



MUNICIPALITY OF SKAGWAY, ALASKA
REGULAR ASSEMBLY MEETING

December 1, 2022
Page 1 of 9

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, Reba Hylton, Deb Potter, Orion Hanson, Dan Henry (via telephone)

Absent:

3. **Approval of Minutes:**

A. October 28, 2022 Special Meeting

Motion/Second: Hylton/Hanson

To approve the October 28, 2022 Special Meeting minutes.

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

4. **Approval of Agenda:**

Main Motion/Second: Potter/Burnham

To approve the December 1, 2022, Regular Assembly meeting agenda

Primary Amendment/Second: Hanson/Hylton to establish Executive Session under 9A.

The Primary Amendment passed by roll call vote, 6 yes, 0 no, 0 absent.

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 the rockslide mitigation is going well and the 2023 cruise ship season looks promising.

B. **Assembly Committee Reports:**

A. **Assemblymember Jay Burnham:**

Motion/Second: Burnham/Hanson

To approve the check run dated December 1, 2022, totaling: \$992,468.35

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

At its meeting of November 30, 2022, Finance Committee reviewed the following:

- Ordinance 22-09 Providing for the Establishment and Adoption of the Budget for the Fiscal Year 2023; after discussion with the Borough Manager regarding the need to replace the double walled fuel tank at the Public Safety facility, Finance recommends adding this cost to the budget.
- Ordinance 22-10 Increasing the Sales Tax Rate to 6% During the 2nd and 3rd Quarters, and Directing the Borough Clerk to Place a Proposition on a Special Election Ballot for Ratification. After discussion, Finance, on a vote of two to one, recommends Assembly Approval. Finance also recommends the enactment date be changed to April 1, 2024 as well as identifying the reason for raising the sales tax within the Ordinance.
- Resolution 22-39R Committing Port Fund Revenue to Serve as Matching Funds for FEMA Building Resilient Infrastructure Community (BRIC) Grant; Finance recommends Assembly approval.
- Resolution 22-44R Short Term General Obligation Tax Anticipation Note.

B. **Assemblymember Hanson** indicated a public service reminder to move vehicles after a significant snow fall so that Public Works can plow the road.

C. **Assemblymember Hylton** indicated that Civic Affairs met November 30, 2022 and discussed the following:

- The Resolution to provide a policy to digitally record public meetings, proposed by Assemblymember Potter. Civic Affairs recommends adoption by the Assembly and requests the Clerk place it on the next agenda.
- Leasing the You Say Tomato building as a senior center and pursuing a three-year lease with an option to extend.
- The possibility of issuing an RFP for a part-time Activities Coordinator to be the liaison for the Senior Center, as well as utilizing a portion of the Royal Caribbean President's Day gift to outfit the building as needed to make the seniors comfortable there.
- The building numbering system for the community and Dyea area. Deputy Manager Deach was directed to move forward with her work on this project.
- The draft resolution proposed by Assemblymember Bass regarding the personnel policy to clarify the process for selection of employees. Civic Affairs would like to hear from Assemblymember Bass about the intent of the resolution before they make their recommendation.
- Seasonal housing.

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

Dahl Memorial Clinic Board Report, indicated that:

- The Board elected:
 - Jeremy Simmons, Board President
 - Lisa Mandeville, Vice President
 - Leah Mauldin, Secretary
- The Board recommends extending the Thomas Steiner contract until March 31, 2023 and requests the Assembly consider approval.

Solid Waste Advisory Committee Report, indicated that:

- The committee concludes that a Municipal Fish Net Recycling Program is not necessary so long as the Harbormaster can inform fisherpersons of the net recycling option in Haines.
- The committee maintains its recommendation that the municipality implement a smaller, lower cost, volume-based trash collection option as part of a tiered system.

D. Manager's Report :

Manager Ryan indicated that:

- The DMV Clerk has been certified to conduct road tests for driver's licenses.
- The rockslide looks a lot different now that scaling has commenced.
- As noted in the written report, a 2023 Skagway Operational Planning Group consisting of the Municipality, White Pass, and cruise line representatives has formed and is holding regular meetings regarding the 2023 season.
- The SBA has issued an EIDL declaration for businesses impacted by the dock closure due to the rockslide, and they will be reaching out to those businesses.

