration of the lease in 2023.

- Transfer ownership of tidelands assets to the Municipality
- Work together to improve the dock infrastructure prior to 2023
- Build a plan that shares in the management of those assets post 2023 including port enhancements, expansion, upland improvements, cruise scheduling, security, tariffs, stevedoring, regular repair and maintenance, etc.
- Create a community impact fund that will ensure upland infrastructure is in place to support tourism and our community members
- Complete Ore Basin Remediation
- Avoid litigation and uncertainty in the community related to these complicated issues

It is very difficult to guess what the short-term future holds for the cruise industry in Skagway, but we can assume the effects of the pandemic will have potentially profound and lasting impacts in the years to come. We feel it would best serve the interests of all stakeholders and the community at large for White Pass & the Municipality to sit down and begin a serious effort to create a mutually beneficial

solution to port governance and management post March 2023. In these difficult times we think there is strength with a local partner to enhance the delivery of a more comprehensive plan for the Community. We would request the leadership of the Municipality of Skagway allow us to start that discussion and explore our concepts with the Port Commission in the near future.

Sincerely,

A handwritten signature in black ink that reads "Bob Berto". The signature is written in a cursive style with a large, stylized initial "B".

Bob Berto
President, White Pass & Yukon Route Railway