



MUNICIPALITY OF SKAGWAY, ALASKA  
REGULAR ASSEMBLY MEETING

August 4, 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

**Absent:**

**3. Approval of Minutes:**

A. July 21, 2022 – Special Assembly

**Main Motion/Second: Bass/Potter**

To approve the July 21, 2022 Special Assembly minutes.

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

**4. Approval of Agenda:**

**Main Motion/Second: Bass/Potter**

To approve the August 4, 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 while the rockslide is a critical issue, it will be resolved by the 2023 season so that Skagway can fill four cruise berths.

**B. Assembly Committee Reports:**

**A. Assemblymember Jay Burnham:**

**Motion/Second: Burnham/Hanson**

To approve the check run dated August 4, 2022, totaling: \$1,258,223.88.

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

Assemblymember Burnham indicated that finance met on August 3, 2022. Burnham indicated that the Finance Committee recommended that staff bring forward a resolution implementing a \$5 per hour raise for Municipal employees.

Finance reviewed Resolution 22-22R, and recommended an amendment.

Assemblymember Burnham indicated that the Finance Committee approved the following applications for Community Grant Funding:

- Little Buck-A-Roo Daycare

- B. **Assemblymember Hanson** indicated that the Public Works Committee met July 26, 2022 and discussed the timelines for the solid waste transfer facility, incinerator, and public works shop projects, as well as purchasing bear proof collection cans and incorporating those into the quarterly solid waste fees.
- C. **Assemblymember Bass** indicated that the police and fire department have continued to respond to a high volume of calls, and added that the fire department is working to fill more firefighter positions.
- D. **Assemblymember Stone** indicated that Civic Affairs Committee met on July 27, 2022 and discussed naming the waterfront access road and the mile two cemetery, and the building numbering system.

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

**D. Manager's Report :**

Manager Ryan indicated that:

- Public Works Department installed a gravel sidewalk on Spring Street so that visitors can stay safely off the roadway.
- There are now speed bumps installed on Spring Street to slow the bus traffic.
- The restroom near the Dyea Campground is being removed by Public Works.
- Citations are increasing, the Police Department is trying to use a soft hand.
- The Fire Department is interviewing to fill open positions.
- Congratulations to members who just reached full-time membership: Sean Watson, Serena Jones, Monte Flores, Bronson Leyva, Joe Torregrossa and Stacy Fairbanks

**6. Communications to the Assembly:**

**A. Correspondence:**

Correspondence was received from:

- Tony Heckle re Arch Proposal (July 25, 2022)
- WPYR re Railroad Dock Slide Update (July 28, 2022)
- David Brena re Termination of PARN Lease (July 30, 2022)
- Cooper Hays re SEARHC Management Proposal (August 2, 2022)

- Lisa Mandeville re COORS and SEARHC (August 3, 2022)

**B. Hear Citizens Present**

**Frank Deramo** indicated that:

- A good Samaritan sits at the end of Broadway warning tourists that they are headed in the wrong direction; the city should place a big sign there that indicates that people are walking the wrong direction.
- Since the rockslide issue will likely be persistent for this season, the SMART shuttle signs should be moved.
- The city needs to put energy into seasonal housing.
- The new speed bumps on Spring Street could damage buses if the speeds are not regulated; they are a liability and could hurt passengers.

**Laura Mabee**, as Historic District Commission Chair, indicated:

- The Historic District Commission met on July 25, 2022.
  - That the commission has had several meetings without agenda items.
  - That the crosswalks that have been installed on Broadway Street did not go before a Historic District Commission review.
  - That the commission discussed better labeling in the historic district, including the 2014 archway, banners across Broadway Street, and marking side streets. Mabee indicated that planning and approval of plans to communicate to visitors is not a function of the HDC.
- Her thanks for the approval of a new community garden.

**Karl Gurke** indicated:

- That he is absolutely against the proposal to combine the Historic District Commission with Planning & Zoning.
  - It is a solution, looking for a problem that has already been solved.
  - The Assembly should improve its advertising plan when looking to fill committee seats.
- His support for Resolution 22-22R; it shows the city supports its volunteers.
- That the crosswalks should never have been approved without review by the Historic District Commission.

**Mark Knorr** indicated that:

- The community owes White Pass & Yukon Route Railroad and the National Park Service a lot.
  - The city should be releasing its own press releases for issues on its property.
  - The current waterfront leases should be extended by the city.
  - The rockslide will not be remedied overnight.
  - The National Park Service is responsible for the good shape that Broadway Street is in.

