

Municipality of Skagway

DRAFT

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June 16, 2023

The Honorable Governor Mike Dunleavy Office of the Governor P.O. Box 110001 Juneau, AK 9811-0001

RE: Support for Skagway Rockslide Mitigation in FY24 Capital Budget

Governor Dunleavy,

The Municipality of Skagway fully supports the inclusion of \$1.1 million for Skagway Rockslide Mitigation in the FY24 State capital budget.

In order to actively address potential ground failures above the Port of Skagway that threaten the health, safety, property, and economic viability of the Skagway community, the Municipality has conducted mitigation and is preparing for long-term protective/preventative actions intended to result in greatly reduced risk to public health and safety. The actual and projected costs of the protection of critical port infrastructure from rockslides and other natural disasters are anticipated to place an unbearable cost burden on the Municipality.

To date, the Municipality has approved approximately \$3.5 million in expenses related to this mitigation. Due to your disaster declaration last year, the Municipality is eligible to receive around \$400,000 in emergency funding assistance and is currently making up the deficit using Sales Tax funds and Port funds. The additional \$1.1 million is critical to alleviating the cost burden of this rockslide threat for the community of Skagway and its port users. The Municipality anticipates that a long-term mitigation project will cost in excess of \$20 million, and we are grateful for any additional funding assistance we can find.

The Municipality greatly appreciates all of your efforts to assist the community with this issue.

Sincerely,

Andrew Cremata, Mayor mayor@skagway.org

cc: Senator Jesse Kiehl

Representative Andi Story