6. Communications to the Assembly:

A. Correspondence:

Correspondence was received from:

- The Prickles, First Tech Challenge Team #16837 re: Extra Mile Day
 - The Prickles indicated that Extra Mile Day celebrates those in the community who go the extra mile to leave a lasting and positive impact on those around them.
 - 528 cities around the world have declared November 1st Extra Mile Day to honor those who go above and beyond in volunteerism and service.
 - They hope to encourage citizens to do something good for the community and to recognize those who have consistently contributed and supported the community.
 - The Prickles would organize some sort of community service award (gift card from local business, public raffle, etc.).
 - They encourage the Assembly to explore implementation of Extra Mile Day in Skagway, and offer their help in any way they can.
- The Spark Sharks, Skagway FLL Robotics Team #46069 re: Electrifying Buses
 - The team requests the Assembly include a feasibility study in the upcoming budget to evaluate shifting Skagway's Municipal SMART buses to electric and to consider allowing the fleet to include trolleys.
 - They have spoken with Greg Clem, current SMART bus agreement holder, who would like to convert an older trolley by replacing it with all electric circuitry, but indicated that the current contract has some limitations regarding mileage and age. The Spark Sharks indicated that with all of the inside components being replaced, that this should altogether void the previous mileage and age.
 - The team has done some research and found that the most cost effective, safe, and longest lasting option would be to use a forty-eight-volt lithium-ion battery.
 - A feasibility study would assess how much leftover power AP&T passively generates that could be utilized to charge the buses.

- J. Walsh re: Legislative Report
Walsh provides a Legislative Report and summary of meetings in Washington DC.
- J. Walsh re: Alaska General Election Notes
Walsh provides notes on the Alaska General & Legislative Elections.

B. Hear Citizens Present

Attlin Ryan, Ryder Calver, and Julius Thole, of The Spark Sharks indicated:

- They urge the Assembly to adopt Resolution 22-43R and partner with the Spark Sharks on the bus electrification project.
- They have continued their research by meeting with Darren Belisle of AP&T, and together they have concluded that the best location for charging the buses is the property north of the solid waste facility. This is a large open space out of sight of the public, and it already has the three-phase power necessary to charge the buses.

Mary Thole, The Spark Shark Team Coach indicated that:

- The team is ready to help the Municipality in the process of a bus electrification project.
- In researching grants, the team found a Department of Transportation grant that other Alaska communities have utilized for electric buses. They will ask Manager Ryan for any insight on the application process.
- AP&T is willing to partner with this project because they do have an excess of energy not being utilized at night and they can generate more as demand grows. The company is also looking into offering a lower price for charging during off peak hours.

Superintendent Dr. Coughran, of Skagway School District indicated that:

- While he is grateful that the Municipality has the capacity to fund the school, he believes the process to determine the funding amount was handled poorly this year.
- Every dollar of funding the Municipality has given to the school in the last 20 years has come from sales tax.
- He would have liked to see better communication between the school and the Municipality.
- It would be helpful to know, with a high level of certainty, what funding can be expected year to year so that the school can consider which programs they can continue to offer.
- The school district is a sovereign body with an elected board, and not a department of the Municipality.
- The FY23 budget posted on the website is numbered by fund rather than sequentially, and this may be why there was some confusion about possible missing pages; however, he can confirm that the posted budget is accurate.

Adelia Deach and Calvin Miller, of the Prickles FTC School Robotics Team read their letter submitted as correspondence.

Tyler Rose, of White Pass & Yukon Route indicated that:

- White Pass worked closely with the Municipality on the Resolution 22-39R original draft; however, the amended version released today is not the same as what they had previously been supporting. He asks that more discussions be had to work cooperatively toward a solution before this amended version advances.

Greg Clem, owner of SMART contract indicated that:

- He is fully in support of the bus electrification project.

- The question of how to fund the approximately \$20,000 feasibility study is an issue, as most of the people they work with have already been given the costs for next year and it is too late to change that.
- He recommends that the Municipality use the money that SMART Bus pays them, as per the contract, to fund the study.

Mike Swasey indicated that:

- Open enrollment for the healthcare marketplace is through December 15, 2022, and can be extended to January 15, 2023 if you can forgo the first month of coverage.
- The marketplace offers two participating insurance providers in Alaska: Blue Cross Blue Shield Primera and Moda Health. It appears that Moda does not work with the Dahl Memorial Clinic, and Swasey requests to know why that is and if it can be changed.