**Tyler Rose**, for WPYR, indicated that:

- August 3 at 4:45 p.m., there was rockslide at the south shoot at the north end of the railroad dock slide area.
  - The majority of the rock was contained by the attenuator fence and basin.
  - Cruise Line Agency's hut was damaged on the north eave of its roof.
  - The slide originated a quarter way from the top of the slope.
  - The forward berth on the railroad dock will remain closed and cruise visitors will be tendered into shore.
  - White Pass will continue to communicate with the Manager and the Port Director.

**Joel Probst** indicated that:

- He heard a rumor that there was a meeting Wednesday where the Municipality leased the clinic for a dollar a year for 25 years.
- Cruise Lines only visit Skagway because of White Pass; the train is the Grand Canyon of Alaska.
  - The Assembly needs to figure out its issues with White Pass because it is getting ridiculous.

**Tim Bourcy** indicated that:

- The rockslide is a fixable problem that will be mitigated.
  - It is a risk to Municipal property, community infrastructure.
  - Consider installing an alarm system for monitoring in the short term.
  - Focus should be on releasing an RFP for design and engineering to develop a mitigation plan.

**Heath Goebel** indicated that:

- Small business owners employ more workers than big corporations and government combined.
  - It is overlooked because a small business does not have a big lobbyist.
- Skagway now turns up in multiple, catastrophic articles.
  - Words have weight.
  - If someone tells the news that Skagway might not be able to open the docks in 2024.
  - Small businesses need to know what the economic forecast is for next year so they can make hard choices.
- The city and the railroad need to meet behind closed doors and enact a settlement.

**Lisa Mandeville** indicated that:

- She is a member of the clinic board, speaking her own opinion.
- She supports the passage of the interim clinic executive director proposal.

**Mavis Henricksen** indicated that:

- She read a letter by Kaitlyn Jared supporting the Historic District Commission, and it changed her mind.
- The Planning & Zoning Commission should be kept separate from the Historic District Commission.
- Skagway needs to hire a planner.
- The mountains are just doing what mountains do.
- Skagway can't afford to lose lives, or tourism will go away.

**Tom Hall** indicated that:

- White Pass has spent more money than any organization to try and mitigate the rockslide area at the dock.
- When the new White Pass President, Bob Berto came to Skagway, he admitted the history of Skagway and said he was here to try and make it better.
- He has a hard time understanding why some agreement can't happen; White Pass is getting the short end of the stick.
- The message should be that "we're going to make it work."

**Melinda Munson** indicated that:

- There is video circulating on YouTube, of people running away from the train, with the mountain crumbling--everyone is scared.
- It is not good for business, however as a news resource she needed to report on it.
- Without honest conversations, we won't be able to make things better.
- She supports something that will get visitors north past fifth avenue.
- Perhaps the Skagway Traditional Council would assist with some sort of art installation to draw people further north.

**Mike Swayze** indicated:

- His thanks to White Pass for making the decision to close the forward berth on the railroad dock.

7. **Ordinances, Resolutions, & Proclamations:**

- A. **Public Hearing, Second Reading, and Adoption of Ordinance No. 22-06:** Amending Title 19 Planning and Zoning to Disestablish the Historic District Commission and Reassign its Duties to the Planning and Zoning Commission

**Main Motion/Second: Potter/Bass** For public hearing, second reading, and adoption of Ordinance 22-06.

**Public Hearing**

**Steve Hites** indicated that:

- He is speaking as a citizen, not as a member of the Historic District Commission.
- Skagway's national landmark status comes from the Historic District Guidelines.
  - The Guidelines should be used as they once were, to maintain a historic setting.
  - Skagway no longer follows its own rules.
- When the railroad shut down in 1982, Skagway shifted gears and marketed the Klondike Gold Rush.
  - Skagway didn't lose its cruise visitation even though the railroad was closed for 5.5 years.
  - Skagway's history is its economy.
- He agrees with Karl Gurke, that the Historic District Commission should be maintained.
  - There have been several volunteers coming forward to join the commission.

**Heather Feil** indicated that she is representing the National Park Service as the Acting Superintendent, and further indicated that:

- The National Park Service supports the Historic District Commission.
  - The Historic District Commission is the proper bridge between the National Historical Park and the city that provides the heritage connection.
  - The Park Service commits to having an NPS member on the commission by September.
  - Without becoming a Certified Local Government, the Municipality is leaving money on the table.

