

Proposed by:	Administration
Vote:	4 Aye 0 Nay 2 Absent

MUNICIPALITY OF SKAGWAY, ALASKA
RESOLUTION NO. 09-05R

A RESOLUTION OF THE MUNICIPALITY OF SKAGWAY, ALASKA AUTHORIZING AN INCREASE IN FARES FOR THE SMART CONTRACT.

WHEREAS, SMC 5.08.040(l) states "Operation of Shuttle Businesses – Authority to operate a shuttle business shall be granted by the signing of a contract with the City of Skagway, and the payment of fees. Contract provisions shall be determined by the City Manager and approved by the City Council. Any shuttle business operating without said contract shall be found in violation of this section"; and

WHEREAS, Leo's Shuttle Co. has had the SMART contract since its inception in May of 2000; and

WHEREAS, Leo's Shuttle is requesting a SMART fare increase from \$1.50 to \$2.00 per person for the 2009 season; and

WHEREAS, Leo's Shuttle is requesting the addition of an "All-Day" pass for \$5.00;

NOW THEREFORE BE IT RESOLVED, that the Skagway Borough Assembly authorizes a contract change to allow the following fare changes:

- 1. To increase the per person fare from \$1.50 to \$2.00
- 2. To add an "All-Day" pass for \$5.00

PASSED AND APPROVED by a duly constituted quorum of the Borough Assembly of the Municipality of Skagway this 5th day of February, 2009.


Thomas D. Cochran, Mayor

ATTEST:


Marjorie D. Harris, Municipal Clerk

(SEAL)



SKAGWAY MUNICIPAL AND REGIONAL TRANSIT

SMART
PO Box 1090
Skagway, AK 99840

Phone: 907-983-2743
Cell: 907-612-0011
smart@acsalaska.net

January 14, 2009

Mayor Tom Cochran
Municipality of Skagway
PO Box 415
Skagway, AK 99840

RECEIVED
JAN 15 2009
cc: Mayor + Assembly
MUNICIPALITY OF SKAGWAY

Dear Tom,

According to the contract between the Municipality of Skagway and my company, Leo's Shuttle Co., any changes in the fares charged to SMART passengers must be approved by the Assembly. I would like to request a SMART fare increase from \$1.50 per person, to \$2.00 per person for the 2009 season. I would also like to add an "All-Day" pass for \$5.00. The all-day pass would be a new feature for SMART. We've had many requests for this from passengers each year.

The SMART fare has remained the same for seven years. In that time, operating expenses such as labor, maintenance costs, insurance, fuel prices, and vehicle replacement costs have increased dramatically. The increases in fuel prices during the 2008 season were extremely excessive, and we were not able to add "fuel surcharges" that so many companies had to do to recoup this added expense. I feel the addition of the all-day pass would be a money saving offer for many of our passengers who make multiple trips. This pass would also enable them to travel from one end of Broadway to the other without paying another fare.

I hope you can include this request in the next available Assembly agenda. If you have any comments or questions concerning this proposal, please feel free to call me.

Cordially,



Stuart Brown,
Owner/Manager