

**MUNICIPALITY OF SKAGWAY, ALASKA
RESOLUTION NO. 14-20R**

A RESOLUTION OF THE MUNICIPALITY OF SKAGWAY, ALASKA, ADOPTING A POSITION STATEMENT FOR MUNICIPAL PORT AND HARBOR REGULATORY, LICENSING AND GOVERNANCE POLICY AND OBJECTIVES.

WHEREAS, the Borough Assembly desires to maximize and promote full development potential of the Port of Skagway; and

WHEREAS, such development will also create year-round employment and improved local economy; and

WHEREAS, such development and port activity must be accomplished in an integrated fashion to insure efficiency of port use and protecting the environment for future generations;

NOW, THEREFORE, BE IT RESOLVED by the Borough Assembly of the Municipality of Skagway that the following position statement of policy and objectives is hereby adopted:

**Municipality of Skagway
Port and Harbor Regulatory, Licensing and Governance Policy and Objectives
Position Statement**

The Municipality of Skagway (MOS) is actively engaged in reconstruction and revitalization of its Port and Harbor infrastructures. The purpose of these activities is to provide for vibrant and diverse maritime economic opportunities for the MOS, while preserving and protecting the littoral environment and the valuable base of natural resources.

Improving and restructuring Port and Harbor infrastructures are complicated and challenging undertakings for the MOS due to the following factors:

- 1.) Over a century of prior industrial and military activities resulted in significant contamination of Skagway harbor sediments, which now requiring remediation. Further, strategic upland tidal areas, also contaminated from prior activities, require additional materials containment and active environmental management. The mandate for port and harbor contaminant mitigation and control is both regulatory and practical, affected by complex legal and scientific principles and premises.
- 2.) Operational harbor and port navigation and dockage space is tightly constrained with current facility scheduling conducted in an *ad hoc* manner through cooperation between the various end-user groups. This *de facto* port management scheme, while currently operable for dispatch control, is limited in capacity for key port/harbor issues, such as maintenance management of common infrastructures, regulatory indemnification, intermodal flow control of materials and passengers/crew, etc. Further the existing spatial layout of key Port industries, while functional within the existing Port structure, may be sub-optimal for future Port configurations.

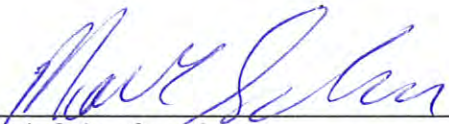
- 3.) Aging and structurally weakened infrastructures scheduled for replacement must remain fully operational while new facilities are constructed and consigned in order to provide for seamless economic transition of all port activities. This circumstance requires additional consideration of health, safety and security matters in order to minimize the risks of upsets due to unforeseen systemic failures.

To address these issues and move forward with preparing Skagway for the next century of its Port and Harbor operations, the MOS is considering the development of a Port Authority (MOS-PA) structure for phased implementation during and following the Gateway program. Aspects of the MOS-PA will be developed in accordance with the general objectives for the MOS Port and Harbor, including:

- 1.) **Optimized Port operations:** The MOS will establish a Port Authority structure (MOS-PA) for integrated management of newly created uplands areas from the Gateway program, combined with existing Port/Harbor facilities. The MOS-PA will seek to maintain and enhance existing Port commerce, while also diversifying and promoting Port operations for sustained and year-round economies.
- 2.) **Improved Intermodal and Regional Tidewater Access and Coordination:** The MOS will seek to expand integrated Port operations and economies to include, facilitate and coordinate broader regional economic and transportation activities.
- 3.) **Improved regulatory and compliance performance:** The MOS will reduce regulatory uncertainty for project planning and implementation through direct communication and control of all permitting, regulatory and compliance programming for Port and Harbor engineering, infrastructure and environmental projects and activities occurring on MOS-owned uplands and submerged tidelands.
- 4.) **Environmental Protection and Indemnification:** Through governance and oversight of the MOS-PA, the MOS will seek to assure a healthy state-of-the environment for its Port and Harbor areas, preserving those areas for the safe use and benefit of MOS residents and visitors. Further, the MOS-PA will seek to responsibly protect Port users from environmentally-triggered upsets through coordinated environmental indemnification protocols.

The first phases of a *de facto* MOS-PA will be developed specifically to address regulatory requirements stemming from the legal and environmental compliance issues associated with the Gateway infrastructure program (Items 3 and 4). These items are required in order to clear existing regulatory and compliance matters necessary for permitting Gateway and associated programs (e.g. Small Boat Harbor II). Further MOS-PA development will occur through the course of Gateway and in accordance with MOS governance procedures and protocols.

PASSED AND APPROVED this 21st day of August, 2014, by the Assembly of the Municipality of Skagway, Alaska.



Mark Schaefer, Mayor

ATTEST:



Emily Deach
Municipal Clerk

(SEAL)

