



MUNICIPALITY OF SKAGWAY, ALASKA
REGULAR ASSEMBLY MEETING

June 1, 2023
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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 Tlingit people.

The pledge of allegiance was recited.

2. **Roll Call:**

Present: Mayor: Andrew Cremata **Assembly Members:** Deb Potter, Sam Bass, Orion Hanson, Dan Henry, Jay Burnham, Alex Weddell

Absent:

3. **Approval of Minutes:**

A. May 4, 2023

Motion/Second: Henry/Potter

To approve the May 4, 2023 Assembly Meeting Minutes.

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

4. **Approval of Agenda:**

Main Motion/Second: Potter/Bass

To approve the agenda.

Secondary Motion/Second: Weddell/Hanson to add item 9H under New Business for Clinic Board Appointments.

The Secondary Motion 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:

- His written report is in the packet.
- He would like to have a discussion regarding the Finance committee being directed to review a resolution regarding Garden City RV Park. He believes the Garden City RV Park topic should now be discussed by the whole Assembly.

B. **Assembly Committee Reports:**

A. **Assemblymember Jay Burnham:**

Motion/Second: Burnham/Weddell to approve the check run in the amount of \$1,331,929.59.

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

Assemblymember Burnham indicated that Finance met on May 31, 2023 and did the following:

- Reviewed Ordinance 23-12: Amending SMC 4.10.030 Exemption for Senior Citizen and Disabled Veteran Property Tax.
 - Finance recommends Assembly approval.
- Reviewed Ordinance 23-14: Amending the FY 23 Budget.
 - Finance recommends Assembly approval.
- Reviewed Resolution No. 23-22R: Allocating National Forest Receipts Title I Funds in the Amount of \$39,064.09.
 - Finance recommends Assembly approval.
- Reviewed Resolution No. 23-23R: Amending Port of Skagway Tariff No. 3.
 - Finance recommends Assembly approval.
- Reviewed BDO's Audit Services Proposal.
 - Finance recommends Assembly approval for fiscal year 2022 in the amount of \$110,000.
- Reviewed the Rockslide Project Change Order.
 - Finance recommends Assembly approval.
- Discussed Garden City RV Park.
 - They looked at a draft resolution and asked that the manager provide them with a number of different options. They discussed having something on the ballot for the October election and will have this item on their next agenda.

Assemblymember Hanson indicated that Public Works met on May 30, 2023 and they did the following:

- Reviewed the AP&T franchise agreement renewal. It will be on the June 15th Assembly agenda.
- Reviewed the West Creek subdivision plan and elected to send the subdivision plan to the Planning & Zoning Commission for their review.
- Discussed the levee repair along West Creek Road. They are waiting on an analysis from RESPEC Engineers on the scope of work for the levee repair.
- Reviewed the DOT Charging and Fueling Infrastructure Discretionary Grant opportunity.

C. Treasurer's Report:

D. Manager's Report :

Manager Ryan indicated that:

- He will be bringing a list of the previously mentioned options for Garden City RV Park to the Finance committee.
- He would like Port Director Jennings to provide an update.

Port Director Jennings indicated that:

- In April, Skagway received four ships at 104% capacity with 12,753 passengers.
- May 1st to 24th there were 83 ships at 84% capacity with 139,761 passengers.

- There has been cleanup of the port happening, including debris clearing, tree cutting, and removing derelict vehicles and vessels from the small boat harbor.
- Minor repairs have been done to the docks, including two capstones installed on the ore dock to simplify things for the longshoremen.
- Successful testing of the attenuator measures has been completed.
- The tourism department is overseeing five waterfront ambassadors who provide guests with things like information and directions. There are also wayfinding markers to guide visitors.

6. Communications to the Assembly:

A. Correspondence:

Correspondence was received from:

- Lisa Mandeville, Dahl Memorial Clinic Board re: Board Report to the Assembly
- Mary Thole, Skagway Recreation Advisory Board re: Board Report to the Assembly

B. Hear Citizens Present

Jacy Kern, Skagway Elks Lodge #431 indicated that:

- She is a trustee of the Elks, and is present to comment on the ordinance regarding the Elk's property conveyance.