7. Ordinances, Resolutions, & Proclamations:

- A. Third Reading of Ordinance No. 22-09:** Providing for the Establishment and Adoption of the Budget for the Fiscal Year 2023

Main Motion/Second: Burnham/Hanson to adopt the budget.

Primary Amendment/Second: Burnham/Hanson to amend the budget to add \$35,000 for a double wall fuel tank for the Public Safety facility.

Assemblymember Hanson indicated that the tank is past warranty and that rather than having a failing fuel tank refurbished, it would be wiser to purchase a new one.

Primary Amendment passed by roll call vote, 6 yes, 0 no, 0 absent

Primary Amendment/Second: Burnham/Hanson to amend the budget to adjust the Community Grant funding from 4% to 3%.

Assemblymember Burnham indicated that this amendment reflects the change in the Community Grant funding that the Assembly changed by resolution previously.

Primary Amendment passed by roll call vote, 6 yes, 0 no, 0 absent

Primary Amendment/Second: Burnham/Potter to change the line item for the garden initiative to \$5,000.

Assemblymember Potter indicated that the Municipality does not currently have the labor to construct the garden beds for seniors on the waiting list, and that the shop teacher at the school, Aaron Schmidt, is enthusiastic about teaching the students how to make these raised garden beds for seniors.

Assemblymember Burnham indicated that there are currently nine seniors on the waiting list.

Primary Amendment passed by roll call vote, 5 yes, 1 no, 0 absent; with Assemblymember Bass dissenting

Assemblymember Hanson indicated that the Municipality has always funded the school to the cap.

Mayor Cremata indicated that a budget work session with the school should be scheduled in January so that everyone can have a better understanding of each budget process.

Primary Amendment/Second: Henry/ to amend the sales tax contribution to a total of \$3,280,157.62.

Primary Amendment does not carry due to lack of second

Main Motion passed by roll call vote, 5 yes, 1 no, 0 absent; with Assemblymember Henry dissenting

- B. Public Hearing and Second Reading of Ordinance No. 22-10:** Increasing the Sales Tax Rate to 6% During the 2nd and 3rd Quarters, and Directing the Borough Clerk to Place a Proposition on a Special Election Ballot for Ratification

Main Motion/Second: Potter/Henry to adopt approve the second reading of Ordinance No. 22-10.

Public Hearing

The public hearing was closed with no comments.

Mayor Cremata indicated that tour operators have already set their 2023 pricing and a sales tax increase prior to 2024 would result in the 1% sales tax increase being paid by the tour operator/business, rather than by the consumer, as intended.

Secondary Motion/Second: Potter/Hanson to postpone the Ordinance 22-10, second reading, to the December 15, 2022 meeting.

Assemblymember Burnham indicated that he would have it put on the next Finance meeting agenda for their review and recommendations.

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

- C. Public Hearing and Adoption of Resolution No. 22-39R:** Committing Port Fund Revenue to Serve as Matching Funds for a FEMA Building Resilient Infrastructure Community (BRIC) Grant

Main Motion/Second: Hanson/Burnham to adopt Resolution No. 22-39R.

Public Hearing

The public hearing was closed with no comments.

Secondary Motion/Second: Hanson/Potter to postpone Resolution No. 22-39R until the December 15, 2022 meeting.

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

- D. Public Hearing and Adoption of Resolution No. 22-41R:** Naming the Access Road Connecting Broadway Street and Congress Way “Harbor Way”

Motion/Second: Hylton/Potter to adopt Resolution No. 22-41R.

Public Hearing

The public hearing was closed with no comments.

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

- E. Public Hearing and Adoption of Resolution No. 22-42R:** Updating the Multi-Hazard Mitigation Plan for the Municipality of Skagway

Motion/Second: Potter/Hanson to adopt Resolution No. 22-42R.

Public Hearing

The public hearing was closed with no comments.

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

- F. Public Hearing and Adoption of Resolution No. 22-43R:** Collaborating with the Spark Sharks Robotics Team to Develop an Electric Municipal Bus Project

Main Motion/Second: Hylton/Potter to adopt Resolution No. 22-43R.

Public Hearing

The public hearing was closed with no comments.

Assemblymember Hylton indicated that empowering the youth is a good way to implement change. There is an amended proposal in the packet with recommended changes from the Municipal Attorney.

Primary Amendment/Second: Hylton/Hanson to bring forward as amended.

Primary Amendment passed by roll call vote, 6 yes, 0 no, 0 absent.

