

Proposed by:	Finance Committee
Attorney Review:	03/13/2020
Vote:	6 Aye 0 Nay 0 Absent

**MUNICIPALITY OF SKAGWAY, ALASKA**  
**RESOLUTION NO. 20-07R**

**A RESOLUTION OF THE MUNICIPALITY OF SKAGWAY, ALASKA URGING THE STATE OF ALASKA TO CONVEY OWNERSHIP AND MAINTENANCE OF THE SKAGWAY FERRY TERMINAL AND PENINSULA TO THE MUNICIPALITY OF SKAGWAY, AND COMMITTING TO THE CONTINUED MAINTENANCE OF FERRY SERVICE IN SKAGWAY.**

**WHEREAS**, the Alaska Marine Highway System (AMHS) budget has been dramatically reduced, leading to disrupted and suspended services to Southeast Alaska communities; and

**WHEREAS**, the Municipality of Skagway has made a commitment to pursue options for maintaining ferry service to the community; and

**WHEREAS**, in 2019, Governor Dunleavy issued two directives: to State of Alaska commissioners to investigate options for reducing the State's assets by identifying properties that could be sold, or sold and then leased by the State, in order to realize short- and long-term cost savings; and to the Department of Transportation and Public Facilities (DOT&PF) to identify potential reductions of the State's financial obligation and/or liability as related to AMHS; and

**WHEREAS**, in October of 2019, the Skagway Borough Assembly voted unanimously to support the submission of a formal request to the State of Alaska to negotiate taking over ownership and maintenance of the Skagway ferry terminal and adjacent uplands, in support of continued ferry operations maintained by AMHS; and

**WHEREAS**, such acquisition would benefit the State of Alaska by reducing its financial obligations and/or liability as related to AMHS, and facilitating the realization of short- and long-term cost savings, as outlined in Governor Dunleavy's directives; and

**WHEREAS**, such acquisition would benefit the Municipality of Skagway by allowing it to better utilize the area for the benefit of the community through the construction of necessary infrastructure, including docks and water/wastewater utilities, which will facilitate the maintenance of regular ferry service and allow for local economic benefits related to the collection of revenue from those docks; and

**WHEREAS**, the Skagway Borough Assembly adopted Resolution No. 19-31R expressing its intent to control and manage its waterfront, and Resolution No. 20-03R supporting AMHS, both of which are foundations for the acquisition of the Skagway ferry terminal and adjacent uplands in Skagway; and

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**WHEREAS**, the Municipality of Skagway contracted with Bermello, Ajamil, and Partners (B&A) to develop a plan addressing strategic planning for the Port of Skagway, which identified advantages to constructing a new pier at the ferry peninsula in 2022 to accommodate two additional berths for large ships, in addition to accommodation of AMHS ferries; and

**WHEREAS**, because a majority of the Port of Skagway is under lease to a private entity until 2023, the ferry peninsula presents the only location available in the Port of Skagway at which the Municipality can construct the infrastructure needed to accommodate additional cruise ship berths by 2022; and

**WHEREAS**, the State of Alaska plans to replace the floating ferry dock in Skagway, with financial assistance from the Municipality of Skagway, with an estimated project cost of at least \$30 million; and

**WHEREAS**, the Municipality's proposed acquisition of the ferry peninsula and subsequent dock development may bypass the need for the State of Alaska to replace the floating ferry dock, as the new infrastructure developed by the Municipality will accommodate ferry service as well as cruise ship berthing;

**NOW THEREFORE BE IT RESOLVED THAT:** the Skagway Borough Assembly of the Municipality of Skagway urges the State of Alaska to convey ownership and maintenance of the Skagway ferry terminal and adjacent uplands to the Municipality of Skagway; and

**BE IT FURTHER RESOLVED THAT:** the Municipality of Skagway commits to maintaining continued ferry service in Skagway.

**PASSED AND APPROVED** by a duly constituted quorum of the Borough Assembly of the Municipality of Skagway this 19<sup>th</sup> day of March, 2020.

  
Andrew Cremata, Mayor

ATTEST:

  
Emily A. Deach, Borough Clerk

(SEAL)