Lisa Hollander indicated that:

- The Municipality should install a sign on Broadway that points to Molly Walsh playground. The playground has picnic tables and restrooms and is a nice area for families, but many people miss it because there is no sign.

Jaime Bricker, Skagway Traditional Council indicated that:

- Despite Alaska not being a State during most of Pius X Mission School's operation from 1931 to 1958, the Bureau of Indian Affairs granted land patents under a federal program with the slogan, "Kill the Indian, Save the Man."
- Under United States Code Title 25, Chapter 30, Section Two, when the properties cease to be Indian boarding schools, lands should revert back to Indian owners; however, the church and private entities profited on the property in the following years.
- When Skagway Traditional Council (STC) became aware that the church intended to sell the property, they began researching to prove that the land belonged to the tribe.
- First American Title Company recorded STC's interest in the property and requested they relinquish their interest in the property so that it could be sold, but STC refused.
- The Municipality was aware of STC's interest because an indemnity agreement was signed with the Catholic Bishop of Juneau to protect themselves from all liabilities, losses, damages, costs and expenses, including full and actual attorney's fees incurred or suffered if the tribe ever made claim to the land rights.
- The Municipality stepped in between the church and the tribe on an active land-back issue and purchased the property without a resolution or ordinance.
- She is asking the Assembly to look at the decision made 10 years ago and determine if it was ethical.

- She is in favor of Ordinance No. 23-13, Conveying Certain Properties to the Benevolent and Protective Order of the Elks.

7. Ordinances, Resolutions, & Proclamations:

A. Introduction and First Reading of Ordinance No. 23-12: Amending SMC 4.10.030 Exemption for Senior Citizen and Disabled Veteran Property Tax

Motion/Second: Henry/Potter for the introduction and first reading of Ordinance No. 23-12.

Assemblymember Bass indicated that he is a disabled veteran and he requests to be recused for this item.

Mayor Cremata indicated that he does not believe this would be a substantial financial gain; however, he will not deny the request.

With no objection from the table, Assemblymember Bass was recused.

Assemblymember Burnham indicated that he brought this forward due to the rising costs of property taxes. It will need to go to a public vote.

Assemblymember Hanson indicated that this ordinance has been through the finance committee several times, where they added some definitions from state statute regarding what constitutes a disabled veteran and how a widower will qualify.

Motion passed by roll call vote, 5 yes, 0 no, 0 absent; with Assemblymember Bass recused.

Assemblymember Bass returned to the table.

B. Introduction and First Reading of Ordinance No. 23-13: Conveying Certain Properties to the Benevolent and Protective Order of Elks Lodge No. 431

Motion/Second: Henry/Hanson for the first reading of Ordinance No. 23-13.

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

C. Introduction and First Reading of Ordinance No. 23-14: Amending the FY23 Budget

Motion/Second: Henry/Hanson for first reading of Ordinance No. 23-14.

Assemblymember Burnham indicated that this ordinance is to account for the COLA, replacement of some recreation center equipment, and the adjustment of some grant funding in the FY23 budget.

Assemblymember Hanson indicated that as a small business owner the increasing costs are alarming.

Assemblymember Bass indicated that municipal wages were raised in hopes of attracting the best employees with competitive wages, and he believes that is happening.

Manager Ryan indicated that that the budget was based on 60% of the projected number of visitors, and that it seems it will be well above that. Additionally, the cruise lines and business owners are reporting that passengers are spending more than they have in the past. He would like to thank the Assembly for raising the municipal wages because he asks a lot of the employees and they are stepping up to achieve the goals of the municipality.

Mayor Cremata indicated that the municipal wages were increased to be competitive with other southeast Alaskan ports who have a larger employee pool to draw from, and it was necessary as we transitioned to taking control of the port.

