

Mayor's Report 8_18_2022

Employee Pay Scale Increase

I want to thank the Assembly for making this happen. Cost-of-living increases combined with inflation and our remote location make this increase an absolute necessity. We have an amazing staff and it's important we retain employees and remain competitive as a government employer in Alaska. This is also an opportunity to thank the staff for all of their hard work through these trying times, so thank you.

Tariff Document and Berthing Agreements

I recommend approving these items, as amended so that the MOS remains on schedule for the end of the waterfront lease, which is now less than 7 months away. Thank you to the Ports & Harbors Advisory Board, Port Director Jennings, and Borough Manager Ryan for working so diligently over the past year to get these items prepared.

Uplands Lease Proposals

I recommend approving these items so the Manager can enter negotiations with Petro Marine, TEMSCO, and Alaska Marine Lines. I realize this was an arduous process and was met with some controversy, but the code dictates how local government is supposed to address these issues and the process was followed flawlessly. Hopefully, this gets the MOS a step closer to mutually beneficial partnerships with uplands users.

Meetings

I've had multiple positive meetings this week with a host of various entities on a variety of topics, including Princess CEO John Padgett, City and Borough of Juneau Manager Rorie Watt, and a grant consultant from Washington DC, among others. It's been a busy week but the idea is to explore all options regarding rockslide mitigation, and all of these meetings have been beneficial. I appreciate the time and effort from so many of our partners.

AML Conference

I attended this conference three days last week, including the Mayor's Conference, which was quite informative. I will provide a full report on my experience if I ever have time to write it. One of the highlights was information regarding housing trusts. I think there is a way to make this a viable idea in Skagway.

Rockslide

I'm hearing that some people are asking for better communication on the rockslide issue, so I'm going to try to provide a succinct update on what the Municipality is doing to address the issue. I've been working with our federal delegation and no less than a half-dozen cruise company executives in an effort to uncover all options. Manager Ryan, Port Director Jennings, and Municipal staff have been working with multiple state agencies and our geo-technicians with the same goals.

There are really two issues. One is whether the rockslide risk can be mitigated in the short and long term. The other is how to ensure there are four berths in 2023.

As for the rockslide issue, it's important to understand that they are not being caused by a single "rock." The entire mountainside above the forward berth on RR Dock and north over Congress Way above the south end of the Small Boat Harbor is compromised. The recent uptick in rockslide frequency is evidence that the danger to life and property in this area is real and this fact is confirmed by the geo-techs hired by the Municipality.

Can the rockslide risk be mitigated? As of now, nobody can answer this question. However, the current goal, and all of our work to date, is to develop a plan to mitigate rockslide risk as quickly and safely as possible. But ONLY IF it proves to be possible. While we have been actively discussing rockslide mitigation efforts with a host of engineers and contractors, no plan can be implemented until we understand the risks associated with attempting to literally move this mountain.

Our geo-technicians are coming to collect data on August 22. LIDAR will be used in an effort to better understand the faults and cracks that run along the mountainside. Bathymetry of the waters under the slide area will hopefully identify whether there are any tsunami risks associated with the catastrophic failure of the mountainside. If we ultimately decide to bring down a large amount of material, will the mountainside collapse and cause a tsunami? Obviously, we need all of this information before we implement any plan, so while everyone understands how critical it is to remedy the problem, we simply cannot rush this project.

I realize that this isn't what anyone wants to hear, but these are the facts as of now. Yesterday I met with a team of geological experts working with the Skagway Traditional Council who are also examining the hillside and will provide a report. White Pass has experts that are very familiar with the slide area. The Department of Natural Resources is also having a look. So, a lot of very smart people are doing their best to categorize the nature of the mountainside so any plan the Municipality implements is comprehensive and, most importantly, safe. Our primary goal is to have the rockslide situation mitigated by next May, but that goal may or may not be attainable.

Even more important is that we have four reliable cruise ship berths in 2023. The best-case scenario is that the rockslide problem is mitigated, and the forward berth of the Railroad Dock is open for business. However, I am working with Manager Ryan, White Pass reps, and cruise company executives to explore all options to ensure we have a reliable fourth berth in 2023. Some of the ideas we've discussed are entirely outside of the box but I'm encouraged that everyone is working together to solve this problem. When we know more about the nature of the slide, we will have all berthing options ready to discuss and implement, if necessary.

Funding is another key issue. I've been working with our federal reps to discuss FEMA grant options and other potential sources of federal money. Manager Ryan and Port Director Jennings, along with staff, have been working with state agencies. While there are potential pools of money to draw from, until we understand the scope and nature of the project, it's impossible to say how

we will pay for it. It's entirely possible we will have to fund the project and seek compensation. As everyone knows, receiving FEMA money can take a long time.

I've also been trying to figure out whether there is any money out there to help business owners suffering losses because of the rockslide issue. I've received a few reports from business owners and this is very helpful. Obviously, White Pass is experiencing heavy financial losses but local business owners are also feeling the pain. I am highly sympathetic to this issue and doing everything I can to help. Yesterday I met with a grant expert visiting Skagway from Washington DC, and we discussed this topic at length. He gave me some great ideas to pursue but as of now, I haven't found any government program for accomplishing this task. However, there is still a lot of work to do and we don't know how everything will play out, so there is no reason to give up hope.

Communicating on this topic is obviously difficult because it's a fluid situation and is taking up an inordinate amount of staff time and my time. So, I do apologize if anyone feels as though communication has been lacking, and our goal at City Hall is to improve communication and keep everyone updated as the issues evolve. We talked at length about this issue at the last Assembly Meeting but I do understand not everyone listens to meetings, especially those that run for four hours.

As always, if you have questions or input, email me at mayor@skagway.org and I'm happy to meet in person or share a phone call. We are all in this together. I understand how this issue causes anxiety and uncertainty about the future, but problems of this magnitude must be approached day by day, calmly and rationally. Rest assured, everyone is doing their best.

- Andrew Cremata