



MUNICIPALITY OF SKAGWAY, ALASKA
REGULAR ASSEMBLY MEETING

May 2, 2024
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1. **Call to Order:**

Mayor Bass called the meeting to order at 7:00 p.m.

Mayor Bass acknowledged that the Assembly is gathered on the traditional land of the Chilkoot Tlingit people.

The pledge of allegiance was recited.

Mayor Bass read the preamble of the Alaska State Constitution.

2. **Roll Call:**

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

Absent:

3. **Approval of Minutes:**

- A. March 21, 2024
- B. April 4, 2024

Motion/Second: Henry/Weddell

To approve the March 21, 2024, and April 4, 2024, minutes.

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

4. **Approval of Agenda:**

Main Motion/Second: Henry/Potter

To approve the agenda.

Secondary Motion/Second: Kolodi/Potter to remove item 10D under new business, Consideration of Support for Haines-Skagway Trail Development.

Assemblymember Kolodi indicated that she asked this item to be added but was unable to get all the information she wanted and would like to have it considered at a later meeting.

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

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

5. **Board of Appeals**

6. **Reports of Officials and Committees:**

A. **Mayor's Report:**

Mayor Bass indicated that:

- The floating dock has arrived, and installation has begun. Mayor Bass indicates thanks to Manager Ryan and his staff for their effort these last few months.
- He supports the First Amendment right for citizens to speak and petition their government, but the Assembly, committees, and city staff must be able to conduct the business of the municipality in a civil environment that is free from threats and personal attacks. He asks that anyone participating in a public meeting hold themselves to a high level of civility and respect.

B. Assembly Committee Reports:

- A. **Assemblymember Jay Burnham** indicated that there is a check run dated May 2, 2024, in the amount of \$2,181,231.54.

Motion/Second: Burnham/Weddell to approve the check run.

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

Assemblymember Jay Burnham indicated that the Finance Committee met on May 1, 2024, and:

- Reviewed Resolutions 24-07R, 24-08R, 24-09R, 24-12R, 24-13R, 24-14R, 24-15R, and 24-16R; Finance recommends Assembly approval.
- Reviewed Ordinance No. 24-02 amending the FY24 budget to account for a school budget adjustment and recommends Assembly approval.
- Reviewed the Ore Peninsula redevelopment project change order number 6 and recommends Assembly approval.

Assemblymember Weddell indicated that the Civic Affairs Committee met on April 25, 2024, and reviewed the conditions in the HRSA notice of award and the various options moving forward with the future of the clinic. The committee recommends the following:

- The Assembly direct staff to pursue the 501(c)(3) model as a long-term goal.
- Staff draft code changes to 3.17 and corresponding bylaws incorporating language for a self-appointing board as recommended by HRSA.
- The Assembly repeal Resolution No. 23-27R.

Assemblymember Henry indicated that the Health, Education and Welfare Committee met and reviewed the Cy Coyne scholarship applications. They awarded \$2,000 to Athena Smith and \$1,000 to Charles Deach. They discussed the possibility of expanding the amount of the award to the other applicants. They also discussed the Municipality's family leave policy. They will further discuss this item at the next HEW meeting.

Assemblymember Kolodi indicated that the Parks and Recreation Committee met April 30, 2024, and discussed the Haines-Skagway trail development and tree maintenance on Main Street.

Assemblymember Potter indicated that the Public Safety Committee will be discussing parking zones at their next meeting.

C. Treasurer's Report:

D. Manager's Report:

Manager Ryan indicated that his written report is in the packet. He will be bringing a budget amendment forward to account for the cost to insure the dock to be towed.

7. Communications to the Assembly:

A. Correspondence:

Clerk Burnham indicated that there is no correspondence.

B. Hear Citizens Present

Tom Silva expressed his support for the elected board model for the clinic.

Mavis Henrickson indicated her concerns regarding the sewer treatment plant meeting federal regulations, and with the ability of the Borough Manager to terminate the police chief.

8. Ordinances, Resolutions, & Proclamations:

- A. Introduction of Ordinance No. 24-02: Amending the FY24 Budget to Account for a School Budget Adjustment

Motion/Second: Henry/Hanson for first reading of Ordinance No. 24-02.

Assemblymember Hanson indicated that the school is required to set their budget based on enrollment estimates and since they have higher enrollment than estimated this year a budget adjustment is needed for the Assembly to fund to the maximum allowable.

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

- B. Public Hearing and Adoption of Resolution No. 24-12R: Committing and Restricting a Portion of Port Revenue Funds to Serve as Matching Funds for a Maritime Administration PIDP Grant

[Clerk's Note: There is a pending motion to adopt Resolution No. 24-12R.]

Public Hearing

The Public Hearing closed with no comments.

Secondary Motion/Second: Hanson/Weddell to amend Resolution No. 24-12R to include the amendment from administration dated April 25, 2024.

Manager Ryan indicated that this amendment updates the cost estimates for the project.

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.

- C. Public Hearing and Adoption of Resolution No. 24-13R: Approving Certain Unincorporated Communities and Their Respective Native Village Council and/or Incorporated Nonprofit Entity for Participation in the FY25 Community Assistance Program

Motion/Second: Henry/Weddell for public hearing and adoption of Resolution No. 24-13R.

Public Hearing

The Public Hearing closed with no comments.

Manager Ryan indicated that this is something adopted every year that allows for money to be passed to the Skagway Village.

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

- D. Public Hearing and Adoption of Resolution No. 24-14R: Authorizing Staff to Develop an Agreement for Providing an Electricity Supply for Shore Power Facilities at the Port of Skagway

Motion/Second: Henry/Potter for public hearing and adoption of Resolution No. 24-14R.