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

- D. **Public Hearing and Adoption of Resolution No. 23-22R: Allocating National Forest Receipts Title I Funds in the Amount of \$39,064.09**

Motion/Second: Henry/Potter to adopt Resolution No. 23-22R.

Public Hearing

The Public Hearing was closed with no comments.

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

- E. **Public Hearing and Adoption of Resolution No. 23-23R: Amending Port of Skagway Tariff No. 3**

Motion/Second: Henry/Hanson to adopt Resolution No. 23-23R.

Public Hearing

The Public Hearing was closed with no comments.

Manager Ryan indicated that the primary change is the \$5 increase to the vessel impact fee in order to further fund rock slide mitigation.

Assemblymember Potter indicated that there is a dock in Ketchikan that charges upwards of \$17 per person, so this increase is still within range of competitive rates.

Assemblymember Hanson indicated that there is still a chance to receive the BRIC grant and that this increase will not come as a surprise to the cruise lines.

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

- F. **Public Hearing and Adoption of Resolution No. 23-24R: Amending Parking Zones**

Motion/Second: Henry/Bass to adopt Resolution No. 23-24R.

Public Hearing

The Public Hearing was closed with no comments.

Assemblymember Bass indicated that this adds some shuttle parking areas at the Gold Rush Cemetery and on Broadway, as well as some 20-minute parking areas.

Assemblymember Weddell indicated that she hopes that adding shuttle parking areas at the Gold Rush Cemetery will result in the SMART buses dropping guests there instead of on the highway requiring them to walk to the cemetery.

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

8. Unfinished Business:

9. New Business:

- A. Mayoral Proclamation: Declaring Skagway's 2023 Pride Festival

Mayor Cremata read his proclamation in full for the record:

WHEREAS: The Municipality of Skagway adopted Resolution 17-16R, affirming its commitment to welcoming all people to the community, including but not limited to: persons of all nations, race, ethnicity, religious beliefs, socioeconomic classes, political leanings, abilities, physical limitations, gender identities, and sexual orientation; and to fostering diversity, equality, justice, and respect for all; and

WHEREAS: The Stonewall Riots took place in June of 1969 and served as a catalyst for the rights of LGBTQIA+ people; and

WHEREAS: June is recognized worldwide as PRIDE month; a time for the LGBTQIA+ community to advocate for equal rights and benefits, and is an affirmation of self and community; and

WHEREAS: PRIDE celebrations continue a longstanding tradition of raising awareness about the ongoing challenges faced by the LGBTQIA+ community, improving the attitudes of society, and encouraging inclusiveness; and

WHEREAS: A PRIDE festival is an event that promotes LGBTQIA+ dignity, equal rights, self-affirmation; and

WHEREAS: A grassroots group of Skagway citizens has produced a yearly PRIDE event since 2019, with a mission, "To show support for LGBTQIA+ people with a fabulous and fun community celebration that spreads awareness through love and acceptance"; and

WHEREAS: The Skagway PRIDE event has grown every year and the producers wish to have a kickoff event that involves closing Broadway between 6th and 7th Avenues and allowing artisans and vendors to show and offer for sale items appropriate to the theme of the festival;

NOW, THEREFORE, I, Andrew Cremata, Mayor of the Municipality of Skagway, do hereby proclaim the "2023 PRIDE Festival" as Friday, June 2, 2023 through Sunday, June 4, 2023 in Skagway and encourage all residents and visitors of the Skagway area to participate in the festivities.

With no objection from the table Mayor Cremata declared a 10-minute recess to allow the clerks to set up a visual presentation.

- B. Presentation of the Analysis/Audit of the Police Department

Ron Moser and Craig Haigh of McGrath Consulting Group provided a presentation of their Police Department audit.

C. Approval of Draft Letter of Support for Charging & Fueling Infrastructure Discretionary Grant

Motion/Second: Hanson/Potter to approve the draft letter of support for Charging & Fueling Infrastructure Discretionary Grant.

Assemblymember Bass indicated that this will allow the municipality to upgrade charging stations with federal and state funding.