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

- G. Public Hearing and Adoption of Resolution No. 22-44R:** Short Term General Obligation Tax Anticipation Note

Main Motion/Second: Hanson/Burnham to adopt Resolution 22-44R as amended by the Bond Council.

Primary Amendment/Second: Burnham/Hanson to replace any instances of 4.5 million to 4.3 million within the document.

Primary Amendment passed by roll call vote, 6 yes, 0 no, 0 absent.

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

8. New Business:

- A. Consideration of Liquor License Renewal Applications
 - 1. Skagway Fish Company, Liquor License #3891 Renewal Application

Motion/Second: Potter/Burnham to protest the Skagway Fish Company Liquor License.

Assemblymember Henry recused himself due to his ownership of the company.

Motion failed by roll call vote, 0 yes, 5 no, 0 absent; with Assemblymember Henry abstaining.

- B. Approval of Memorandum of Agreement with White Pass re: Rockslide Hazard Mitigation

Motion/Second: Hanson/Potter to approve the Memorandum of Agreement with White Pass.

Manager Ryan indicated that this agreement shows collaboration with White Pass for grant applications to secure funding for the safety of the dock.

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

- C. Confirmation of Recreation Director Appointment per SMC 3.02.010(C)(2)

Motion/Second: Potter/Hanson to confirm Kaylynn Howard to the position of the Recreation Director.

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

- D. Confirmation of Appointments to Boards, Commissions, and Committees

Motion/Second: Hanson/Potter to approve the list of appointments to Boards, Commissions, and Committees.

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

9. Executive Session:

- A. Pursuant to AS 44.62.310(c)(1), Matters, the Immediate Knowledge of Which Would Clearly Have an Adverse Effect Upon the Finances of the Public Entity: Discussion with Borough Attorney Regarding Port Development Strategy, Tariff Document Leasing and Berthing

Motion/Second: Hanson/Hylton to adjourn as Assembly and reconvene as an Executive Session.

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

Motion/Second: Hanson/Potter to reconvene as Assembly.

Motion passed with no objection.

Executive session lasted from 8:20 p.m. to 10:07 p.m.

10. Mayor and Assembly Discussion Items:

Assemblymember Hanson indicated that:

- He attended the 2023 Skagway Operational Planning Group meeting and he is looking forward to making the 2023 season as successful as possible.
- The community has lost a Skagway icon, Bea Lingle, who was a wonderful person with roots dating back to the gold rush, and she will be missed.

Assemblymember Potter indicated:

- Her thanks to the Skagway Fire and Police departments for the incredible send off they facilitated for Bea Lingle.
- That she hopes there will be some investigating done to figure out the cause of the wave barrier wall problems. If the cause is substandard work, she believes the Municipality should consider pursuing some legal action.

Assemblymember Burnham indicated that:

- He is looking forward to attending the Alaska Municipal League Conference in Anchorage.
- He would like to see a rec center expansion with a pool.

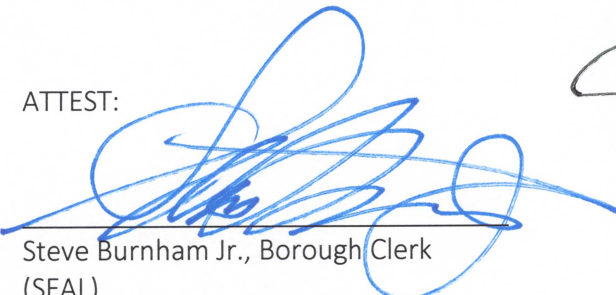
Mayor Cremata indicated that:

- He appreciates the Police Department's rapid response to the fuel number one spill at Petro Marine and extends his thanks to officer Rick Ackerman for catching it.
- He is preparing a letter to the School Board, Superintendent, and staff with the intent of scheduling a work session to come to a better understanding of the budget process.
- The Municipality has a commitment to the seniors after the community voted to support them with a Senior Center. He appreciates Civic Affairs taking up the issue and he believes it is a good idea to look at funding it with a portion of the \$100,000 Royal Caribbean President's Cruise donation.

12. Adjournment:

With no more business on the agenda, Mayor Cremata adjourned the regular Assembly meeting of December 1, 2022 at 10:10 p.m.

ATTEST:



Steve Burnham Jr., Borough Clerk
(SEAL)

Approved: January 19, 2023



Andrew Cremata, Mayor

