

Municipality of Skagway

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June 18, 2025

Commissioner Ryan Anderson Alaska Department of Transportation & Public Facilities 3132 Channel Drive Juneau, AK 99801 dot.commissioner@alaska.gov

Dear Commissioner Anderson,

The Municipality of Skagway and the Skagway Borough Assembly write in response to the Department of Transportation's recent announcement regarding a partnership with Goldbelt, Inc. to develop a marine highway terminal at Cascade Point. While we recognize the State's interest in seeking solutions to address ferry reliability and operational challenges, we continue to have serious concerns about the decision to move forward with this now design-build project in the absence of clear planning, long-term strategy, or public transparency. We have been consistent throughout the years expressing our concerns with the Cascade Point ferry project, so the recent press announcement is particularly disappointing.

First, we would like to remind DOT that the Alaska Marine Highway Operations Board (AMHOB), in its February 18, 2024 report to the Governor, explicitly stated that it does not support the Cascade Point terminal unless it is incorporated into a long-range plan (LRP) for the Alaska Marine Highway System (AMHS). As of today, no such plan has been presented to the public or to affected communities like Skagway. Proceeding without this strategic framework raises legitimate questions about the long-term sustainability and purpose of the Cascade Point project.

Second, given Alaska's ongoing serious budget shortfalls, it is difficult to understand why the State is choosing to invest in the construction of a new marine facility rather than rehabilitating existing terminals, many of which—including those serving northern Southeast Alaska—are in urgent need of repair. Deferred maintenance continues to plague the system, and this decision sends a troubling signal about priorities. Skagway's ferry float sank over 10 years ago, and has yet to be replaced.

Third, we request clarity on how this new facility will be staffed and operated, especially in a location 30 miles more remote than the current Auke Bay terminal. Skagway, like many ferry-served communities, relies heavily on pedestrian ferry traffic. The Cascade Point location offers no obvious infrastructure to accommodate these travelers. Where is the plan for safe, consistent, and ADA-accessible transportation to and from downtown Juneau? The additional road travel Cascade Point requires would appear to transfer some of the cost burden to the end user.

Skagway's economy and residents are heavily dependent on the reliability and accessibility of the Alaska Marine Highway System. Decisions regarding the future of that system must be made in coordination with the communities that rely on it—not in isolation or through private arrangements that leave out public

input. Going to a design-build without a cost/benefit analysis or feasibility study is quite unusual. The May 23, 2025 press release lists "reduced transit times, improved schedule reliability, lower operating and fuel costs and increased service capacity," as "strategic advantages" offered by Cascade Point. These claims are unsubstantiated without a cost/benefit analysis or feasibility study. We respectfully request a formal response to these concerns and urge the Department to pause further investment in Cascade Point until a comprehensive long-range plan has been developed and publicly vetted.

Sincerely,

Kate Kolodi

Mayor

Municipality of Skagway

CC:

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