

PROPOSED AMENDMENT

DECEMBER 13, 2022

(Reviewed by Legal Counsel 12/8/22)

MUNICIPALITY OF SKAGWAY, ALASKA

RESOLUTION NO. 22-39R

A RESOLUTION OF THE MUNICIPALITY OF SKAGWAY, ALASKA COMMITTING PORT FUND REVENUE COLLECTED AS A PORT HAZARD IMPACT FEE TO SERVE AS MATCHING FUNDS FOR A FEMA BUILDING RESILIENT INFRASTRUCTURE COMMUNITY (BRIC) GRANT.

WHEREAS, a series of rockslides on the mountainside owned by the Municipality of Skagway above east of the Port of Skagway have threatened the safety of the public and the private and publicly owned critical infrastructure within the area including docks, roads, pedestrian corridors, harbors, freight yards, railroad lines, and fuel storage facilities; and

WHEREAS, the mountainside remains unstable and an engineering evaluation determined there is risk of a large scale, catastrophic slope failure that could result in significant damage and risk to the public; and

WHEREAS, the Municipality wishes to enhance the Port of Skagway's adaptation and resilience to protect against extreme weather events and other climate change related conditions that are catalyzing rockslide failure activity; and

WHEREAS, in order to actively address the ground failure above the Railroad Dock that threatens the health, safety, property, and economic viability of the Skagway community, the Municipality and its partners are ~~is~~ preparing for long-term protective/preventative actions intended to result in greatly reduced risk to public health and safety; and

WHEREAS, the projected costs of the long-term protections of life, health, safety, and critical port infrastructure from rockslides and other natural disasters are anticipated to place a significant cost burden on the Municipality of Skagway during a time of extensive port capital projects; and

WHEREAS, to offset the cost of the project, the Municipality of Skagway is requesting FEMA funds through the Building Resilient Infrastructure Community (BRIC) grant; and

WHEREAS, these BRIC grant funds will be used to complete a project that will effectively mitigate the current risk to public health and safety by excavating fractured and unstable rock, and stabilizing the rock slope; and

WHEREAS, the Municipality of Skagway, in partnership with other private industry stakeholders, would like to provide non-federal funds equal to 30% of this project cost as matching funds for the grant, ~~and will work with all project stakeholders to ensure a fair allocation of matching fund contributions~~; and

WHEREAS, to establish a proportional match allocation in collaboration with industry partners based on the use of the infrastructure being protected, should the FY22 BRIC grant be awarded, the Municipality of Skagway will collect a \$5 per passenger Port Hazard Impact Fee on behalf of the cruise lines from all docks within the Port of Skagway, which is separate from and in addition to the Vessel Impact Fee in Tariff No. 3; and

WHEREAS, the purpose of the fee is to provide partner contribution for the non-federal match requirement of the BRIC grant; and

WHEREAS, pursuant to SMC 12.01.070, revenues generated by the Port of Skagway may be used for the maintenance and repair of the Port;

NOW THEREFORE BE IT RESOLVED, that the Municipality of Skagway commits to 30% of the rockslide mitigation project cost to serve as matching funds for a FEMA BRIC grant, to actively address the ground failure above the Port of Skagway that threatens the health, safety, property, and economic viability of the Skagway community; and

BE IT FURTHER RESOLVED, that the 30% matching funds will be funded by Port Fund revenue over ~~three years~~ the life of the grant, and which is collected from the Port Hazard Impact Fee revenue, and when applicable, through in-kind, cash, and other innovative partnership contributions; and

BE IT FURTHER RESOLVED, that should the FY22 BRIC grant be awarded, the Municipality of Skagway will implement the Port Hazard Impact Fee beginning January 1, 2024, and the collection of the Port Hazard Impact Fee will sunset once the 30% project match is met through the fee and/or from other non-federal sources.