Manager Ryan indicated that the owner of Burro Creek has continued to show interest in providing hydroelectric power to the Municipality. The cruise ship companies have indicated that they would like to have shore power and this is a way to possibly provide that. This resolution will allow the municipality to pursue federal funding and work on a plan to bring back to the Assembly.

Public Hearing

Jan Wrentmore, owner of Burro Creek Holdings, LLC., indicated that she has always supported the idea of shoreside power and in 2011 received a grant to complete the Burro Creek Hydroelectric Feasibility Study. Over the last 13 years they have continued to collect stream data and believe that two megawatts of power can be generated on Burro Creek land and an additional five megawatts if permitted to go above onto federal land.

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

- E. Public Hearing and Adoption of Resolution No. 24-15R: Supporting Full Funding (\$7,644,677) for the State of Alaska Municipal Harbor Facility Grant Program in the FY 2025 State Capital Budget

Motion/Second: Henry/Hanson for public hearing and adoption of Resolution No. 24-15R.

Public Hearing

The Public Hearing closed with no comments.

Assemblymember Hanson indicated that the legislature does not always fully fund this program and this resolution encourages them to do so. The state encouraged local governments to take over their ports and created this program to assist with the upkeep of those harbors.

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

- F. Public Hearing and Adoption of Resolution No. 24-16R: In Support of Raising the Maximum Available Alaska Department of Transportation Harbor Facility Grant to \$7,500,000 for Eligible Projects on an Annual Basis

Motion/Second: Henry/Hanson for public hearing and adoption of Resolution 24-16R.

Public Hearing

The Public Hearing closed with no comments.

Manager Ryan indicated that this is recommending that a larger portion of the funding can go to a single project.

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

9. **Unfinished Business:**

10. **New Business:**

- A. Approval of Station Request to Close Fourth Avenue for Fourth of July Festivities

Motion/Second: Potter/Burnham to approve the request of the Station to close 4th Avenue for the July 4, 2024, festivities and include noise permits for July 3rd and 4th.

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

- B. Approval of Ore Peninsula Redevelopment Project Change Order No. 6

Motion/Second: Hanson/Henry to approve change order no. 6 in the amount of \$84,691.92.

Manager Ryan indicated that this approval will organize all of the change orders that have been ongoing throughout the project.

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

- C. Direction regarding the Health Resource and Service Administration (HRSA) Grant

Motion/Second: Weddell/Potter to direct staff as stated in the memo from Civic Affairs, which is item 10C in the packet.

Assemblymember Weddell indicated that she wrote a memo that is in the packet regarding the possible solutions to HRSA compliance issues. The elected board model outlined in Director Wall's report does not have the legislative backing to be a realistic option. The HRSA grant is important not just because of the federal funding received, but because of the licensing, the insurance coverage from the Federal Tort Act, and the requirement for having a sliding fee scale that ensures access to care for every person in the community regardless of their ability to pay. The 501(c)(3) model is the preferred model of HRSA for all their clinics; however, with the 2023 Proposition 2 that was ratified by the voters stipulating that the clinic building and business cannot be sold or leased without ratification by public vote, changing to a 501(c)(3) would need to go on a ballot. In the meantime, a short-term model that will comply with HRSA can be achieved by repealing Resolution No. 23-27 and changing code to create standalone board bylaws that allow for a self-appointing board and board authority, which are the conditions that HRSA asserts are unmet.

Mayor Bass invited Director Wall to answer any questions.

Albert Wall, Dahl Memorial Clinic Executive Director, indicated that the HRSA grant does provide funding, and provides the license as a federally qualified health center, which waives individual license requirements for each type of service line provided by the clinic. Financially, it provides a little less than half of the money that is required to run the clinic. In January, HRSA identified problems with the structure of the clinic board. Director Wall indicated that the municipality is at the end of the grant cycle and will need to reapply at the end of the year. He believes that the fastest way to come into compliance with HRSA is the presented "short-term model." Pursuing a 501(c)(3) would be the long-term vision and since that requires a public vote he would like to have at least two town hall meetings for the public to get informed on what that entails.

Director Wall indicated that HRSA is a competitive grant but as long as the Municipality, as the current grant holder, shows that it is working toward coming into compliance, HRSA will continue to extend the same courtesy. There are 29 Federally Qualified Health Centers in Alaska and an additional eight lookalikes, and all of them except the Dahl Memorial Clinic are 501(c)(3)s. There are 1,400 in the nation with an additional 300 that are lookalikes and about 98% of those are 501(c)(3)s.

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

~~D. Consideration of Support for Haines-Skagway Trail Development~~

11. Mayor and Assembly Discussion Items:

The Mayor and Assembly discussed the condition of the ferry dock, the possible removal of cottonwood trees, and awarding additional funds for the Cy Coyne scholarship to the unawarded applicants.

Main Motion/Second: Burnham/Weddell to award the third and fourth place Cy Coyne scholarship applicants with \$750.00 each.

Mayor Bass indicated that he did not think 'mayor and assembly discussion items' is the most appropriate time to make motions.

Secondary Motion/Second: Burnham/Weddell to amend the motion to schedule an item for other Cy Coyne applicants to receive \$750.00.

Assemblymember Henry indicated that the Cy Coyne scholarship definition indicates that \$2,000.00 is given to the first-place applicant and \$1,000.00 is given to the second-place applicant. There is no third and fourth place.

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.

12. Executive Session

13. Adjournment:

Motion/Second: Henry/Weddell to adjourn at 9:10 p.m.

With no objections from the Assembly, Mayor Bass adjourned the meeting.

ATTEST:

Sam Bass, Mayor

Steve Burnham Jr., Borough Clerk

(SEAL)