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

D. Approval of Audit Services Proposal

Main Motion/Second: Burnham/Weddell to approve the Audit Services Proposal from BDO.

Assemblymember Hanson indicated that this audit helps to keep the Municipality compliant year to year.

Secondary Motion/Second: Bass/Hanson to amend the motion to include the figure of \$110,000.

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

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

E. Approval of Rockslide Project Change Order

Motion/Second: Hanson/Burnham to approve the Rockslide Project Change Order.

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

F. Appointment of Bidding Review Board

Motion/Second: Hanson/Weddell to appoint a three-member bidding review board comprised of Gary Heger, Jaime Lawson, and Charles Doland.

Assemblymember Hanson indicated that this needs to be resolved quickly so that the Municipality can move forward with a project that is much needed. He believes these three people to be fair and of a high caliber. Charles Doland is the President of SDC, Jaime Lawson is the Chair of the Planning & Zoning Commission, and Gary Heger is a longtime contractor in Skagway who understands project processes.

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

G. Update re: Marine Services Platform Project

Manager Ryan indicated that the project is out to bid and closes on June 21. Negotiations with the Yukon are ongoing and municipal attorneys are drafting an agreement.

Assemblymember Bass indicated that he would like the Assembly to have another opportunity to review this item before a 35-year commitment is made.

H. Appointment of Clinic Board Seat

Motion/Second: Weddell/Hanson to appoint Bob Deitrick to the Clinic Board.

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

10. Mayor and Assembly Discussion Items:

Assemblymember Hanson indicated that:

- He had the pleasure of meeting with Chad Padgett from Senator Sullivan's office, and Kara Hollatz from Senator Murkowski's office and he appreciated them taking the time to see Skagway during the busy season.
- He would like to pay his respects to two Skagway citizens, Larry Jacquot and Fred Hosford.

Assemblymember Henry indicated that:

- The Police audit recommended 4 new positions, and a variety of equipment; however, the Municipality does not have the funding for that.

Assemblymember Bass indicated:

- The police audit provides information the chief does not have time to compile, so it was valuable.
- He would like to see staff engage a title company to look into how Garden City RV Park was acquired and look into the validity of the comments made at citizens present tonight.

Assemblymember Potter indicated that:

- She would like to thank Mayor Cremata and the Deputy Clerk for their efforts on the Pride proclamation made tonight. The festival this weekend will be an incredible event. It is important to let the queer community, particularly queer youth, know that they are supported and are amongst allies.
- She believes that former Assemblymember Hylton's Resolution 23-13R should be discussed at finance, as was decided at the March 16 meeting. She also supports Assemblymember Bass' suggestion that staff should look into how Garden City RV Park was acquired.

Assemblymember Burnham indicated that:

- He found the police audit to be informative. The need for an increased police force is a direct result of the amount of cruise visitors, so some port revenues should be used to supplement all the increased services needed to meet those visitor needs.
- The Assembly did direct finance to review the Garden City RV Park resolution proposed by former Assemblymember Hylton, and he will have it in the next packet as they discuss all of the possible directions the Assembly can take.

Assemblymember Weddell indicated that:

- She appreciates the printable cruise ship calendars provided by the Tourism Department and she is looking forward to a promising season ahead.
- She thanks the Port Department for the clean-up efforts being made.
- She proposes an Assembly of the Whole meeting with the STC to have discussions rather than just hearing from them during citizens present.

Mayor Cremata indicated that:

- The Police Department audit is a call to action.
- He believes the Garden City RV Park is a controversial issue that should be discussed by the entire Assembly and not at the committee level. A work session would allow all Assemblymembers to be a part of the discussion, as well as allow for input from the community and the independent government of the Skagway Traditional Council.

11. **Executive Session:**

12. **Adjournment:**

With no more business on the agenda and receiving no objection from the table, Mayor Cremata adjourned the regular Assembly meeting of June 1, 2023 at 10:55 p.m.

Andrew Cremata, Mayor

ATTEST:

Steve Burnham Jr., Borough Clerk
(SEAL)