**Tim Bourcy** indicated that:

- The Historic District Commission's role is to ensure that the experience is authentic.
  - It is important that the community understand its obligation to protect the history of this community.

**Laura Mabee** indicated that:

- She is the current Chair of the Historic District Commission and has been serving for 10 years.
  - There have been years with almost no applications.
  - There have been years with full commissioner participation and years where they had to cancel every meeting due to a lack of a quorum.
- She supported the dissolving of the commission into the Planning & Zoning Commission because it wouldn't have removed the Historic District Guidelines in Code. The District would still have been protected.
  - Since there is as much participation as there is tonight, the commission will survive.

**Rosemary Liebert** indicated that:

- She is willing to become a member of the Historic District Commission.

**Joel Probst** indicated that:

- The current Historic District Commission does not want to disband.
  - They were presented a draft ordinance and made comments intended to help preserve the Historic District Code.

**Karl Gurke** indicated that:

- It is important to maintain membership on the commission, long term.
  - To help preserve the knowledge.
- Merging two commission will not work.
  - The Planning & Zoning Commission will not be able to spend an adequate amount of time pouring over historic photos, as they already have a heavy workload.

**Mavis Henricksen** indicated that:

- The most successful people in the historic district, wear 1898 styled clothing.

**Frank Deramo** indicated that:

- The visitors come to Skagway for the historic aspects of town and the train.
  - If there are volunteers, there is no need to eliminate the commission.

Mayor Cremata indicated that he asked the Historic District Commission to review this ordinance because they had difficulties holding meetings or filling seats. There were good ideas presented tonight for filling boards and commissions. Mayor Cremata indicated that he is not attached to the ordinance.

Assemblymember Stone indicated that the crosswalk issue was brought up by a group of school kids and went through the public process before it was approved. Assemblymember Stone further indicated that simply because someone missed an opportunity to participate in the public process, and disagree with an outcome, does not mean that the public process didn't occur.

Assemblymember Hanson indicated that passing this reading will dilute the intent and purpose of the Historic District.

Assemblymember Hylton indicated that she would be voting against the ordinance, however it was an important discussion to have because in holding discussion members of the public have committed to joining the commission.

Assemblymember Potter indicated that there may be a need to enact a system that triggers another commission to cover for a commission that is consecutively unable to attain a quorum.

Assemblymember Bass indicated that if the Historic District Commission would like to be maintained, he is happy to vote against the ordinance.

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

- B. Public Hearing, Second Reading, and Adoption of Ordinance No. 22-07: Authorizing the Issuance of Port Revenue Bonds in an Aggregate Principal Amount not to Exceed \$65,000,000 to Acquire, Construct, and Equip Improvements to the Borough's Port Facilities

**Motion/Second: Hanson/Stone** For public hearing, second reading, and adoption of Ordinance 22-07.

**Public Hearing**

**Tim Cochran** indicated that:

- The Municipality is moving too fast in developing the waterfront.
- People with years and years of experience on the waterfront are not being heard.
- The dock replacement is being engineered for 35mph sustained winds, which is a problem if there is a 45mph wind.
- It is a problem putting the town into \$65 million in debt if the project is not done properly.

**Tim Bourcy** indicated that:

- The Municipality has spent many years on the process of taking over the port.
- He supports the passage of the ordinance.
- This revenue bond is essential to the development of the port, as the community made the decision to take over the port.

**Mavis Henricksen** indicated that:

- She is in favor of the passage of the ordinance.
- The letter from AML changes the city's entire plan.
- Before AML, there was only one ship bringing produce.
- At this point the ordinance should be voted down, then more planning should happen before holding a special election.

**Steve Hites** indicated that:

- It is 226 days until Skagway takes over its port.
- It is going to cost every single penny of that money to do this.

Assemblymember Hanson indicated that it is important to maintain a positive outlook.

- Not only can this work, it will work.
- This debt will be retired by revenue generated by the port itself.

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



- C. Public Hearing and Adoption of Resolution No. 22-22R: Waiving Municipal Fees to Volunteer Members of Boards, Commissions, and Committees

**Main Motion/Second: Burnham/Bass** For public hearing, second reading, and adoption of Resolution 22-22R.

Joel Probst indicated that:

- Support for the passage of the resolution as it will encourage people to step up and join a committee.

Assemblymember Bass indicated that he brought forward the resolution to encourage people to become volunteers, to reward them for their time and effort.

**Secondary Motion/Second: Hanson/Stone** to amend Resolution 22-22R as outlined in the proposed amendment by the Finance Committee dated August 3rd, 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.**

**8. Unfinished Business:**

- A. Discussion of Rockslide - Update from the Manager

Manager Ryan indicated that:

- Shannon & Wilson are currently under contract regarding the rockslide.
  - They will provide a sub-contracted civil engineer and a permitting subcontractor.
  - The Municipality is pushing to be able to mitigate the rockslide issue this coming winter.

Mayor Cremata indicated that:

- He has been speaking with the Federal delegation, looking for potential FEMA funding, however a mitigation strategy will need to be ready before that funding is a possibility.
- The Municipality has been honest about the rockslide area and its potential.
  - No one is being negative for the sake of being negative.
  - The Municipality is going to mitigate the rockslide situation.
- Mayor Cremata read a Declaration of Emergency dated August 4, 2022 (which has been attached to these minutes).

**9. New Business:**

- A. Approval of Community Grant Funding Awards
1. CCS Senior Services
  2. Little Cherubs

3. Little Dippers
4. SCCC Admin Services
5. SDC CDS Fiscal Sponsorship Program
6. SDC Small Business Resource
7. North Words Writers Symposium

**Motion/Second: Hylton/Potter** to send both Community Funding Grant applications 9B.3 and 9B.4 submitted by the Skagway Child Care Council and 9B.7 North Words Writers Symposium back to the Finance Committee for further review as more information may be required.

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

**Motion/Second: Hanson/Stone** to approve the Community Funding Grant awards to CCS Senior Services, Little Cherubs, SDC CDS Fiscal Sponsorship Program, and SDC Small Business Resource.

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

- B. Approval of Coors Proposal for Interim Clinic Executive Director

**Motion/Second: Stone/Bass** to approve the COORS proposal for clinic executive director as proposed.

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

- C. Approval of Public Safety Facility Janitorial Services Bid

**Motion/Second: Hanson/Hylton** to award the janitorial services bid to Clean Freak Custodial.

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

**7. Executive Session:**

- A. Per AS 44.62.310(c)(2), to Discuss Subjects that Tend to Prejudice the Reputation and Character of Any Person, Provided the Person May Request a Public Discussion: **Borough Manager Evaluation and Contract Negotiation**

**Motion/Second: Hanson/Stone** adjourn from regular session and reconvene an executive session to discuss subjects that tend to prejudice the reputation and character of any person provided that the person may request a public discussion about the borough manager evaluation and contract negotiation.

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

**Executive Session occurred between 9:34 p.m. and 9:55 p.m.**

- B. Pursuant to AS 44.62.310(c)(1) and (3), Matters That May Have a Significant Adverse Impact on the Finances of the Municipality and Which are Confidential by Law, Protected by the Attorney-Client Privilege: **Discussion with the Borough Attorney Regarding Hosford vs. Municipality of Skagway Litigation**

**Motion/Second: Hanson/Stone** to enter executive session for the purpose of discussing matters that may have a significant adverse impact on the finances of the Municipality and which are confidential by law and protected by the attorney-client privilege; a discussion with the borough attorney regarding the Hosford vs. Municipality of Skagway Litigation.

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

**Executive Session occurred between 10:03 p.m. and 11:05 p.m.**

**Mayor Cremata** indicated that the Assembly directed the attorney and manager to continue to defend the Municipality.

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

**Assemblymember Potter** indicated that:

- She appreciated the civic engagement exhibited during the meeting.

**Assemblymember Hylton** indicated that:

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

**Assemblymember Hanson** indicated that:

- Change is not always easy.
- He will be running to retain his Assembly seat in the fall.
- In regard to finalizing the cruise schedule for 2023-24, the Municipality simply requests a better seat at the table.

**Assemblymember Bass** indicated:

- His thanks to the Mayor for the Declaration of Emergency.
- His thanks to the Coast Guard and indicated that a plaque had been purchased to present to them.
- That he has been appointed to serve on Governor Dunleavy's Alaska Seismic Hazards Safety Commission.

**12. Adjournment:**

With no more business on the agenda, Mayor Cremata adjourned the regular Assembly meeting of August 4, 2022 at 11:28 p.m.

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Andrew Cremata, Mayor

ATTEST:

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Steve Burnham Jr., Borough Clerk

(SEAL)

Approved: