



ASSEMBLY FINANCE COMMITTEE AGENDA

April 26, 2023 at 5:30 PM

Assembly Chambers/Zoom Webinar

<https://juneau.zoom.us/j/93917915176> or 1-253-215-8782 Webinar ID: 939 1791 5176

A. CALL TO ORDER

B. ROLL CALL

C. APPROVAL OF MINUTES

1. April 19, 2023

D. AGENDA TOPICS

2. Dock & Harbors FY24 Budget Presentation

3. FY24 Passenger Fee Plan - For Review

4. Hotel-Bed Tax Funding

5. Travel Juneau

6. Updated Budget Summary and FY24 Decision List

7. Info Only: AFC Budget Calendar

E. SUPPLEMENTAL MATERIALS

8. Docks & Harbors FY24 Presentation - Updated

9. April 19, 2023 Minutes - Corrected

F. NEXT MEETING DATE

10. May 3, 2023

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org.

ASSEMBLY FINANCE COMMITTEE MINUTES - DRAFT

APRIL 19, 2023, AT 5:30 PM

ASSEMBLY CHAMBERS/ZOOM WEBINAR



<https://juneau.zoom.us/j/93917915176> or 1-253-215-8782 Webinar ID: 939 1791 5176

A. CALL TO ORDER

This meeting was called to order at 5:35 pm by Chair Triem.

B. ROLL CALL

Committee Members Present: Carole Triem, Chair; Mayor Beth Weldon; Maria Gladziszewski (joined at 5:42 pm); Michelle Bonnet-Hale; Greg Smith; Alicia Hughes-Skandijs; Wade Bryson

Committee Members Present Virtually: Christine Woll

Committee Members Absent: Wáahlaal Gíidaak

Staff Members Present: Rorie Watt, City Manager; Robert Barr, Deputy City Manager; Jeff Rogers, Finance Director; Adrien Speegle, Budget Manager; Patty Wahto, Airport Manager; David Keith, Bartlett Regional Hospital CEO; Sam Muse, Bartlett Regional Hospital CFO

Others Present: Deborah Johnston, Bartlett Regional Hospital Board Vice President

C. APPROVAL OF MINUTES

1. April 12, 2023

The April 12, 2023, minutes were approved as presented.

D. AGENDA TOPICS

2. Juneau International Airport FY24 Budget Presentation

Patty Wahto, Airport Manager, presented the Airport's FY24 budget found on packet pages 9-18. She reviewed changes that are expected for the FY23 adopted and projected budgets. She reviewed the rise in projected revenues for the Airport in FY24 due to increases in rent and fees that the Airport will be charging tenants in FY24 in addition to increases in passenger counts.

Ms. Wahto detailed the items that are contributing to a rise in expenditures in FY24, which total \$791,600, due to a rise in commodities and contractual expenditures. FY24 revenue is anticipated to increase by over \$2 million in FY24 due to increased landing, fuel flowage, and security screening fees, rents, and anticipated rise in passenger counts. Ms. Wahto noted that tenants will continue to receive \$1.25M in rent relief from Airport federal CARES Act funding in FY23 and FY24. She also stated that the Airport's central service full cost allocation is decreasing in FY24.

Ms. Wahto answered Committee questions.

Ms. Wahto reviewed the use of CARES funding to cover FY23 and FY24 operating deficits, found on page 16 of the packet.

Ms. Wahto went over the major projects that the Airport has planned in FY24 to be funded by CARES funding. These projects include a new outbound bag conveyor, parking lot refurbishment, gate replacement, and new terminal furniture. Ms. Wahto stressed the importance of these projects being done now because the funding from the CARES Act sunsets in April 2024, leaving only one construction season to finalize these projects, otherwise any remaining grant funds will be lost by the Airport.

Ms. Wahto answered further questions for the committee regarding Airport fund balance, as detailed on page 162 of the budget book.

Motion: by Mayor Weldon to accept the Airport budget as presented and asked for unanimous consent.

Motion passed by unanimous consent.

Jeff Rogers, Finance Director, discussed the changes that were made in Treasury's cost allocation in FY24, stating that the major change related to updating the methodology to be based on transaction count instead of transaction dollar value. Mr. Rogers stated that the burden of processing transactions is mostly the same for a \$10 million transaction and a \$10 transaction. This change led to a significant shift in costs to the Water and Wastewater utilities to more accurately reflect the burden placed on the Treasury Division for services rendered relating to monthly utility billing.

3. Bartlett Regional Hospital FY24 Budget Presentation

Deborah Johnston, Bartlett Regional Hospital (BRH) Board Vice President, acknowledged the Hospital's current challenges, but expressed her confidence in the budget that is being presented to the Committee.

Sam Muse, BRH CFO, introduced the Hospital's FY24 budget and the challenges that factored into the development of the FY24 budget. He stressed for the Committee the impact that COVID has had upon operations for the past several years, stating that beginning in 2020, elective services had to shut down for a significant part of the year.

Mr. Muse stated the impact of the significant loss of revenue this had and stressed that the numbers have not rebounded to pre-pandemic figures. There is a rising trend in healthcare shifting away from inpatient hospital services and more to outpatient services. This trend had been rising over the last decade; however, pandemic culture shifts have catalyzed this change.

Mr. Muse stressed that these challenges are not just faced by BRH but by many hospitals throughout the nation. Employee burnout during COVID years has resulted in massive departures of nursing and other hospital staff. This has resulted in the forced hiring of traveling clinical staff which have significantly higher costs. Currently, the Hospital is losing \$1 million every month.

Mr. Muse stated that BRH leadership has been working in a phased plan to reduce spending. Currently, leadership is in the process of implementing Phase 3 of their plan, part of which is streamlining senior leadership in addition to the postponement of capital improvement projects. The goal of BRH senior leadership is to end FY24 without an operational deficit.

Mr. Muse reviewed the key areas of focus for BRH in calendar year 2023 found on page 26 of the packet. He spent time reviewing the service line expansions of home health and hospice, the Wildflower Court acquisition, Aurora Behavior Health Center, and the rental of a Da Vinci surgery robot. The goal of the Davinci Robot is expanding the surgical capabilities at the Hospital and be a recruitment tool for attracting new physicians in Juneau. These services are planned to be running by the end of FY23.

Mr. Muse stated that the one largest challenge that BRH and other healthcare facilities in Juneau face is staffing shortages. He stated that the Hospital must invest in workforce development in Juneau, or they will not be able to continue operations in the long term for the community.

Mr. Muse presented the FY24 proposed budget for the Committee, beginning in FY22 and moving forward. In FY22 the decrease in fund balance for BRH was just over \$6 million. For FY23 that number is expected to be roughly the same and would have been more if the Hospital funds that were set aside for the Crisis Stabilization project were not pulled back into fund balance and replaced with bond proceeds that were previously appropriated to the Emergency Department Addition project, which is now being put on hold.

Mr. Muse answered committee questions regarding how bond funds have been reallocated.

Mr. Muse reviewed the items in the FY24 expenditures, stating that the acquisition of Wildflower Court is not included in the budget presented, but that BRH will be requesting supplemental authority from the Assembly once the acquisition is complete. In FY24, personnel costs are set to rise due to the creation of additional service lines.

Mr. Muse answered committee questions regarding the changes in staffing presented for FY24. David Keith, BRH CEO, stressed that streamlining of staffing will start at the top, in the executive suite.

Mr. Muse reviewed the funding sources and stated that the Hospital is requesting that the reallocation of the Tobacco Excise Tax from BRH to the Fire Department's Mobile Integrated Health Program be restored in the amount of \$518,000. Additionally, BRH is requesting \$4,482,000 in general fund support, with these two amounts totaling \$5 million.

In response to Assemblymember Hale's questions regarding General Fund balance post adoption of the Juneau School District's FY23 supplemental funding request of \$2.3 million, Mr. Rogers directed the Assembly to the FY24 Budget Summary document in the Supplemental Materials section of the agenda. He stated that the fund balance reflected at the bottom of this document already factors in this appropriation. Mr. Rogers stated to the Committee that if they chose to grant the request to the Hospital for \$5 million, it would result in the fund balance for CBJ's General Fund being reduced to \$7.7 million for FY24.

Assemblymember Hale questioned why the city would contribute to the Hospital's fund balance when it is higher than CBJ's fund balance. Mr. Keith responded by affirming that the funds that are set aside in BRH's fund balance are being reserved for strategic moves to be made in forthcoming fiscal years, as well as the need to maintain a minimum operating reserve.

Mr. Muse clarified that the current \$40 million in the fund balance does seem like a lot, however compared to other hospitals it is approaching a dangerously low figure. Many hospitals aim to have equal to six or seven months of operational expenditures in their fund balance, however, BRH has less than three months. Mr. Keith expounded to the Committee the importance of the \$5 million dollar request in meeting the needs of the community in the future. BRH faces significant competition for healthcare services not only in Juneau, but also in Anchorage and Seattle, and with the rise in desire for outpatient and primary care services, BRH must change its approach. Mr. Keith stated that to continue to meet the needs of the community there are strategic moves that need to be made and this will require the support of CBJ.

The Committee discussed the change that was made for FY24 in removing the Tobacco Tax revenue from the Hospital. Mr. Rogers clarified that the Assembly decided to reallocate the Tobacco Tax funding for FY24 in the FY23 budget process.

Assemblymember Hughes-Skandijs asked regarding the state of PCR testing for the city that is done at the Hospital. Mr. Keith clarified that the equipment purchased to handle COVID testing needs for the community is no longer needed and the cost of maintaining the equipment for potential future use is not advisable. It is an expensive piece of equipment that should be sold, any money generated would be a positive.

The Committee recessed at 7:18 pm.

The Committee reconvened at 7:30 pm.

Motion: by Assemblymember Hale to approve the BRH budget as presented, with an amendment to fund the \$5 million request for support from general funds and not Tobacco and Liquor Excise Tax.

Objection: by Assemblymember Gladziszewski for the purpose of deferring the decision until all other requests have been heard.

Amendment: by Assemblymember Bryson that the Committee approve \$2.5 million tonight and move the remaining \$2.5 million request to the pending list and asked for unanimous consent.

Amendment passed by unanimous consent.

Objection to Amended Motion: by Assemblymember Woll.

Roll Call Vote on Amended Motion

Ayes: Chair Triem, Mayor Weldon, Smith, Gladziszewski, Hale, Hughes-Skandijs, Bryson

Nays: Woll

Motion passed. Seven (7) Ayes, One (1) Nay.

4. Info Only: FY24 Community Requests

Chair Triem proposed addressing the community funding requests listed on packet page 30 at the next committee meeting. She stated that the process will allow Assemblymembers to vote on which requests to move to the Pending List for funding consideration. The requests that are moved to the Pending List will have presentations during the May 3rd committee meeting.

Motion: by Mayor Weldon to clarify that the Eaglecrest FY24 approved increment should be one-time funding instead of an ongoing.

Mr. Rogers clarified for the Committee that finance staff assume that when funding is added for operational support that the funding is ongoing unless stated otherwise.

Objection: by Assemblymember Smith that the funding should be ongoing due to higher operational costs for Eaglecrest.

Objection: by Assemblymember Hughes-Skandijs to clarify the nature of funding increases for departments.

Rorie Watt, City Manager, clarified that because Eaglecrest is an enterprise fund, it is up to them to make requests for additional funding and is not up to the discretion of the City Manager.

Objection removed by Assemblymember Hughes-Skandijs

Roll Call Vote

Ayes: Chair Triem, Mayor Weldon, Woll, Hughes-Skandijs, Bryson

Nays: Hale, Gladziszewski, Smith

Motion passed. Five (5) Ayes, Three (3) Nays.

The Committee clarified that the \$2.5 million approved request for BRH is one-time funding.

E. SUPPLEMENTAL MATERIALS

5. FY24 Budget Summary

This supplemental item was added to provide context for the current standing of decisions made by the Committee on the FY24 proposed budget.

6. FY24 Decision List

This supplemental item was added to show decisions made by the Assembly during the FY24 budget process.

F. NEXT MEETING

7. April 12, 2023

G. ADJOURNMENT

The meeting was adjourned at 8:00 pm.

Assembly Finance Committee

Docks & Harbors Enterprise - FY23 & FY24 Budget

April 26th, 2023

Section D, Item 2.



FY23 & FY24 SUMMARY

Docks & Harbors is very appreciative of Assembly financial support:

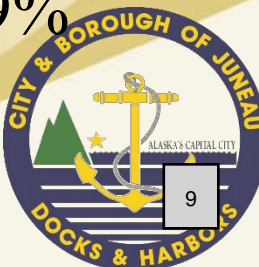
- \$2.5M for the Marine Park Deckover Project (completed April 14th, 2023)
- \$1.5M for Statter Harbor Bathrooms (completion May 19th, 2023)
- \$300K of MPF for unfunded USCG Security mandates
- \$6.5M of 1% Sales Tax (Aurora Harbor, Taku Harbor, Wayside Float)

Docks Enterprise will complete FY23 adding revenue to the Dock Fund Balance after two years of drawing from cash reserves;

Demand for Harbor Enterprise usage remains strong;

Marine construction escalation costs will challenge our ability to recapitalize facilities;

Docks & Harbors is embarking on a public outreach process to raise rates 9% across both enterprises.

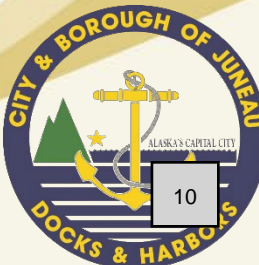


Docks & Harbors - Docks

OVERVIEW

Section D, Item 2.

	FY22 Actuals	FY23		FY24	
		Amended Budget	Projected Actuals	Approved Budget	Revised Budget
EXPENDITURES					
Personnel Services	\$ 1,061,900	1,383,700	1,359,500	1,313,000	1,447,500
Commodities and Services	710,800	994,300	1,032,500	976,800	1,074,100
Capital Outlay	-	-	-	-	-
Support to:					
Marine Passenger Fee	-	-	-	-	-
Capital Projects	-	-	-	-	-
Total Expenditures	1,772,700	2,378,000	2,392,000	2,289,800	2,521,600
FUNDING SOURCES					
Interdepartmental Charges	15,100	15,100	15,100	15,100	40,200
Charges for Services	1,177,600	1,730,000	1,780,000	1,760,000	1,800,000
Licenses, Permits, and Fees	-	-	-	-	-
Rentals and Leases	1,500	-	-	-	-
Investment and Interest Income/(Loss)	(39,400)	21,300	24,300	21,300	67,100
Support from:					
Pandemic Response	-	-	-	-	-
Marine Passenger Fees	448,500	717,000	717,000	717,000	717,000
Port Development Fees	-	-	-	-	-
State Marine Passenger Fees	-	-	-	-	-
Capital Projects	-	-	-	-	-
Total Funding Sources	1,603,300	2,483,400	2,536,400	2,513,400	2,624,300
FUND BALANCE					
Beginning of Period	1,819,200	1,649,800	1,649,800	1,794,200	1,794,200
Increase (Decrease) in Fund Balance	(169,400)	105,400	144,400	223,600	102,700
End of Period Fund Balance	\$ 1,649,800	1,755,200	1,794,200	2,017,800	1,896,900
STAFFING	13.74	19.20	19.20	19.20	19.24



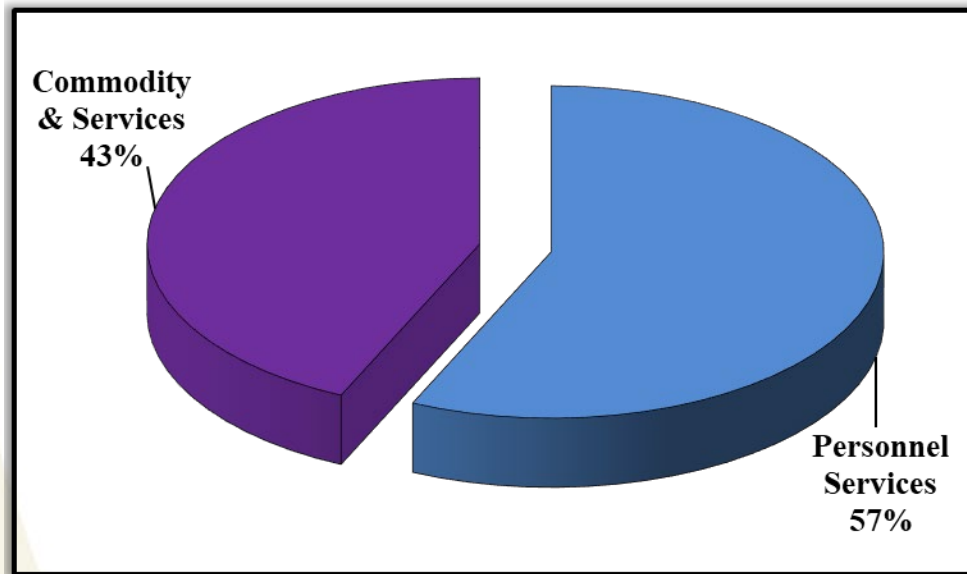
Docks Enterprise (Cruise Ships) FY23 & FY24 Take Aways

- FY23 Projected Revenues expected to exceed Expenditures by \$144K
 - Primarily due to \$300K MPF increase for personnel
- FY24 Budget largely unchanged from FY23
- Docks Fund Balance anticipated to be \$1.8M at the end of FY23
- CY2023 Revenue Update – CPI Adjustment 8.1% effective April 1st
 - Dockage Charges - \$3.24/LF for Cruise Passenger Ships
 - Port Maintenance Fee - \$0.059/net registered ton for Cruise Passenger Ships
 - First change to these fees since 2008

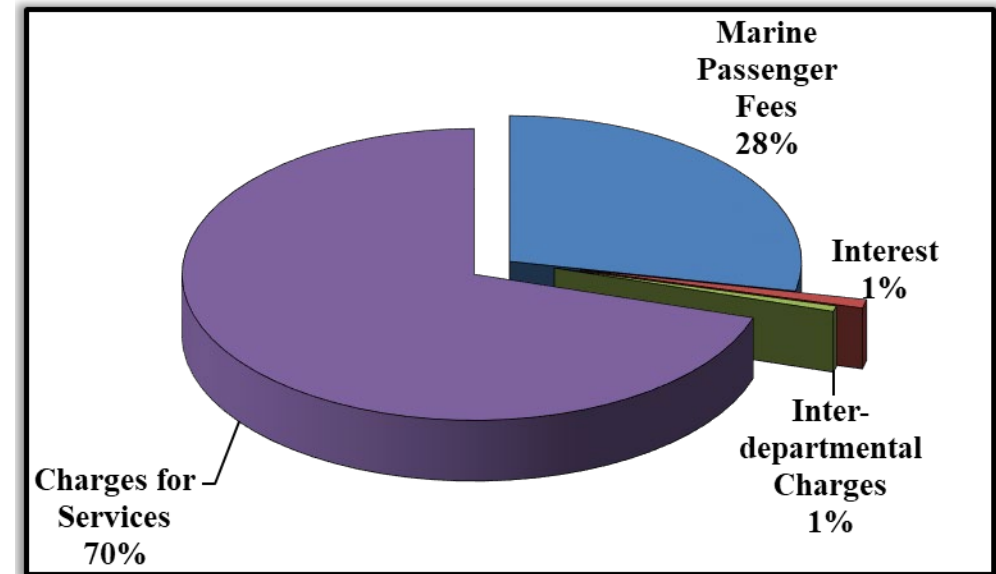


Docks Budget FY23 \$2.4M

Docks Expenditures

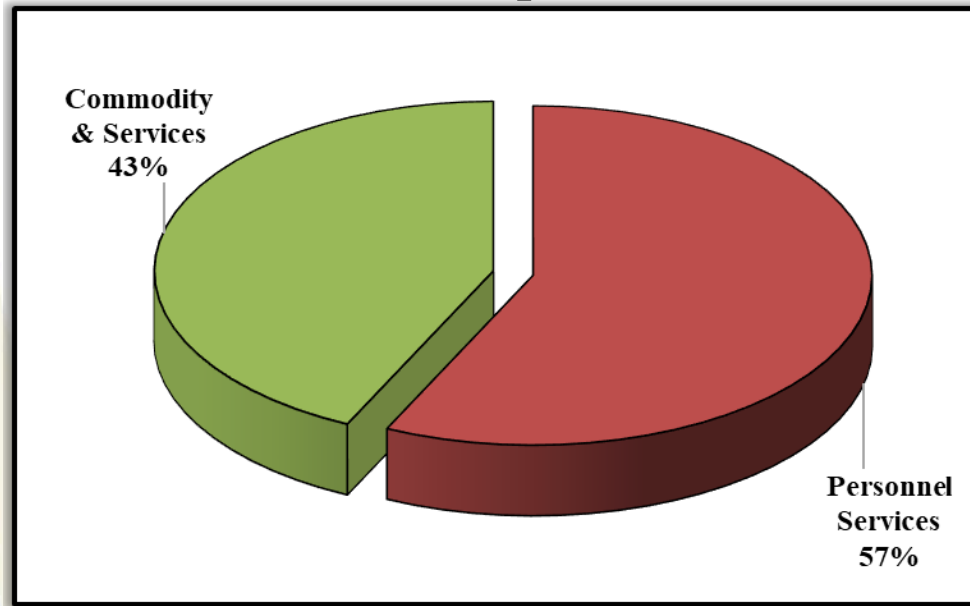


Docks Revenue

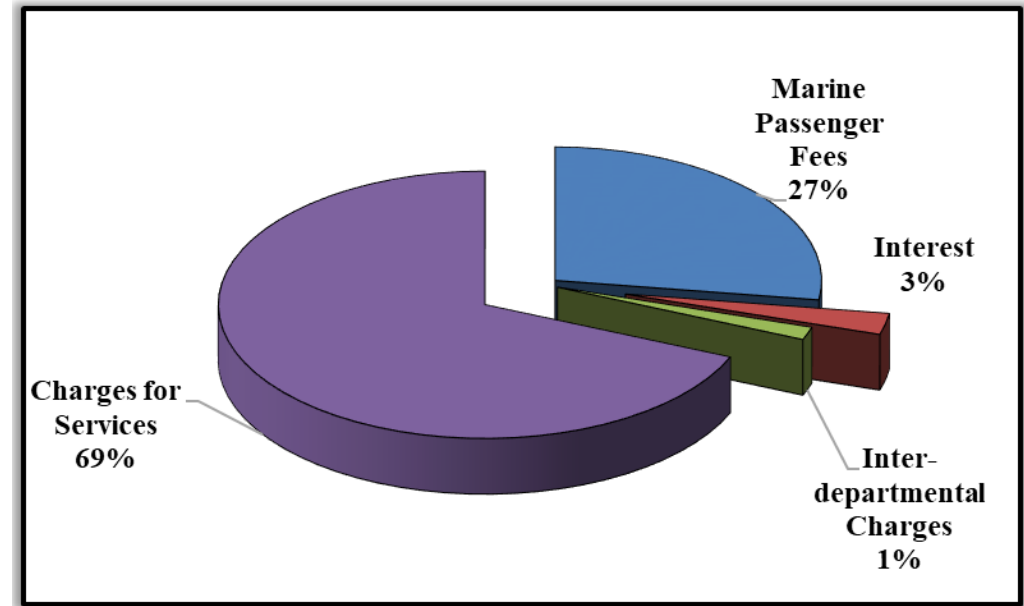


Docks Budget FY24 \$2.5M

Docks Expenditures

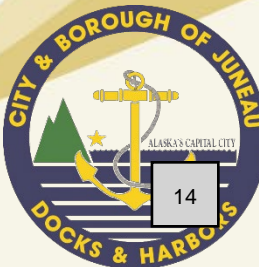


Docks Revenue



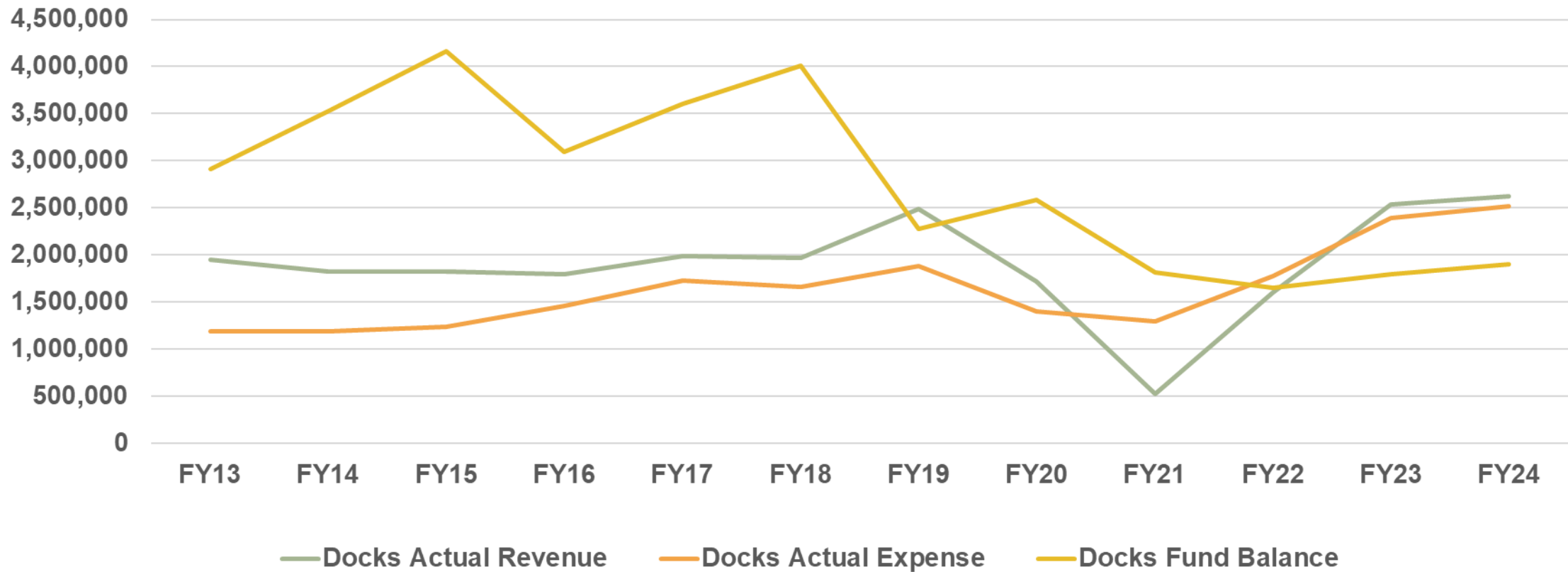
Docks Expenditures – Cliff Notes

- FY23 Top 3 expenditures \$1,876,800– Make up 74% of the Budget
 - Salaries - \$1,359,500
 - Property Insurance \$311,100
 - Full cost allocation - \$206,200
- Next 5 top expenditures add \$298K - 86% of the Budget
 - Water Service - \$85K (billed back to cruise ships)
 - Rents – \$63K
 - Landscaping - \$44K
 - Repairs - \$56K
 - Contractual Services - \$50K

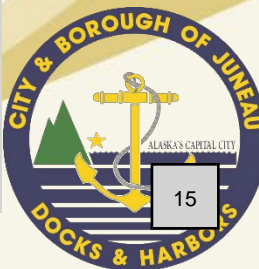


Docks Overview

Section D, Item 2.



	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Docks Actual Revenue	1,946,900	1,820,000	1,828,400	1,792,800	1,983,100	1,964,484	2,485,900	1,718,800	526,000	1,603,300	2,536,400	2,624,300
Docks Actual Expense	1,189,800	1,188,500	1,238,600	1,454,100	1,727,600	1,663,167	1,881,100	1,399,100	1,297,800	1,772,700	2,392,000	2,521,600
Docks Fund Balance	2,907,240	3,531,061	4,159,525	3,098,254	3,609,037	4,009,076	2,279,623	2,586,600	1,818,000	1,649,800	1,794,200	1,896,900

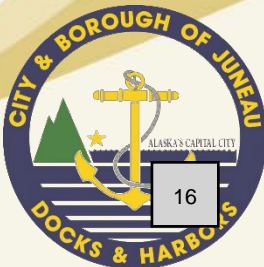


Docks & Harbors - Harbors

OVERVIEW

Section D, Item 2.

		FY23		FY24	
	FY22 Actuals	Amended Budget	Projected Actuals	Approved Budget	Revised Budget
EXPENDITURES					
Personnel Services	\$ 1,774,400	2,001,200	2,023,300	1,909,200	2,132,900
Commodities and Services	1,560,300	2,076,000	2,198,400	2,061,900	2,311,500
Capital Outlay	-	-	-	-	-
Debt Service	665,900	740,900	686,600	741,700	683,600
Support to:					
Capital Projects	-	-	-	-	-
Total Expenditures	4,000,600	4,818,100	4,908,300	4,712,800	5,128,000
FUNDING SOURCES					
Charges for Services	3,262,800	3,415,000	3,425,000	3,425,000	3,705,000
Licenses, Permits, and Fees	308,000	350,000	310,000	350,000	360,000
Rentals and Leases	898,700	860,000	900,000	870,000	900,000
State Shared Revenue	292,900	350,000	463,300	350,000	350,000
Federal Revenue	23,800	-	-	-	-
Fines and Forfeitures	11,300	10,000	10,000	10,000	10,000
Investment and Interest Income/(Loss)	(131,000)	27,600	46,300	27,600	107,700
Support from:					
Pandemic Response	116,500	-	-	-	-
Capital Projects	-	-	-	-	-
Total Funding Sources	4,783,000	5,012,600	5,154,600	5,032,600	5,432,700
FUND BALANCE					
Debt Reserve					
Beginning Reserve Balance	791,900	791,900	791,900	791,900	791,900
Increase (Decrease) in Reserve	-	-	-	-	-
End of Period Reserve	\$ 791,900	791,900	791,900	791,900	791,900
Available Fund Balance					
Beginning of Period	1,051,400	1,833,800	1,833,800	2,080,100	2,080,100
Increase (Decrease) in Fund Balance	782,400	194,500	246,300	319,800	304,700
End of Period Available	\$ 1,833,800	2,028,300	2,080,100	2,399,900	2,384,800
STAFFING	16.33	16.83	16.83	16.83	17.45



Harbors Enterprise

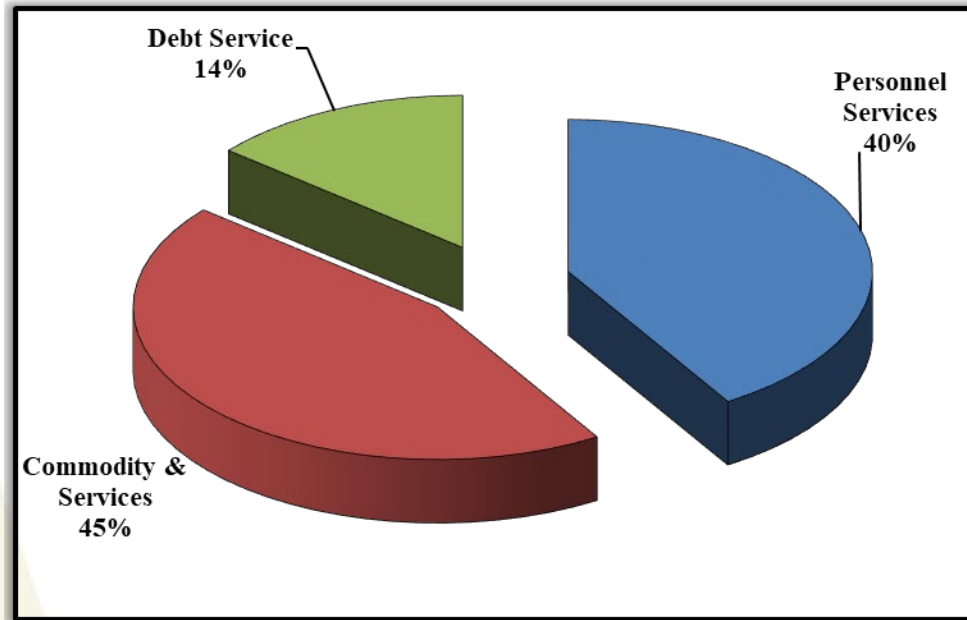
FY23 & FY24 Take Aways

- FY23 Projected Revenues expected to exceed Expenditures by \$246K
- FY24 Budget largely unchanged from FY23
- Fund Balance anticipated to be \$1.25M at the end of FY23
 - Two transfers totaling \$750K needed for Aurora Harbors Phase III Award
- Still budgeting for \$240K/year for new lease rent with University of Alaska – lease negotiations ongoing
- FY24 Added 0.62 FTE for Administration Staff
- CY2022 CPI adjustment 8.1% effective July 1st, 2023 for most Harbor charges

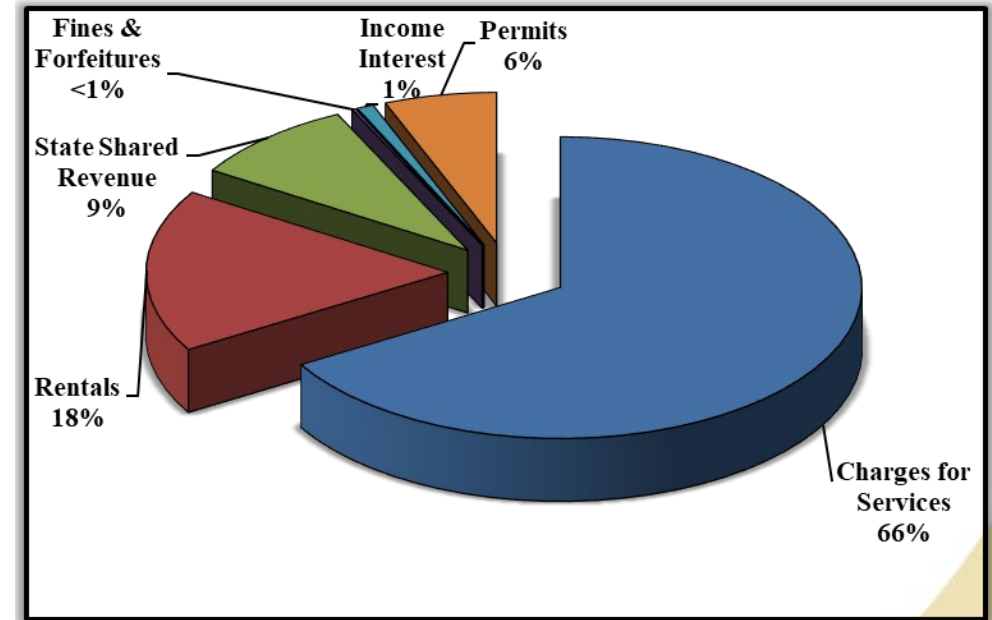


Harbor Budget FY23 \$4.9M

Harbors Expenditures

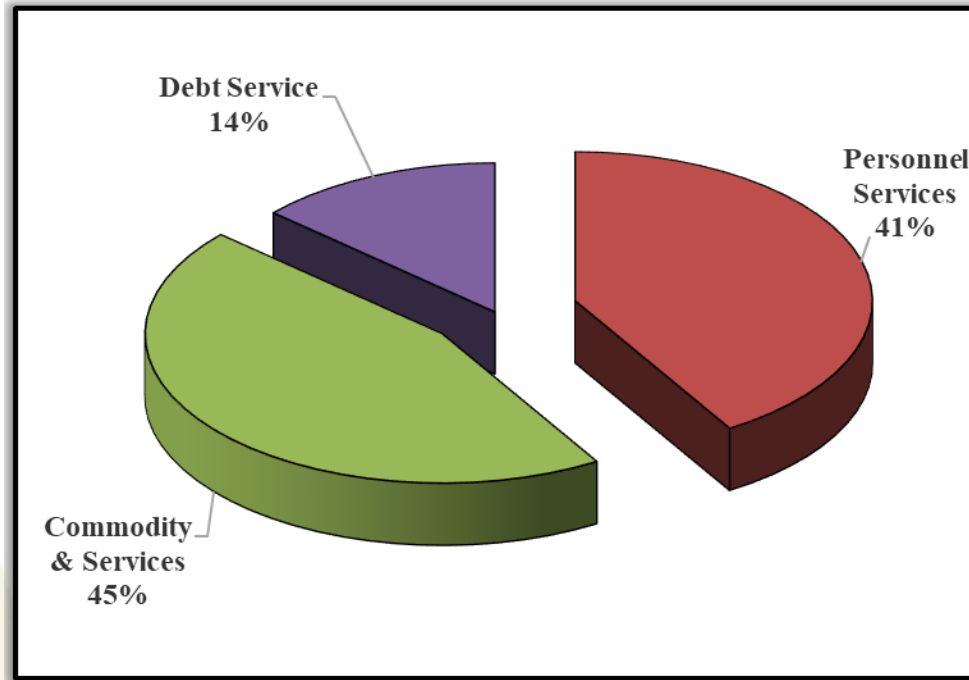


Harbors Revenue

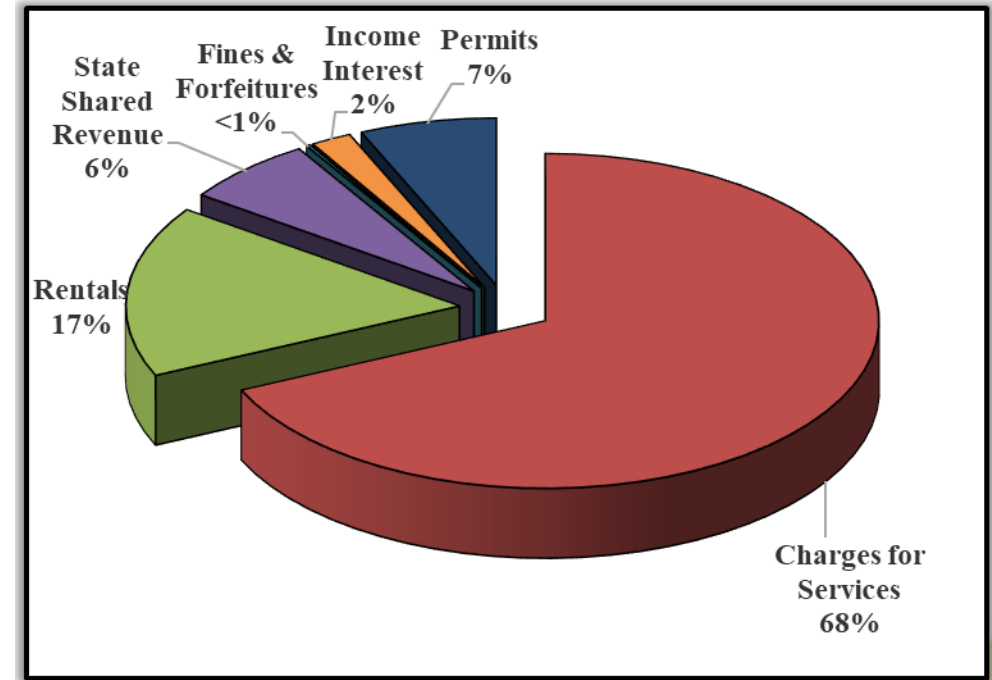


Harbor Budget FY24 \$5.1M

Harbors Expenditures

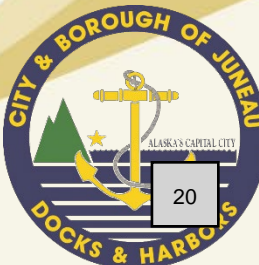


Harbors Revenue



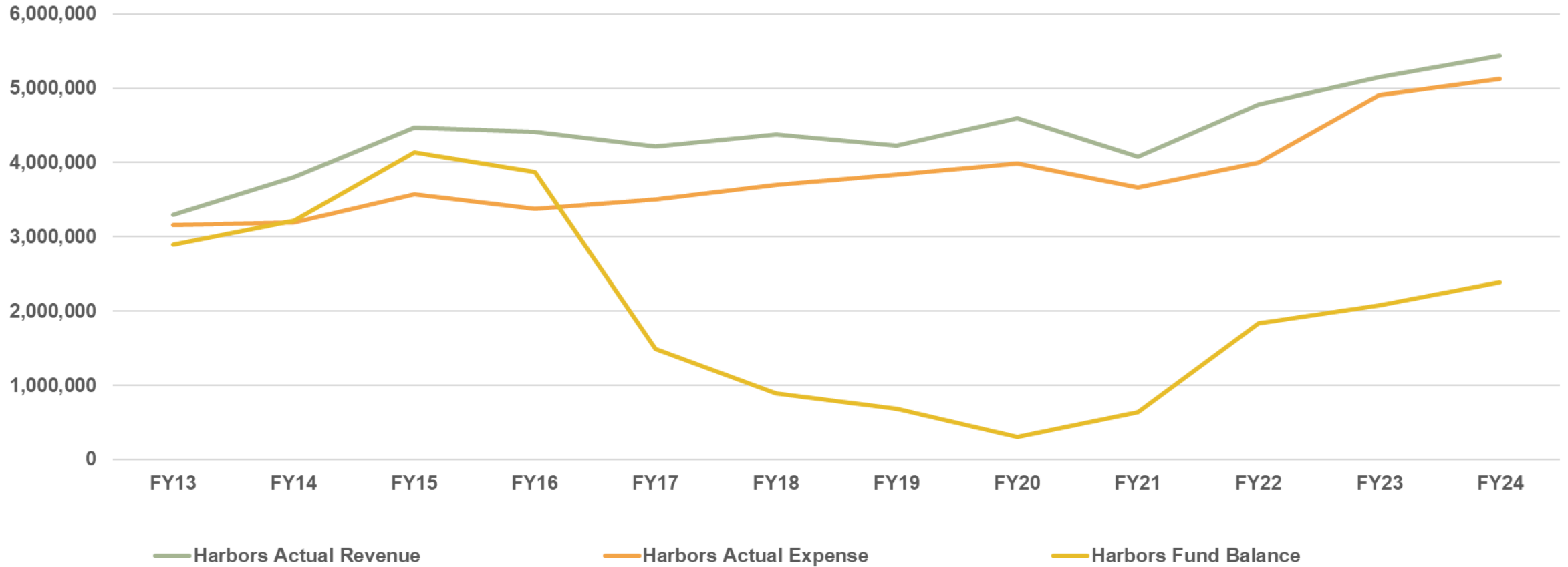
Harbor Expenditure – Cliff Notes

- FY23 Top 7 expenditures: \$3,898,100 – Make up 75% of the Budget
 - Salaries - \$2,023,300
 - Bond Debt - \$686,600
 - Contractual Services - \$300,000
 - UAS Property - \$240,000
 - Property Insurance \$226,000
 - Full cost allocation - \$206,200
 - Refuse - \$216,000
- Next 6 top expenditures add \$687K - 89% of the Budget
 - Repairs (\$200K); Electricity (\$145K); Bank Card Fees (\$130K); CBJ Fleet Maintenance (\$75K); CBJ Building Maintenance (\$57K); Materials & Commodities (\$80K)
- Contractual Services:
 - Use of Term Contractors (Port-a-potties, Boat Demolition, Electricians, Appraisal, etc)
 - Professional Services (Surveys for property conveyance, grant writing, etc)



Harbors Overview

Section D, Item 2.

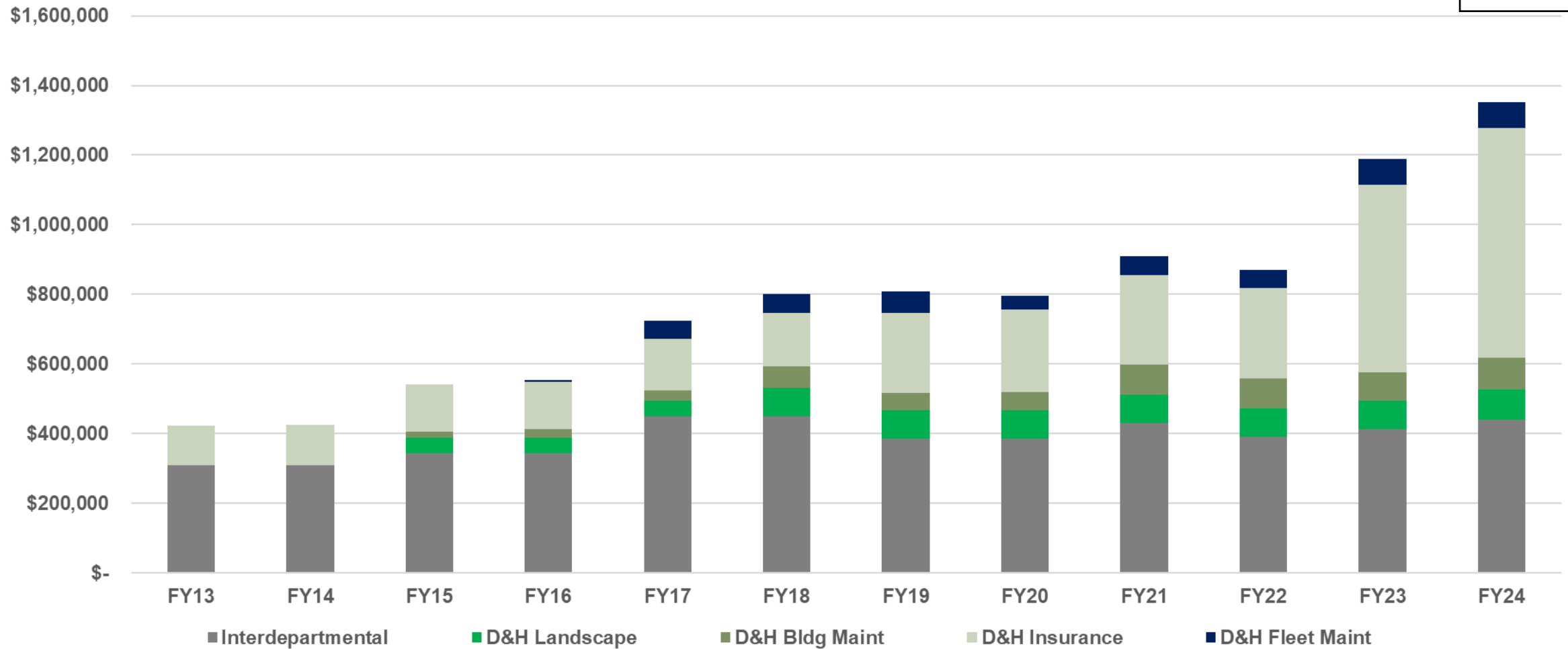


	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Harbors Actual Revenue	3,301,200	3,800,400	4,466,300	4,418,400	4,213,000	4,374,735	4,227,700	4,597,600	4,076,700	4,783,000	5,154,600	5,432,700
Harbors Actual Expense	3,163,500	3,195,000	3,574,700	3,380,634	3,507,112	3,702,155	3,834,900	3,983,100	3,661,100	4,000,600	4,908,300	5,128,000
Harbors Fund Balance	2,893,416	3,210,757	4,133,190	3,874,843	1,485,483	895,149	682,000	305,000	642,500	1,833,800	2,080,100	2,384,800



CBJ INTERDEPARTMENTAL & OTHER FEES

Section D, Item 2.

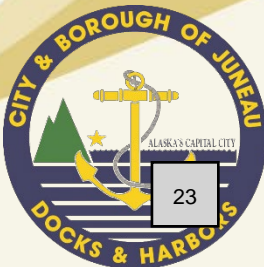


	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Interdepartmental	\$ 309,600	\$ 309,600	\$ 343,800	\$ 343,800	\$ 450,400	\$ 450,400	\$ 386,400	\$ 386,400	\$ 430,800	\$ 391,600	\$ 412,400	\$ 441,000
D&H Landscape	\$ -	\$ -	\$ 45,000	\$ 45,000	\$ 45,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 85,600
D&H Bldg Maint	\$ -	\$ -	\$ 15,807	\$ 24,318	\$ 28,322	\$ 60,836	\$ 48,527	\$ 51,300	\$ 85,900	\$ 86,400	\$ 81,900	\$ 90,800
D&H Insurance	\$ 114,200	\$ 114,566	\$ 136,400	\$ 136,400	\$ 149,324	\$ 154,680	\$ 231,674	\$ 236,384	\$ 257,706	\$ 258,452	\$ 538,600	\$ 661,000
D&H Fleet Maint	\$ -	\$ -	\$ 0	\$ 3,660	\$ 51,661	\$ 54,391	\$ 60,547	\$ 41,000	\$ 53,000	\$ 52,000	\$ 74,700	\$ 72,700
Total	\$ 309,600	\$ 309,600	\$ 404,607	\$ 416,778	\$ 575,383	\$ 646,627	\$ 576,474	\$ 559,700	\$ 650,700	\$ 610,600	\$ 1,188,600	\$ 1,351,100

FY23 & FY24

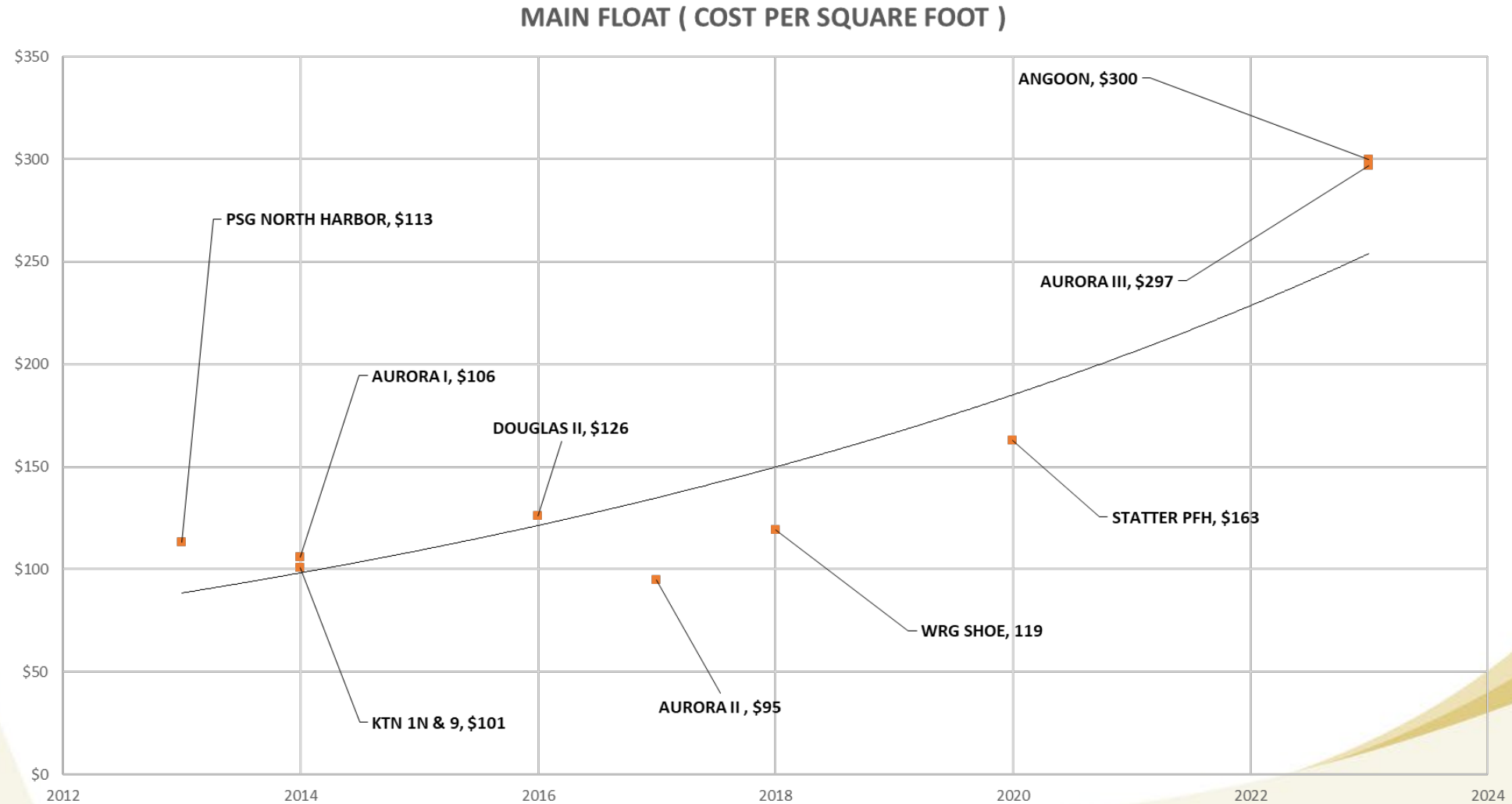
Docks & Harbors Fees to CBJ

- \$1.3M (16% of All Docks & Harbors Expenditures) goes to CBJ
- Property Insurance
 - FY22 - \$258,452
 - FY24 - \$661,000 (increase of 256% since FY22)
 - FY16-FY21 Docks & Harbor has claims totaling \$8100
 - FY22 claim for storm damage to Statter Harbor \$300K
- Premium Consideration
 - Docks & Harbors property value (\$147M) account for 14% of total CBJ
 - Only Juneau School District (34%) & Public Works/Waste Water (14%) have higher premiums than Docks & Harbors



Construction Cost Escalation

Floats have nearly doubled since 2020



Questions?





MEMORANDUM

DATE: April 21, 2023

TO: Assembly Finance Committee

FROM: Alexandra Pierce, Tourism Manager

SUBJECT: Marine Passenger Fee Proposal

This memo discusses my proposal for the expenditure of passenger fees (CBJ \$5 Marine Passenger Fee, \$3 Port Development Fee and \$5 State Commercial Passenger Vessel Fee). This proposal is made in accordance with the settlement that was reached with CLIA in March of 2019 and is designed to provide services and solve community issues related to cruise ship tourism.

The cruise industry holds a consensus view that Southeast Alaska sailings will exceed pre-pandemic levels in the summer of 2023. The scheduled lower berth capacity is estimated to be 1.65 million visitors for the summer 2023 season.

Here is how that forecast for visitation translates to passenger fee revenue in FY23 and FY24:

			PAX	MPF	PDF	State CPV*	Total
CY2022 Jul/Aug/Sept	FY2023		600,000	\$ 3,000,000	\$ 1,800,000	\$ 5,000,000	\$ 9,800,000
CY2023 April/May/June	FY2023		660,000	\$ 3,300,000	\$ 1,980,000		\$ 5,280,000
CY2023 Jul/Aug/Sept	FY2024	✓	990,000	\$ 4,950,000	\$ 2,970,000	\$ 8,250,000	\$ 16,170,000
CY2024 April/May/June	FY2024		660,000	\$ 3,300,000	\$ 1,980,000		\$ 5,280,000

**State CPV receipts remitted to CBJ approximately
eight months after they are received*

FY23 Passenger Fee Total \$ 15,080,000
FY24 Passenger Fee Total \$ 21,450,000

The absent 2020 cruise season and slow 2021 season still incurred operating and debt service expenses. As a result, we carried a negative fund balance of \$3.2 million into FY23. This is eliminated for FY24 and we can expect to carry a positive fund balance into FY25. Additionally, new U.S. Coast Guard security requirements translate to increased security expenses of approximately \$150,000 per dock. This was new for FY23 but will continue indefinitely.

FY24 Passenger Fee Proposal			
	Direct Cost	Overhead	Total
Debt Service: Juneau Cruise Terminal Docks	\$ 2,026,500	\$ -	\$ 2,026,500
CBJ Municipal Services			
Police Support	\$ 1,289,600	\$ 47,800	\$ 1,337,400
Ambulance/EMS Support	\$ 591,500	\$ 21,900	\$ 613,400
Seawalk, Open Space and Restroom Maintenance	\$ 426,100	\$ 15,800	\$ 441,900
Street Cleaning/Repair	\$ 192,900	\$ 7,100	\$ 200,000
D&H - Port Management	\$ 275,000	\$ 10,200	\$ 285,200
D&H - Port Customs Office Building Maintenance	\$ 142,000	\$ 5,300	\$ 147,300
D&H - Access Control Security	\$ 300,000	\$ 11,100	\$ 311,100
Tourism Management	\$ 229,000	\$ 8,500	\$ 237,500
CBJ Resident Tourism Survey	\$ 35,000	\$ 1,300	\$ 36,300
Cruise Ship Passenger Survey	\$ 35,000	\$ 1,300	\$ 36,300
General Economic Analysis	\$ 40,000	\$ 1,500	\$ 41,500
Total City Services	\$ 3,556,100	\$ 132,700	\$ 3,688,800
Third-Party Visitor Services by Assembly Grant			
Travel Juneau - Crossing guard program	\$ 294,200	\$ -	\$ 294,200
Travel Juneau - Visitor services program	\$ 165,200	\$ -	\$ 165,200
Tourism Best Management Practices (TBMP)	\$ 26,000	\$ -	\$ 26,000
Downtown Business Association Ambassador Program	\$ 90,000	\$ -	\$ 90,000
AJ Dock - Access Control Security	\$ 130,000	\$ -	\$ 130,000
AJ Dock - Restroom Maintenance	\$ 30,000	\$ -	\$ 30,000
Franklin Dock - Access Control Security	\$ 130,000	\$ -	\$ 130,000
Franklin Dock - Restroom Maintenance	\$ 30,000	\$ -	\$ 30,000
Seasonal Workforce Housing Planning	\$ 50,000	\$ -	\$ 50,000
Total 3rd Party Services	\$ 945,400	\$ -	\$ 945,400
Capital Investments			
Capital Civic Center	\$ 1,000,000	\$ -	\$ 1,000,000
Marine Park Improvements	\$ 2,000,000	\$ -	\$ 2,000,000
Homestead Park Improvements	\$ 1,000,000	\$ -	\$ 1,000,000
Wastewater Improvements	\$ 950,000	\$ -	\$ 950,000
Informational Signage	\$ 75,000	\$ -	\$ 75,000
Circulator Plan	\$ 20,000	\$ -	\$ 20,000
Seawalk Expansion	\$ 10,000,000	\$ -	\$ 10,000,000
Total Capital Investments	\$ 15,045,000	\$ -	\$ 15,045,000
Total Proposed FY24 Passenger Fee Expenditures	\$ 21,573,000	\$ 132,700	\$ 21,705,700

Using Passenger Fees:

Passenger fee funding for all CBJ municipal services and the related overhead is calculated by a third-party cost allocation consultant (Matrix Consulting) in compliance with applicable federal standards and industry best practices. Third-party visitor services are funded based on the settlement agreement and on discussions with CLIA as described therein. Of note, CLIA is supportive of funding for a study on the visitor industry’s impact on Juneau’s housing market.

Capital Investments:

Capital investments were previously limited by the negative fund balance carried forward from fiscal year 2022 and the likelihood of a slower than scheduled cruise season. At the time, CBJ received a number of worthy requests and we have budgeted funds to start some of the proposed projects, anticipating more funding in the coming years. Attachment A shows CBJ’s long-term visitor infrastructure needs.

Notably, this year’s budget dedicates \$10,000,000 to the Seawalk, anticipating agreement on a Franklin to AJ Dock connection. Other recommended infrastructure funding includes funding for reconstruction of Marine and Homestead Parks, \$1 million towards the Capital Civic Center, wastewater improvements that were originally funded for FY21, improved signage, and extra funds to finish the circulator study. Note that dock electrification is being funded separately with a separate passenger fee-backed bond package.

The above proposal represents a conservative approach that meets our debt and negative fund balance obligations, and lays the groundwork for future infrastructure priorities.

Attachments:

Attachment A – Passenger Fee Infrastructure Needs FY24-28

Attachment B – Combined Passenger Fee Requests Table

Attachment C – Consolidated FY24 Passenger Fee Requests

Passenger Fee Infrastructure Needs FY24-28

	Total	FY24	FY25	FY26	FY27	FY28
Shore Power ASP+	\$ 20,000,000		bonding			
Shore Power CT-	\$ 10,000,000	\$ -				bonding
Seawalk South (Franklin to AJ)	\$ 25,000,000	\$ 9,500,000	\$ 15,500,000			
Seawalk Center (Triangle to Subport)	\$ 15,000,000	\$ 500,000			\$ 5,000,000	\$ 10,000,000
Seawalk North (Subport to Gold Crk)	\$ 10,000,000	\$ -		\$ 10,000,000		
NOAA Dock	\$ 10,000,000		\$ 1,000,000			
Small Cruise Ship Berth Facility (match)	\$ 10,000,000	\$ -			\$ 10,000,000	
Archipelago Museum	\$ 10,000,000		\$ 500,000			
Capital Civic Center	\$ 10,000,000	\$ 1,000,000				
Warner's Wharf	\$ 2,000,000	\$ -		\$ 2,000,000		
Fill Dock/Seawalk Holes	\$ 4,000,000	\$ -		\$ 4,000,000		
Marine Park	\$ 2,000,000	\$ 2,000,000				
USS Juneau Memorial Park	\$ 6,000,000	\$ -				\$ 6,000,000
Homestead Park	\$ 1,000,000	\$ 1,000,000				
Triangle Project (CLAW BACK)	\$ 2,000,000		\$ 1,000,000	\$ 1,000,000		
Visitor Circulator	\$ 170,000	\$ 20,000	\$ 150,000			
Waterfront Play Area	\$ 1,000,000			\$ 100,000	\$ 900,000	
Purchase AJ Dock	\$ 30,000,000	\$ -				
Purchase Franklin Dock	\$ 20,000,000	\$ -				
Float Franklin Dock	\$ 30,000,000	\$ -				
TOTAL	\$ 218,170,000	\$ 14,020,000	\$ 18,150,000	\$ 17,100,000	\$ 15,900,000	\$ 16,000,000

Combined Passenger Fee Requests			
CBJ Tourism	Requested	Funded	Notes
Annual Survey	\$35,000	\$35,000	Combined with JEDC's request
Tourism Housing Market Analysis	\$50,000	\$50,000	
Marine Park Construction	\$2,000,000	\$2,000,000	
Homestead Park construction	\$1,000,000	\$1,000,000	Additional funds to finish study
Capital Civic Center	\$1,000,000	\$1,000,000	
Cruise Ship Passenger Survey	\$35,000	\$35,000	
Circulator Study	\$20,000	\$20,000	
General Economic Analysis	\$40,000	\$40,000	
Seawalk	\$10,000,000	\$10,000,000	
CBJ Public Works			
DTC Signage	\$50,000	\$50,000	Included in informational signage item
Wastewater Improvements	\$900,000	\$900,000	
JCOS			
Bid Ready Docs Dock Electrification	\$2,445,988		
Beneficial Electrification Study	\$250,000		
Transformers	\$5,000,000		
Circulator LoNo Match	\$680,000		
Water Bottle Filling Stations	\$100,000		
AJ Dock			
Security	\$282,000	\$130,000	Funded to equal Franklin Dock Passenger service
Restrooms	\$30,000	\$30,000	
Asphalt repair	\$22,000		
Security patrol & response boat	\$19,600		
Barge Maintenance	\$750,000		
Safety barrier fence replacement	\$87,000		
Terminal, security and schrrening facility	\$350,000		
Uplands modifications	\$379,000		
DBA			
Downtown Ambassador Program	\$90,000		
Franklin Dock			
Security	\$130,000		
Restrooms	\$30,000		
Dock Maintenance	\$72,500		
Princess			
Shore Power Switchgear Replacement	\$111,000		
Juneau District Heat			
Electrical Infrastructure at Subport	\$2,500,000		
JEDC			
Seasonal workforce housing construction	\$12,000,000		
Docks & Harbors			
Areawide Port Operations	\$275,000	\$275,000	
Customs & Visitor Center Maintenance	\$142,000	\$142,000	
Dock Safety Rail	\$1,000,000		
Adopted Budget for Docks	\$2,200,000		
Security	\$300,000	\$300,000	
Port Harmonization	\$1,000,000		
Purchase Archipelago property	\$10,000,000		
Lone sailor statue	\$1,000,000		
USS Juneau Memorial	\$3,000,000		
Rebuild emergency vessel float	\$650,000		
Gene Miller			
Glacier Visitor Center Restrooms			
Jim Dogaghey			
Covered walkway along docks			
Food vendor/artist stalls on docks			
Burce Denton			
Circulator LoNo Match	\$1,000,000		
Joyanne Bloom			
Signage for Peratrovich Plaza		\$25,000	Included in informational signage item
Sandro Lane			
Purchase Emergency Vehicles, locate on Rock Dump			
Peter Dukowitz			
Conversion of 2 (whale watch?) vessels to electric	\$500,000		
Michael Riederer			
Additional Auke Bay speed zone buoys	\$60,000		

Travel Juneau			
	Crossing Guard Program	\$294,206	\$294,206
	Visitor Information program	\$165,180	\$165,180
	TBMP	\$25,950	\$25,950



MEMORANDUM

DATE: April 21, 2023

TO: Assembly Finance Committee

FROM: Alexandra Pierce, Tourism Manager

SUBJECT: Marine Passenger Fee Proposal – Amendments and Supplemental Information on Commercial Recreational Use Funding

This memo describes the additional Marine Passenger Fee funding request discussed at the April 3, 2023 Committee of the Whole meeting. The Committee recommended approval of two planning efforts: finishing the Trails Plan and a Commercial Recreational Use Strategy. The Trails Plan is an infrastructure plan, and should be a General Fund expense. The \$80,000 to finish the plan should be placed on the pending list.

The original proposal recommended moving \$120,000 from the Seawalk to fund the Commercial Recreational Use project. The Finance Director has since advised that we have sufficient MPF funds available to cover both projects as budgeted.

Staff also recommends two additional amendments to the original proposal. The first amendment increases the cruise ship passenger survey budget from \$35,000 to \$100,000 to reflect higher anticipated project cost and a provision for economic analysis and spending data. The second amendment reallocates \$50,000 for seasonal workforce housing planning from a third-party visitor services Assembly grant to the Tourism Management operating budget to provide more flexibility on project terms and scope.

The following information was already provided to the Committee of the Whole, but it is a good refresher on the context around these additional needs:

The U.S. Forest Service also bases its trail permitting off the Juneau Trails Working Group, and all of its commercially permitted trails are within the Mendenhall Glacier Recreation Area. The glacier currently sees 700,000 visitors per year, and the USFS has conducted an extensive planning process over the past six years to expand this capacity. The final product is likely several years away and funding is uncertain.

CBJ's 2022 Tourism Survey results are evenly split on whether to spread visitors out across the borough or to confine visitor operations to a few known areas. Regardless of the direction the Assembly takes on dispersion versus condensation, Juneau appears to be nearing the point where shore excursion capacity does not meet demand. Without new opportunities, we will continue to see growth in markets that already feel 'full' (i.e. whale watching). If the Eaglecrest gondola is constructed in the next few years, we can expect approximately 70,000 visits in the first year. The gondola certainly represents an opportunity for disbursement, but even at full projected capacity, it will not scale up enough to make a major

difference. Shore excursion growth should be strategic. New activities should happen in locations supported by public process.

We conduct surveys because we typically hear from the people who feel disproportionately affected, either positively or negatively, by the visitor industry. It's valuable to hear from a random sample of residents. However, each time there is a proposal for tourism activity in a new area, we hear from people who are concerned about being displaced. Based on the recommendations of the VITF and the recent Assembly discussion about the Pioneer Road, staff proposes using Marine Passenger Fees to fund a public process around commercial use throughout the borough. The policy component should be fairly straightforward, building on the work of the VITF, but we need a focused public process about the best areas of town for visitor industry activity and that has not yet taken place.

FY24 Passenger Fee Proposal – Amended			
	Direct Cost	Overhead	Total
Debt Service: Juneau Cruise Terminal Docks	\$ 2,026,500	\$ -	\$ 2,026,500
CBJ Municipal Services			
Police Support	\$ 1,289,600	\$ 47,800 \$ 45,100	\$ 1,337,400 \$ 1,334,700
Ambulance/EMS Support	\$ 591,500	\$ 21,900 \$ 20,700	\$ 613,400 \$ 612,200
Seawalk, Open Space and Restroom Maintenance	\$ 426,100	\$ 15,800 \$ 14,900	\$ 441,900 \$ 441,000
Street Cleaning/Repair	\$ 192,900	\$ 7,100 \$ 6,700	\$ 200,000 \$ 199,600
D&H - Port Management	\$ 275,000	\$ 10,200 \$ 9,600	\$ 285,200 \$ 284,600
D&H - Port Customs Office Building Maintenance	\$ 142,000	\$ 5,300 \$ 5,000	\$ 147,300 \$ 147,000
D&H - Access Control Security	\$ 300,000	\$ 11,100 \$ 10,500	\$ 311,100 \$ 310,500
Tourism Management	\$ 229,000	\$ 8,500 \$ 8,000	\$ 237,500 \$ 237,000
CBJ Resident Tourism Survey	\$ 35,000	\$ 1,300	\$ 36,300
Cruise Ship Passenger Survey	\$ 35,000 \$ 100,000	\$ 1,300 \$ 3,600	\$ 36,300 \$ 103,600
General Economic Analysis	\$ 40,000	\$ 1,500 \$ 1,400	\$ 41,500 \$ 41,400
Seasonal Workforce Housing Planning	\$ 50,000	\$ 1,700	\$ 51,700
Commercial Recreational Use Strategy	\$ 120,000	\$ 4,200	\$ 124,200
Total City Services	\$ 3,556,100 \$ 3,791,100	\$ 132,700	\$ 3,688,800 \$ 3,923,800
Third-Party Visitor Services by Assembly Grant			
Travel Juneau - Crossing guard program	\$ 294,200	\$ -	\$ 294,200
Travel Juneau - Visitor services program	\$ 165,200	\$ -	\$ 165,200
Tourism Best Management Practices (TBMP)	\$ 26,000	\$ -	\$ 26,000
Downtown Business Association Ambassador Program	\$ 90,000	\$ -	\$ 90,000
AJ Dock - Access Control Security	\$ 130,000	\$ -	\$ 130,000
AJ Dock - Restroom Maintenance	\$ 30,000	\$ -	\$ 30,000
Franklin Dock - Access Control Security	\$ 130,000	\$ -	\$ 130,000
Franklin Dock - Restroom Maintenance	\$ 30,000	\$ -	\$ 30,000
Seasonal Workforce Housing Planning	\$ 50,000	\$ -	\$ 50,000
Total 3rd Party Services	\$ 945,400 \$ 895,400	\$ -	\$ 945,400 \$ 895,400

	Direct Cost	Overhead	Total
Capital Investments			
Capital Civic Center	\$ 1,000,000	\$ -	\$ 1,000,000
Marine Park Improvements	\$ 2,000,000	\$ -	\$ 2,000,000
Homestead Park Improvements	\$ 1,000,000	\$ -	\$ 1,000,000
Wastewater Improvements	\$ 950,000	\$ -	\$ 950,000
Informational Signage	\$ 75,000	\$ -	\$ 75,000
Circulator Plan	\$ 20,000	\$ -	\$ 20,000
Seawalk Expansion	\$ 10,000,000	\$ -	\$ 10,000,000
Total Capital Investments	\$ 15,045,000	\$ -	\$ 15,045,000
Total Proposed FY24 Passenger Fee Expenditures	\$ 21,573,000 \$ 21,758,000	\$ 132,700	\$ 21,705,700 \$ 21,890,700

City and Borough of Juneau
Passenger Fees from All Sources
(\$000 Thousands)
April 26, 2023

	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
<u>MPF</u>									
Revenue	\$ 5,067	\$ 5,407	\$ 5,991	\$ 4,000	\$ 9	\$ 2,641	\$ 6,300	\$ 8,250	\$ 8,250
Unspent MPF returned to Fund	\$ 251	\$ 30	\$ 2,410	\$ -	\$ -	\$ 107	\$ -	\$ -	\$ -
Operating Expenditures	\$ (3,953)	\$ (3,337)	\$ (3,189)	\$ (5,424)	\$ (2,408)	\$ (2,963)	\$ (4,638)	\$ (4,839)	\$ (4,839)
Capital Expenditures	\$ (1,303)	\$ (1,869)	\$ (5,385)	\$ (677)	\$ -	\$ -	\$ -	\$ -	\$ -
Surplus/Deficit	\$ 62	\$ 231	\$ (173)	\$ (2,101)	\$ (2,399)	\$ (215)	\$ 1,662	\$ 3,411	\$ 3,411
Fund Balance	\$ 536	\$ 767	\$ 594	\$ (1,507)	\$ (3,906)	\$ (4,122)	\$ (2,459)	\$ 952	\$ 4,363
<u>SMPF</u>									
Revenue	\$ 4,600	\$ 4,600	\$ 5,271	\$ 5,971	\$ 2,446	\$ 572	\$ 5,000	\$ 8,250	\$ 8,250
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ (351)	\$ -	\$ -	\$ -	\$ -
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ (2,095)	\$ -	\$ -	\$ -	\$ -
Capital Expenditures	\$ (4,600)	\$ (4,600)	\$ (5,000)	\$ (4,500)	\$ -	\$ -	\$ (4,095)	\$ (11,000)	\$ -
Surplus/Deficit	\$ -	\$ -	\$ 271	\$ 1,471	\$ -	\$ 572	\$ 905	\$ (2,750)	\$ 8,250
Fund Balance	\$ 295	\$ 295	\$ 566	\$ 2,037	\$ 2,037	\$ 2,609	\$ 3,514	\$ 764	\$ 9,014
<u>PDF</u>									
Revenue	\$ 3,015	\$ 3,217	\$ 3,568	\$ 2,367	\$ -	\$ 1,557	\$ 8,780	\$ 4,950	\$ 4,950
Operating Expenditures	\$ (6)	\$ (6)	\$ (6)	\$ (363)	\$ (8)	\$ (8)	\$ (8)	\$ (20)	\$ (20)
Debt Service	\$ (2,093)	\$ (2,095)	\$ (2,097)	\$ (2,095)	\$ -	\$ (1,883)	\$ (2,478)	\$ (2,286)	\$ (2,477)
Capital Expenditures	\$ -	\$ -	\$ (3,700)	\$ -	\$ -	\$ -	\$ (5,000)	\$ (4,045)	\$ -
Surplus/Deficit	\$ 916	\$ 1,116	\$ (2,235)	\$ (91)	\$ (8)	\$ (334)	\$ 1,294	\$ (1,401)	\$ 2,453
Fund Balance	\$ 1,732	\$ 2,848	\$ 613	\$ 522	\$ 514	\$ 180	\$ 1,474	\$ 73	\$ 2,526
<u>TOTAL PASSENGER FEES</u>									
Revenue	\$ 12,682	\$ 13,224	\$ 14,830	\$ 12,338	\$ 2,455	\$ 4,770	\$ 20,080	\$ 21,450	\$ 21,450
Unspent MPF returned to Fund	\$ 251	\$ 30	\$ 2,410	\$ -	\$ -	\$ 107	\$ -	\$ -	\$ -
Operating Expenditures	\$ (3,959)	\$ (3,343)	\$ (3,195)	\$ (5,787)	\$ (2,767)	\$ (2,971)	\$ (4,646)	\$ (4,859)	\$ (4,859)
Debt Service	\$ (2,093)	\$ (2,095)	\$ (2,097)	\$ (2,095)	\$ (2,095)	\$ (1,883)	\$ (2,478)	\$ (2,286)	\$ (2,477)
Capital Expenditures	\$ (5,903)	\$ (6,469)	\$ (14,085)	\$ (5,177)	\$ -	\$ -	\$ (9,095)	\$ (15,045)	\$ -
Surplus/Deficit	\$ 978	\$ 1,347	\$ (2,137)	\$ (721)	\$ (2,407)	\$ 23	\$ 3,861	\$ (740)	\$ 14,114
Fund Balance	\$ 2,563	\$ 3,910	\$ 1,773	\$ 1,052	\$ (1,355)	\$ (1,333)	\$ 2,529	\$ 1,789	\$ 15,902

Passenger Fee Funding Requests

The CBJ Code requires the Manager to forward all submittals for passenger fee requests to the Assembly for consideration. The Assembly is not required to take individual action on these requests.

Per Title 69, Chapter 20.120(b)(3):

The manager shall forward all submittals, cruise line industry comments, board comments, public comments, and the manager's final recommendations to the Assembly Finance Committee for consideration. The Finance Committee will forward the final list of marine passenger fee proceeds' projects to the Assembly for consideration during its deliberations on the annual City and Borough budget.

FY24 Marine Passenger Fee Requests – CBJ Tourism Manager**Public Survey**

The 2020 Visitor Industry Task Force recommendations include annual public surveys to gauge community perceptions of tourism. The Tourism Manager requests \$35,000 for a statistically valid phone survey, online platform for residents to submit comments, and a final report comparing year over year data from past surveys.

Visitor Industry Housing Market Analysis

Juneau is experiencing a significant housing shortage, felt most strongly by small business owners who are unable to attract and retain staff to work in seasonal and entry level positions. The visitor industry's role in Juneau's housing market is much discussed and the Assembly should have a complete analysis of the industry's role in Juneau's housing market struggles to help inform decision. The Tourism Manager requests \$25,000 for a visitor industry employee housing market analysis.

Centennial Hall

CBJ and CLIA amended their settlement agreement to allow for up to \$10 million of Marine Passenger Fees to be spent on renovating Centennial Hall into a multi-use Capital Civic Center complex. The \$1 million contribution towards CBJ's investment in the project represents the industry's support for the development.

General Economic Analysis

There are a number of visitor-industry related data projects that would be useful in informing CBJ's approach to industry relations. This \$40,000 request would fund either contracted services or temporary staff to complete that work.

Cruise ship Passenger Survey

A visitor survey has not been completed for Juneau in nearly a decade. This \$35,000 request would collect data on Juneau's competitiveness as a port and passenger perceptions on visitor volume and shore excursion offerings available.

From: [Katie Koester](#)
To: [Jeff Rogers](#)
Cc: [Alexandra Pierce](#); [Rorie Watt](#); [Denise Koch](#)
Subject: FW: CBJ to Accept Marine Passenger Fee Funding Proposals December 1 – January 2
Date: Wednesday, December 14, 2022 5:08:30 PM
Attachments: [image001.png](#)

Hi Jeff,

I would like to put in a plug for \$50K in PF for some signage at DTC to help tourists know where to go. We could also add info on the free downtown route we offer (almost like a circulator...)

Sorry we did not get this to you sooner – but it is proof people read the press releases!

Katie

From: Denise Koch <Denise.Koch@juneau.gov>
Sent: Wednesday, December 14, 2022 5:00 PM
To: Katie Koester <Katie.Koester@juneau.gov>
Subject: FW: CBJ to Accept Marine Passenger Fee Funding Proposals December 1 – January 2

Katie,

For your information for the MPF discussion

Agency: Capital Transit

What: Information screen at the Downtown Transit Center (DTC)

Nexus to Tourism: As cruise tourism came roaring back during the Summer of 2022, cruise tourists flooded the DTC looking for information on how to get to the Glacier. Drivers have very short discrete breaks where they have the opportunity to eat, use the restroom, etc. They would get bombarded by tourists asking for everything from the cost of the fare, to the best way to get the Glacier, to when the next bus is coming. We had asked for the Downtown Business Association (DBA) to bring their ambassadors to DTC. Drivers don't recall seeing the ambassadors. When I followed up with DBA they mentioned how they (like everybody!) were short staffed.

Budget: Under development. Rusty is working this project.

Please let me know if you'd like additional information.

Denise

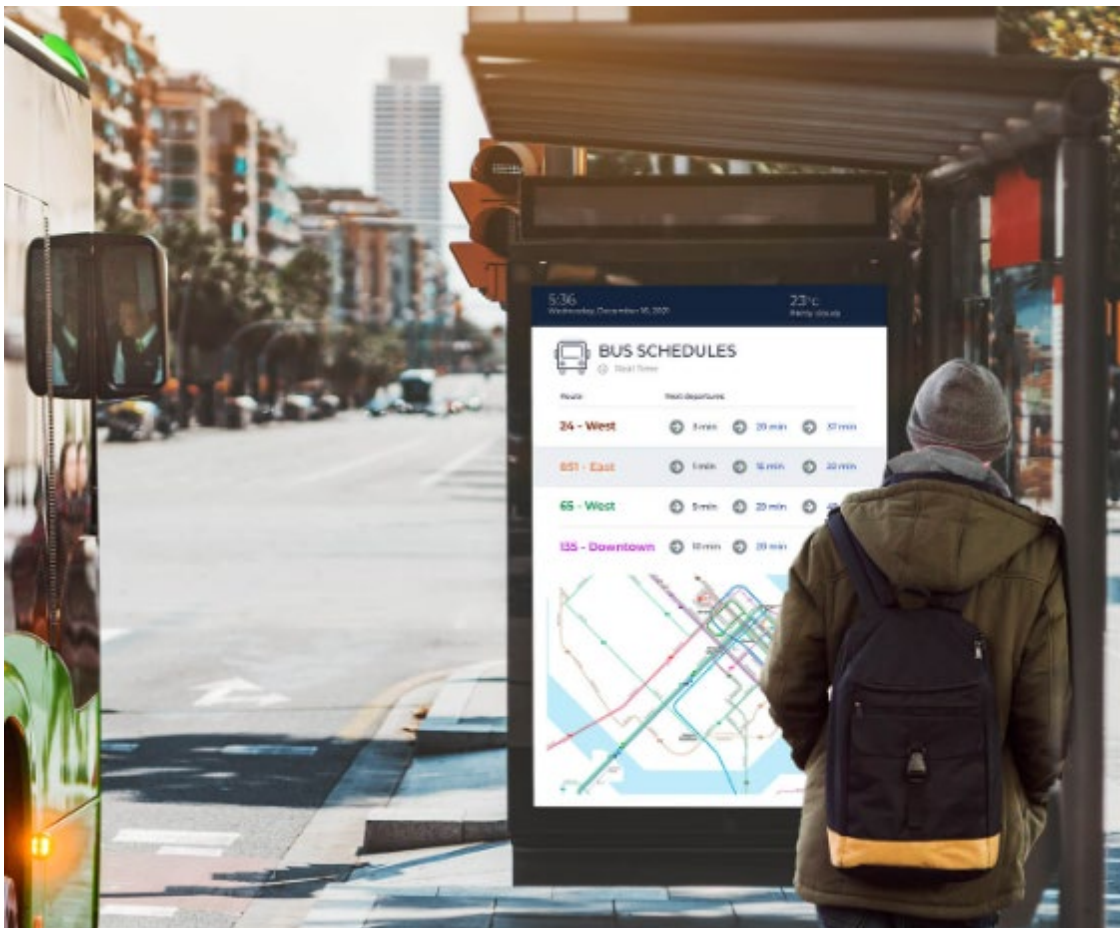
From: Rich Ross <Rich.Ross@juneau.org>
Sent: Thursday, December 1, 2022 1:38 PM
To: Jeanne Rynne <Jeanne.Rynne@juneau.org>

Cc: Denise Koch <Denise.Koch@juneau.org>; Katie Koester <Katie.Koester@juneau.org>

Subject: FW: CBJ to Accept Marine Passenger Fee Funding Proposals December 1 – January 2

Hi Jeanne,

Capital Transit would like to submit a proposal for Marine Passenger Fee funds to build an information screens at the Downtown Transit Center. Often during the summer cruise passengers will bombard Transit drivers with questions about how to get to the glacier. We think much of this can be alleviated if we had some information screens. Can you assist in helping me develop a budget for such a project?



Rich

From: Meredith Thatcher <Meredith.Thatcher@juneau.org>

Sent: Thursday, December 1, 2022 8:52 AM

Subject: CBJ to Accept Marine Passenger Fee Funding Proposals December 1 – January 2

MEMORANDUM

CITY/BOROUGH OF JUNEAU

155 South Seward Street, Juneau, Alaska 99801

TO: Rorie Watt,
City Manager

DATE: November 28, 2022

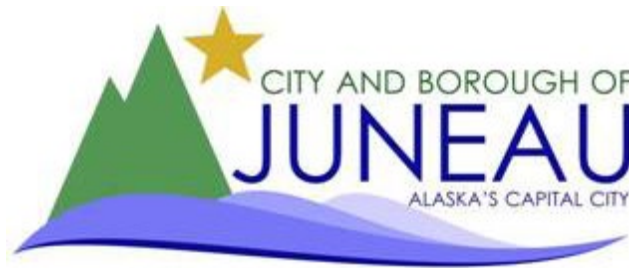
FROM: Brian McGuire
Utilities Superintendent

SUBJECT: Request for Marine Passenger Fees – Cruise ship Load conveyance upgrades

The Public Works and Engineering Department requests \$950,000 of Marine Passenger Fees for FY 23 for improvements to the Outer Drive lift station, which facilitates it's delivery to the Juneau Douglas WWTP. This request includes improvements to the pumps and VFDs used in the station.

In recent years, the loading experienced by the Juneau-Douglas WWTP due to accepting the cruise ship loads has increased substantially. A large percentage of this cruise ship waste goes through the Outer Drive lift station on its way to the plant. Due to the relative strength and volume of this waste, the Outer Drive lift station has reached a point where it needs upgrades to continue to the pumps and the variable frequency drives.

This funding request recognizes the impact of the cruise ship wastewater treatment on the Juneau sewer infrastructure.



155 S. SEWARD STREET • JUNEAU, ALASKA 99801
PHONE: 907-586-5278 • FAX: 907-586-4552

INFORMATION RELEASE

December 1, 2022

CBJ to Accept Marine Passenger Fee Funding Proposals December 1 – January 2

The City and Borough of Juneau will accept public proposals for projects to be funded with 2022 Marine Passenger Fee proceeds from December 1, 2022 through January 2, 2023. This annual process ensures that all members of the community are able to have a say in how fees from the cruise ship industry are reinvested in local business and services.

The Marine Passenger Fee, a \$5 fee per cruise ship passenger, was established in 1999 by Juneau voters. The fees are designated to fund projects directly related to the visitor industry that enhance the tourism experience in Juneau and offset community impacts created by the cruise ship industry.

The public, including businesses and the visitor industry, are encouraged to submit project proposals to be funded with MPF proceeds. Projects must address an impact made on the community by the cruise ship industry or an aspect of the tourism experience for cruise ship passengers. For a full description of project eligibility, please see [CBJ 69.20.120](#).

The City Manager will develop a draft recommendation list of projects to be funded by Marine Passenger Fee proceeds, followed by a 30-day public comment period. The draft recommendation and all proposals will be available at the [Marine Passenger Fee Program website](#).

All Marine Passenger Fee project proposals and comments will be forwarded along with the City Manager's recommendation list to the Assembly Finance Committee for review, and then to the Assembly for consideration during the upcoming budget cycle.

Proposals must be submitted by January 2, 2022 to alexandra.pierce@juneau.org or the City Manager's Office, attention Alexandra Pierce, 155 S. Seward Street, Juneau, Alaska 99801.

For more information, contact CBJ Tourism Manager Alexandra Pierce at alexandra.pierce@juneau.org or visit the [Marine Passenger Fee Program webpage](#).

###

For media inquiries regarding Marine Passenger Fees, please contact CBJ Tourism Manager Alexandra Pierce at alexandra.pierce@juneau.org or (907) 586-5240.

--

Meredith Thatcher
Public Information Officer
City & Borough of Juneau
(907) 586-5374

Follow CBJ on [Facebook](#), [Twitter](#) & [Instagram](#)

To: Alexandra Pierce
Cc: City Manager, Assembly

Dear Ms. Pierce,

The Juneau Commission on Sustainability (JCOS), in its role as advisor to the Assembly, respectfully offers the following recommendations for use of 2022 Marine Passenger Fee (MPF) funds. These requests support the CBJ's sustainability goals, including the local Clean Port Initiative that we proposed last year to advance Visitor Industry Task Recommendations. They also support Juneau's long term participation in the Green Corridor initiative.

MPF funding for these programs should be combined with related CBJ efforts into a broader community initiative to make Juneau a model for community sustainability and beneficial electrification. This would strengthen Juneau's ability to attract federal infrastructure funding and support from existing federal programs under the Infrastructure Bill, Inflation Reduction Act and directly from our Congressional Delegation.

1. Dock electrification

- a. Funding to complete bid ready engineering/design and environmental permitting for 16B docks shore power. Completion of these documents will help avoid delays and demonstrate project readiness when applying for federal funding. The 2022 Dock Electrification study estimated \$2,445,988¹ for Environmental Permitting, Final Design and Preparation of Contract Documents. We understand that about \$1 million is already available from last year's MPF allocation. JCOS recommends that CBJ fund the remaining portion from MPF receipts and execute these tasks in 2023.
- b. Funding for a beneficial electrification impact analysis and consulting services for downtown/port area electrical infrastructure. The CBJ, the Assembly and the public frequently receive conflicting information about the impacts and costs of proposed electrification projects, and there is a growing need to coordinate CBJ investments. These include shore power for the CBJ's cruise ship docks, the proposed Huna Totem dock, and a potential home port facility for a Coast Guard icebreaker, as well as increasing charging needs for electric vehicles and buses. JCOS recommends that a 3rd party contractor assist the CBJ in assessing and evaluating alternative approaches and its investments in electrical infrastructure. \$250,000.
- c. Funding for two load tap transformers for the CBJ 16B cruise ship docks. With long lead times to acquire this equipment, the CBJ faces delays in completing the project unless it gets them on order now, as recommended by the Port Director. As we finalized this request we learned that the Port Director is recommending a \$5 million bond funding using Port Development fees. Without information on how long it will take to put together this bond package, and in order to minimize further delays, we recommend that

¹ PORT OF JUNEAU SHORE POWER CONNECTION STUDY Appendix D4-1,2, 3,4 BUDGET LEVEL ESTIMATE PND ENGINEERS, INC. July 2, 2021 <https://juneau.org/harbors/project-archive/entry/69827#gallery-113-4-69827-5>

existing MPF funding be used for a 30% downpayment to go ahead and get the load tap transformers ordered.

2. Funding match for four electric circulator buses.

This will enable competitive application for federal Low No Emissions Electric Bus funding. Arboc 35 foot, two door, low entry vehicles with a 235 mile range with charging equipment are roughly \$850,000 each (specifications, pictures and data are attached). The downtown circulator is mentioned 18 times in the Blueprint Downtown Juneau final document² and is identified as a means to disperse downtown visitor crowds in the Visitor Industry Task Force recommendations.³ A downtown circulator system has been examined in at least 6 CBJ studies since 1986. The Juneau Commission on Sustainability and the Downtown Business Association have passed resolutions (copies attached) asking the CBJ to seek and procure federal funding that the CBJ is currently eligible for. A 20% match for four circulator buses is \$680,000. We recommend that this be allocated from MPF to match a successful CBJ Low No Grant. An alternative to applying for federal funding would be to use MPF for the full amount of \$3,400,000 for four electric circulators and charging apparatus.

3. Funding to complete the water bottle/filling station program that was partially funded last year. This project will assist the cruise lines and the community in reducing the number of plastic water bottles used and disposed of in Juneau. It will include a network of water bottle filling stations in the port area, including both CBJ owned, and private facilities. \$100,000.

Thank you for considering our recommendations, and feel free to contact me if you have any questions.

² CBJ Blueprint Downtown Area Plan July 2022 <https://juneau.org/wp-content/uploads/2022/07/BPDT-Final-with-Appendices-Reduced-1.pdf>

³ Visitor Industry Task Force Report To the City & Borough of Juneau Assembly March 2020 https://juneau.org/index.php?gf-download=2021%2F02%2F2021-01-07-VITF-final-report_COW.pdf&form-id=22&field-id=11&hash=83992e0039a6bc1109b1006f00104c9a6a6ec5345e1d4b4e79575e9b992a9676&TB_iframe=true

Attachments:

[JCOS ARBOC EV circulator concept Equest-CHARGE-brochure-30-35-ft-120121.pdf \(2,382K\)](#)

[JCOS quote ARBOC 20220412 ADOA Equest Charge 30 25w2.pdf \(255K\)](#)
[JCOS 20220406 JCOS Res - Downtown Circulator.pdf \(893K\)](#)

[DBA Motion to Request 2022 Grant Filing for Downtown Circulator April 2022.pdf \(164K\)](#)

Steve Behnke for Gretchen Keiser, Chair, JCOS

I can't figure out how to attach these documents properly, so I've forwarded them in a separate e-mail as well. We'd like to have them included with this document so that they're all in one place.



MEMORANDUM

TO: CBJ City Manager/City Tourism Manager
City and Borough of Juneau Assembly

FROM: Drew Green, AJ Juneau Dock LLC

SUBJECT: FY24 Marine Passenger Fee Proceeds Project List

DATE: 12/31/22

The AJ dock is a cruise ship facility in the port of Juneau receiving cruise ship passengers contributing to the Marine Passenger Fee, State Excise Tax and Port Development Fee. Below are projects appropriate for Marine Passenger Fee proceeds funding. Note that the AJ Dock has carried over FY21 MPF funds for the last 2 seasons and has not received any new MPF grant proceeds and there are a significant number of backlogged projects.

BACKGROUND

In 2022 the AJ dock received **329,107** “revenue” passengers. CBJ has collected and will receive Marine Passenger (MPF), Port Development Fees (PDF) and State Commercial Passenger Vessel Excise Tax (CPE) from vessels calling this facility. Below is a summary of funds collected by CBJ from AJ Dock vessels in 2022 and to date:

Marine Passenger Fee (MPF - \$5/passenger) in 2022: **\$1,645,535**
Port Development Fee (PDF - \$3/passenger) in 2022: **\$987,321**
State Excise Tax (CPE - \$5/passenger) for 2022: **\$1,645,535**
Total estimated per passenger fees collected in 2022: **\$4,278,391**

Total since 2004:

MPF: \$24,877,810

PDF: \$13,684,508

CPE: \$15,904,660 (Total CPE since 2011 - state appropriation formula change)

Total per passenger fees collected by CBJ from AJ Dock vessels to date: **\$54,466,978**

Thank you for consideration of this annual request with FY2024 projects listed below:

AJ Dock CBJ MPF PROJECT REQUESTS FY24

AJ Dock Port Facility Security

This project includes training; maintenance and supplies related to security, safety equipment. Items included are CCTV monitoring system maintenance; signage; credentialing; exercises and operations related to the safety and security of passengers, crew, public and the local workforce at the cruise ship facility. US Coast Guard regulatory determinations have recently increased Access Control screening requirements. To perform these additional identification screening requirements (similar to TSA) three times the security force of 2019 are mandatory in 2023 depending on the passenger volume of a given port call.

\$282,000

AJ Restroom Cleaning, Sanitization and Maintenance

Cleaning, upkeep, and maintenance of facilities servicing passengers, public and workers at the facility.

\$30,000

Asphalt repair

The Jacobsen Drive dock parking lot entrance has significant potholes as well as 3 other spots in the shuttle and tour staging areas. One of these includes a failing rain/drainage catchment basin in need of repair.

\$22,000

Juneau Port Security Patrol and Short-Range Response Boat Operations

The Department of Homeland Security Port Security Grant Program awarded the AJ dock with a port security boat that conducts port security patrols, vessel interceptions, at-sea deliveries to cruise ships in port (many items cannot be transferred over cruise ship docks for security reasons), spill response, salvage response, on-scene coordinator/command and CBP/law enforcement boarding when ships are at anchor or at sea. This request is solely to cover the manning, maintenance and operational expenses related to this vessel.

\$19,600

Barge Maintenance

Every 5 years the AJ Dock floating barge components need to be towed and dry-docked for anti-fouling, painting, and zinc anode replacement. This maintenance project is due in 2023 winter for re-installation completed by March 2024 (the south barge has undergone maintenance in winter 2022/23). The project scope includes towing the barges to a shipyard drydock; dry dock labor, equipment and supplies; zinc anodes replacement; derrick crane barge to remove/replace

mooring collars and the shore bridge; electrical decommissioning/reconnection, plumbing and wastewater disconnection/reconnection.
\$750,000

AJ Dock safety barrier fence replacement

The AJ dock has fences around the perimeter of the barges that make up the dock. These fences over the last 20 years have been bent, damaged and are nearly unusable in some spots. A new barrier system like that of the new CBJ docks is preferred for safety and operations. This project is to design and build a stouter version of safety barrier fencing for the AJ dock with fork pockets for removal by forklift. This project was approved and funded in past FY awards, but these funds were rolled over/reallocated into 2021 and 2022 CY security operations as per CBJ agreement.
\$87,000

AJ Terminal, Security and Screening Facility

Since the AJ Dock was originally constructed a footprint and plan for a future Terminal building has been in place. New security regulations in effect since 2019 (and implemented in the 2021 and 2022 seasons) require additional shoreside screening at facilities and ships for ports of call and for ships “turning” at a terminal. Having an indoor screening area is very advantageous for not only ship and facility security but for efficiencies in passenger and crew movement to and from the ship. Ships required to follow stringent security guidelines for “turning” a ship (passengers disembark and embark in Juneau) have been scheduled at the AJ dock as there is more ample space and a more robust makeshift terminal security program for these events. However, new federal regulations require measures not currently available in Juneau. A structure to house screening of persons, baggage, effects, check-in procedures, US Custom’s inspections and as well as secure baggage handling would greatly enhance our ability as a community to accommodate turning vessels. This request is to begin the architectural and engineering work required for this project.
\$350,000

AJ Uplands Modifications for Passenger Safety, Movement and Vehicle Staging

The AJ Dock uplands was originally designed 20 years ago with a much different class and size of vessel than is experienced today. The movement of people through the facility uplands has become overcrowded and confusing for passengers going ashore making their way to experience Juneau. Of utmost concern is widening areas for pedestrian movement so that passengers are not walking in the roadways with a clear distinction or separation of shuttle and tour operations. Planners and architects along with tour operators have been

involved in the design process to create a more conducive and safer operational site for current (and future) volumes of passengers. This project is designed and ready for permitting/construction during the fall/spring of 2023/2024 with an April 26th, 2024 completion date.

\$379,000



www.DowntownJuneau.org
 612 W. Willoughby Avenue
 Juneau, AK 99801
 Phone: (907) 523-2324
 Fax: (907) 463-3929

December 20, 2022

City Manager's Office
Attn: Alexandra Pierce
 City & Borough of Juneau
 155 South Seward Street
 Juneau, AK 99801

RE: Passenger Fee Request for the Downtown Ambassador Program for FY24

Dear Ms. Pierce,

The Downtown Business Association hereby requests funding for the Downtown Ambassador Program for FY24 of \$90,000. The DBA believes it can fully implement the ambassador services for the first three months of FY24 (July, August, and September 2024) at \$17,500 per month, continuing with an additional \$17,500 per month in May and June of 2024. We can additionally support the extended cruise season in the months of April and October with \$2,500, when ship and passenger traffic has significantly reduced. The grant request includes 15% administrative overhead for the DBA.

The DBA believes it can continue to deliver a high-quality service to downtown visitors using direct-hire employees, building upon the services that were provided with the rebound cruise season of 2022. The currently published 2023 Cruise Ship Calendar showcases a full schedule for the summer, which will require a fully robust Ambassador Program. We propose to provide services that will assist cruise ship passengers in accessing Juneau's downtown business core during the summer months by providing excellent hospitality, including a safety presence, directions, recommendations, and general assistance.

The summer of 2022 was the first full year of the newly envisioned Downtown Ambassador Program, with more focused direct assistance to passengers upon their arrival in Juneau. Visitors consistently expressed their response to this experience as positive and valuable, a shining example of Juneau's welcoming atmosphere and culture. Here are a few quotes our Downtown Ambassadors heard from enthusiastic travelers:

- *"We've enjoyed talking with you so much! You're a great ambassador for Juneau."*
- *"Thank you so much. We would have never known those things (Celebration, new Sealaska opening) were happening in town today!"*
- *"Wow! Thank you for all the inside tips on town!"*
- *"You sound like a local. You are so much more helpful than anyone on that ship!"*
- *"We are so glad you're here! All our questions answered in one spot!"*

The DBA will provide Ambassador services by a uniformed individual for up to 10 hours/day whenever there are cruise ships in port, as resources permit. The Ambassadors will assist vessels and their passengers by providing needed information and support. They will also alert the police or other appropriate authorities to public nuisance and safety issues in the downtown business core.



www.DowntownJuneau.org
612 W. Willoughby Avenue
Juneau, AK 99801
Phone: (907) 523-2324
Fax: (907) 463-3929

A strong and vibrant downtown is not just for visitors or those who live and operate businesses in the area. Downtown is the heart of our community. The Juneau Downtown Business Association exists to support these ideals for all Juneauites.

Thank you for your continued support.

Sincerely,

A handwritten signature in black ink that reads "Gina Morris". The signature is written in a cursive, flowing style.

Gina Morris
Downtown Director
Downtown Business Association



January 2, 2022

City and Borough of Juneau
 Alexandra Pierce, CBJ Tourism Manager
 155 South Seward Street
 Juneau, AK 99801

Dear Ms. Pierce,

Please accept this as a proposed list of projects at the Franklin Street Dock for funding consideration from Marine Passenger Fees for FY24. This request is consistent with our requests over past years, including items for general dock maintenance which in some prior years has been approved.

This parallels requests for grant funding by CBJ for security and restroom maintenance and cleaning. Additionally, Docks and Harbors submits a request (and is funded) each year for the use of marine passenger fees for general operations and maintenance of their docks and infrastructure (buildings). This year these operations and maintenance requests are for \$142,000 and \$275,000. It therefore seems fair and reasonable for similar consideration of the minor maintenance projects listed below for Franklin Dock.

Dock Security as Required by USCG Regulations \$130,000

This is requested for security supplies, audits, conducting exercises and training for all personnel with security-related duties and other security-related expenses. This also includes security guard enclosures/equipment necessary to achieve compliance with USCG approved security plan in providing ISPS related services to vessels while in port.

Additional personnel are now required (for all cruise ship facilities in SE Alaska) to address USCG Transportation Security Act regulations.

On December 18, 2020, Coast Guard Sector Juneau released a Marine Safety Information Bulletin ([see attached](#)) clarifying the regulatory requirements for Maritime Transportation Security Act (MSTA) regulated facilities which receive large foreign passenger vessels (i.e., cruise ships). The Consolidated Cruise Ship Security final rule, published on March 19th, 2018, defined the differences between a “cruise ship terminal” and a “port of call”. The final rule also prompted a conversation between USCG Sector Juneau and SEAK industry stakeholders,

including Franklin Dock Facility Security Officer (FSO) in Juneau. Previously, SEAK industry stakeholders (including Franklin Dock FSO) interpreted Title 33, Code of Federal Regulations (CFR), Section 105.255(d)(4) as a list of documents which could serve as personal identification irrespective of criteria in 33 CFR 101.515. As such, facility security personnel were allowing individuals with only a vessel boarding pass or room key card to gain access to the secure area adjacent to the cruise vessel.

The resultant clarification in the MSIB is that, as of **April 1st, 2021**, facility security personnel must now use a two-prong approach to ensure proper identification and valid purpose:

1. Check the personal identification meeting the criteria in 33 CFR 101.515; and,
2. Confirm the purpose for access by examining at least one document listed in 33 CFR 105.255(d)(4).

Although this may seem like a minor additional task to validate an ID with a boarding pass or key card, the impact will greatly impede the flow of passengers returning to their vessel. The above mentioned two-prong requirement will be similar to what one experiences at an airport TSA checkpoint. The extra time required to ensure each boarding pass matches the government issued ID has the potential to create delays as in some cases, in excess of 1,000 passengers/hour attempt to re-board their vessels in Juneau. Additionally, passengers who do not have government issued ID with them will need to be escorted to the vessel security officer by port facility security personnel.

By funding two (2) additional (seasonal part-time) port security officers, this will augment the standing Franklin Dock security staff enabling the proper checking of credentials in accordance with Coast Guard guidance while still monitoring the security perimeter as required.

Public Restroom Cleaning and Maintenance **\$30,000**

These expenses include maintenance, repairs, supplies and cleaning for the public restrooms at the Franklin Dock which were originally built and funded with Marine Passenger Fees. The cleaning portion of the expenses is based on a three times-per-day cleaning schedule on ship days.

Dock Maintenance **\$72,500**

Complete the patching of all trip hazards on dock surface. Follow-up the summer 2021 and 2022 resurfacing project to apply slip-resistant grout to ensure safe and slip-proof pedestrian access. \$5,000

Service all mooring line winches used by linesmen for ship lines and replace gear oil. \$3,000

Re-attach walkway on both ends of dock structure. \$6,000

Front of dock (beach side) replace some treated wood tappers. \$6,000

Rotate/clean & power-wash Yokohama fenders on face of the dock due to growth underneath.
\$5,000

Repair and patch significant crack in bus staging area around the support beam on south end of canopy where sidewalk/seawall connects to the seawalk. There does not seem to be any significant damage to support beam or footing. Inject additional concrete at the back end of the seawall along the staging area sidewalk where it meets up with/attaches to the CBJ seawalk.
\$27,500

The sloughing and erosion of the bank continues to cause the public restrooms (originally built with marine passenger fee funds) to sink. They have been raised up once and should be raised/leveled again as they sit in the same area that is having sloughing issues.
\$20,000

Grand total requested = \$232,500

Sincerely,

Reed Stoops
Franklin Dock Enterprises
350 N. Franklin, #2
Juneau, AK 99801



U.S. COAST GUARD SECTOR JUNEAU



December 18, 2020

MARINE SAFETY INFORMATION BULLETIN

Port of Call Access Control

This safety bulletin serves to clarify regulatory requirements for Maritime Transportation Security Act (MTSA)-regulated facilities that receive large foreign passenger vessels (hereafter "cruise ships") throughout the Southeast Alaska Captain of the Port zone.

Background – The Consolidated Cruise Ship Security Regulations final rule, published on March 19, 2018, defined and clarified the differences between a "cruise ship terminal" and a "port of call." The final rule also prompted a conversation between Sector Juneau and Southeast Alaska industry stakeholders to discuss processes and expectations. For years, industry had interpreted Title 33, Code of Federal Regulations (CFR), Part (§) 105.255(d)(4) as a list of documents that could serve as personal identification, irrespective of the criteria in 33 CFR § 101.515. As such, facility security personnel were allowing individuals with only a boarding pass or room key to gain access to the secure area. The Coast Guard Office of Port & Facility Compliance recently found that additional measures are needed to meet the intent of the security regulations.

Requirement – Before allowing any person, including apparent vessel passengers, to access the secure area of an MTSA-regulated facility, security personnel need to use a two-pronged approach to ensure proper identification and a valid purpose:

1. Check personal identification meeting the criteria in 33 CFR § 101.515; and
2. Confirm the purpose for access by examining at least one of the documents listed in 33 CFR 105.255(d)(4).

The Coast Guard understands that complying with these regulations for the first time will require industry to reassess their operations and procedures. The remoteness of Alaska and physical arrangement of some MTSA-regulated facilities are unique. These circumstances will likely necessitate a collaborative effort between industry and the Coast Guard to address any concerns, and my staff look forward to discussing the way forward with you. Together, I am confident we can find solutions that meet the letter and intent of MTSA regulations and overcome challenges that stakeholders may encounter.

Deadline – Facility owners/operators submit amendments to facility security plans that document compliance with 33 CFR § 101.515 and 33 CFR 105.255(d)(4) no later than April 1, 2021. In addition, every facility must have implemented the process proposed in the amendment before receiving a cruise ship.

Contact – For any questions regarding this safety bulletin or port of call access control, please contact the Sector Juneau Facilities Division at (907) 707-5513 or email D17-PF-SectorJuneauPrevention@uscg.mil.

Sincerely,

A handwritten signature in blue ink that reads "S. R. White".

S. R. WHITE
Captain, U.S. Coast Guard
Captain of the Port
Southeast Alaska



January 2, 2022

City and Borough of Juneau
 Alexandra Pierce, CBJ Tourism Manager
 155 South Seward Street
 Juneau, AK 99801

Dear Ms. Pierce,

Please accept this as a proposed list of shore power projects submitted by Princess Cruises for funding consideration from Marine Passenger Fees for FY24.

Shore Power Switchgear Replacement \$111,000

This piece of equipment that sits on the Franklin Dock is failing and needs replacing for ships at the dock to continue to have a safe and reliable shoreside shore power connection. This switch is the original one which was installed at the onset of shore power in Juneau in 2001 and has served Princess, the Franklin Dock, AEL&P, and the community well. The switchgear is owned by Princess Cruises. This is a vital and essential component to the safety of the connection in that it provides isolation from the AEL&P power system, and it grounds the cable that plugs into the ship, protecting lineman and anyone involved in handling or making that connection. The switch began to fail during the 2022 season. AEL&P and Chatham Electric were able to provide some creative short-term fixes and operational adaptations to the switch to allow both Princess and Holland America to continue to connect to shore power and finish the 2022 season. Upon researching and finding a supplier for the replacement switchgear, we have found the lead time on this equipment to be between 52 and 58 weeks. Therefore, the modifications that were made in 2022 will have to hold up during 2023 and/or if a failure occurs, AEL&P and Chatham Electric will be called upon again to conduct additional repairs to the switchgear in hopes of getting us through the 2023 season on shore power.

We are asking that you consider funding this replacement shore power infrastructure from Marine Passenger Fees. There is a history and precedent for the City and Borough of Juneau support of funding for shore power infrastructure as far back as the early/mid-2000's, when the various Assembly bodies agreed to reimburse Princess Cruises over a ten-year period, for a portion of the total cost of the shore power system and its development and installation.

In this case, we would ask that the City and Borough of Juneau agree to provide a marine passenger fee grant totaling 50% (\$111,000) of the total cost of this replacement project which is \$222,000. (See attached)

Shore Power Maintenance \$6,000

We would like to repair/replace a variety of shore power fittings, caps, and connectors at the Franklin Dock. Most of these have been in place since the 2001 shore power project was completed and are now in need of upgrading or replacement simply due to the wear and tear and weather effects over the years. This will ensure timely and successful shore power connections with minimal disruptions going forward.

Grand total requested = \$117,000

Sincerely,

**S. Kirby Day, III PFSO Franklin Dock, Juneau Alaska
Community and Government Relations – Alaska
Holland America Group - Princess Cruises, Holland America Line & Seabourn
704 South Franklin Street | Juneau, AK 99801
+1-907-364-7250 office | +1-907-723-2491 mobile**

kday@HAgroup.com



CHATHAM ELECTRIC

2457 BRANDY LANE - JUNEAU, ALASKA 99801 - PH(907)789.9899 - FAX(907)789.6954

Project Name: PFSO Franklin Dock, Juneau Alaska Electrical Switch Replacement (REV#1) **12/19/2022**

To: Holland America Group - Princess Cruises, Holland America Line & Seabourn

Attn: S. Kirby Day, III 907-723-2491 kday@HAgroup.com

Chatham Electric is pleased to offer the following electrical quote for the above-mentioned project based upon the electrical work as noted during our teams meeting and delineated in Scott Engineering's proposal.

Materials:	\$ 151,000.00
Equipment:	\$ 7,500.00
Labor/Supervision:	\$ 47,000.00
Freight:	\$ 7,500.00
Expenses:	\$ <u>9,000.00</u>
Total:	\$ 222,000.00

Includes:

- Electrical equipment as detailed on Scott Engineering's proposal.
- Freight provided by Lynden/AML from Scott Engineering to site.
- Labor for replacement of switch gear provided by Scott Engineering.
- Demo and disposal/recycling of existing switch gear.
- Equipment for hoisting new and existing switch gear.
- Fabrication if required onsite to mount new switch on existing pedestal.
- Temporary lights, and power for construction.
- CBJ permitting, inspections and fees.
- Utilities as described in AEL&P's quote.

Excludes:

- Bonding. Can be provided for an additional fee.
- Builders all risk insurance. Can be provided for an additional fee.
- Additional engineering for seismic and/or other unforeseen not directly called out for in proposal.

Thank you for the opportunity,

Nick Andrews, Project Manager
907-209-4048
nick@chathamelectric.com



Scott Engineering, Inc
dba Scott Manufacturing Solutions
5051 Edison Ave.
Chino, CA 91710-5616
Tel: 909- 594 - 9637
FAX: 909-595-0379



SMS QUOTATION

Dear Customer,

Thank you for your inquiry for SEI Equipment. We are pleased to offer the attached proposal with hopes that your needs are met. Please review the attached proposal and let us know if there are any questions or if there is anything else you would like us to work with you on.

Scott Engineering, Inc. is a 100% Employee Owned Organization and we are one of the first ESOPs to obtain a Minority Business Enterprise Certification from the California Public Utilities Commissions Office (CPUC). We have been manufacturing Power Equipment for the Electrical Utility Industry for over 50 years and strive for customer satisfaction through our continuous improvements in overall quality.

SEI's standard Terms & Conditions will apply, if not specified otherwise. Reference drawings are provided to serve as a preliminary review and should not be, under any circumstances, considered to be final, unless stated on SEI's Proposal. Quoted lead time is based on factory loading and supplier component lead times. Quoted lead times are based on factory loading at the time of quotation. Actual lead times are subject to change based on factory loading at receipt of a Purchase Order.

We are grateful for all inquiries and hope we have provided you with a satisfactory level of service. If there is anything we can improve on, please don't hesitate to let us know at Sales@scott-eng.com.

We appreciate your time and business and hope that your expectations have been met and/or exceeded.

Have a wonderful day!

Sincerely,

SMS Sales Team

QUOTATION - Page 1



To: Chatham Electric
Attn: Nick Andrews
Phone: 907/209-4048
Email: nick@chathamelectric.com
Rep: DeWART
Project: 15KV Switchgear
Quote # : 220817-2

Date: Thursday, December 8, 2022
Expires: Saturday, January 7, 2023

ITEM	QTY	PART NO. / DESCRIPTION	NET EACH (\$)	EXTENDED (\$)
10	1	SMS Drawing #130622 Dimensions: 64"H x 108"W x 84"D Low Profile Padmount switchgear ANSI C57.12.28 Rating: 2000 Amp 12000V 3 Phase 3 Wire 95KV BIL - Live Front Cabinet: 13 Gauge 304 Low carbon stainless steel Base: 3: Channel iron-Hot dipped galvanized Riser base: Not Included in quote Floor: 13 Gauge 304L stainless steel Consisting of one enclosure containing: 1-Non-Load break switch 2000 Amp 3 Pole 15Kv 95KV BIL Mfg: Powercon Cat: 571-099-A3-B1-C-J 1-Ground switch 1200 Amp 4 Pole 15KV 95KV BIL Mfg: ABB Cat: 323-026-005-MOD 3-Line side lug landing with Nema 2 Hole drill pattern 4-Load side lug landing with Nema 2 Hole drill pattern 2-VT 12000/120V 100:1 ratio Type: JVM-5 Cat: 765X021029 2-VT Fuses AC Voltmeter Analog 0-150 VAC Suitable for 0 degree C to +65C Mfg: Yokogawa P/N MCS103021PZZZ 4-Aux Switch - DPDT 4-Space Heater 500 Watt 240 VAC (1-Control Compartment/3-Switchgear Compartment) 2-Thermostat 0-100F 4-Kirk Key Interlocks (Doors/Switch)		



**SCOTT ENGINEERING, INC. IS PROUD TO BE A 100% ESOP
 COMPANY WITH MBE CERTIFICATION!**

QUOTATION - Page 2

To: Chatham Electric
 Attn: Nick Andrews
 Phone: 907/209-4048
 Email: nick@chathamelectric.com
 Rep: DeWART
 Project: 15KV Switchgear
 Quote # : 220817-2



Date: Thursday, December 8, 2022
 Expires: Saturday, January 7, 2023

ITEM	QTY	PART NO. / DESCRIPTION	NET EACH (\$)	EXTENDED (\$)
		5-12 Position terminal blocks 1-Duplex receptacle 12-Insulators 95KV BIL S&C PA-7181 or equal 4-Startco SE-134C-00 Ground monitor/check relay (Startco relays are furnished and mounted, the final wiring will be by others) 1-Lot Silver plated copper main bus 1-Lot Silver plated copper neutral bus 1-Lot Silver plated copper Ground bus 1-Lot GPO-3 insulating barriers 2-Viewing windoes 4-Bolt on lifting devices 4-Holddown devices 1-Control compartment 3-Padlockable doors with 3 point latching system with penta-head bolt-meets WUC Guide 2.13 Clarification: 1) Riser base is not included in Quote 2) Cable lug landings will be located in the same relative location as original cabinet		

Drawings for approval: 4-6 Weeks after receipt of written purchase order

Shipment: 50-52 Weeks after receipt of signed and approved submittal drawings

Subject To material availability and shop loading at time of release

FOB: Chino, CA - Freight: Prepaid/Add to invoice

Note: Seller shall not be responsible for any failure to perform, or delay in performance of, its obligations resulting from the COVID-19 pandemic or any future epidemic, and Buyer shall not be entitled to any damages resulting thereof.

Sales tax not included - Payment Terms: Net 30 Days O.A.C. - Liquidated damages are not acceptable

Please email PO to orders@scott-eng.com

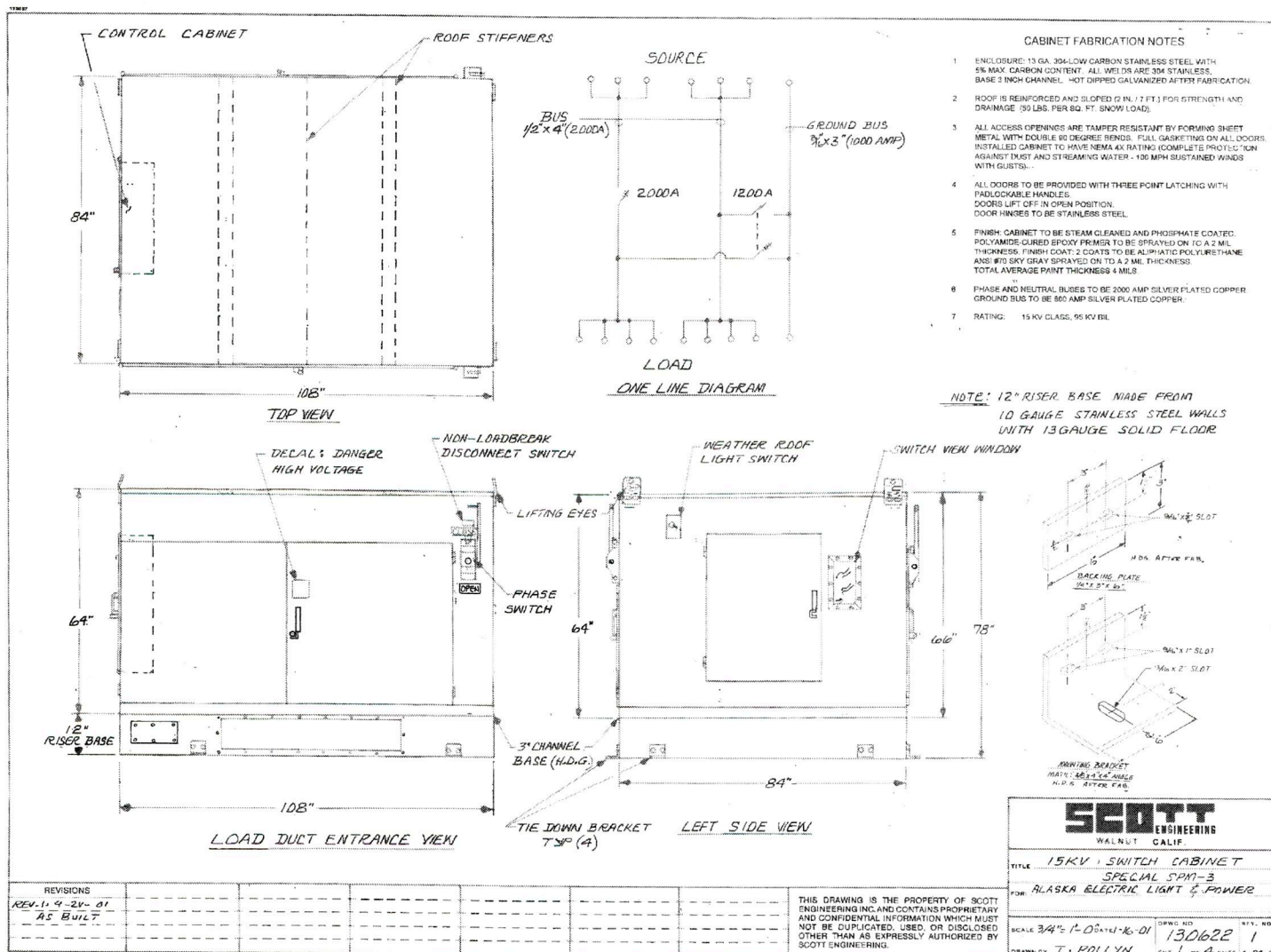
505 Depost at time of release

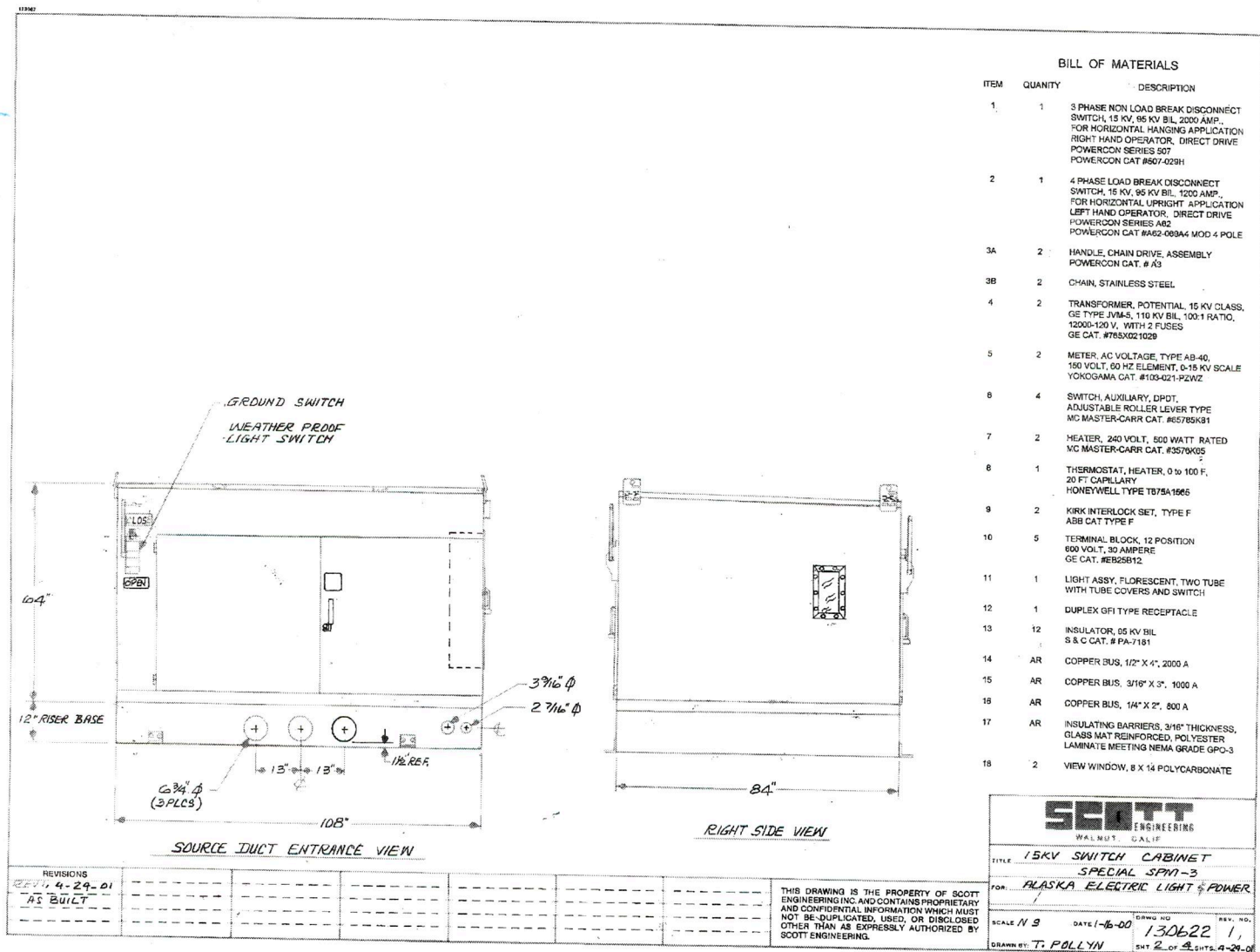


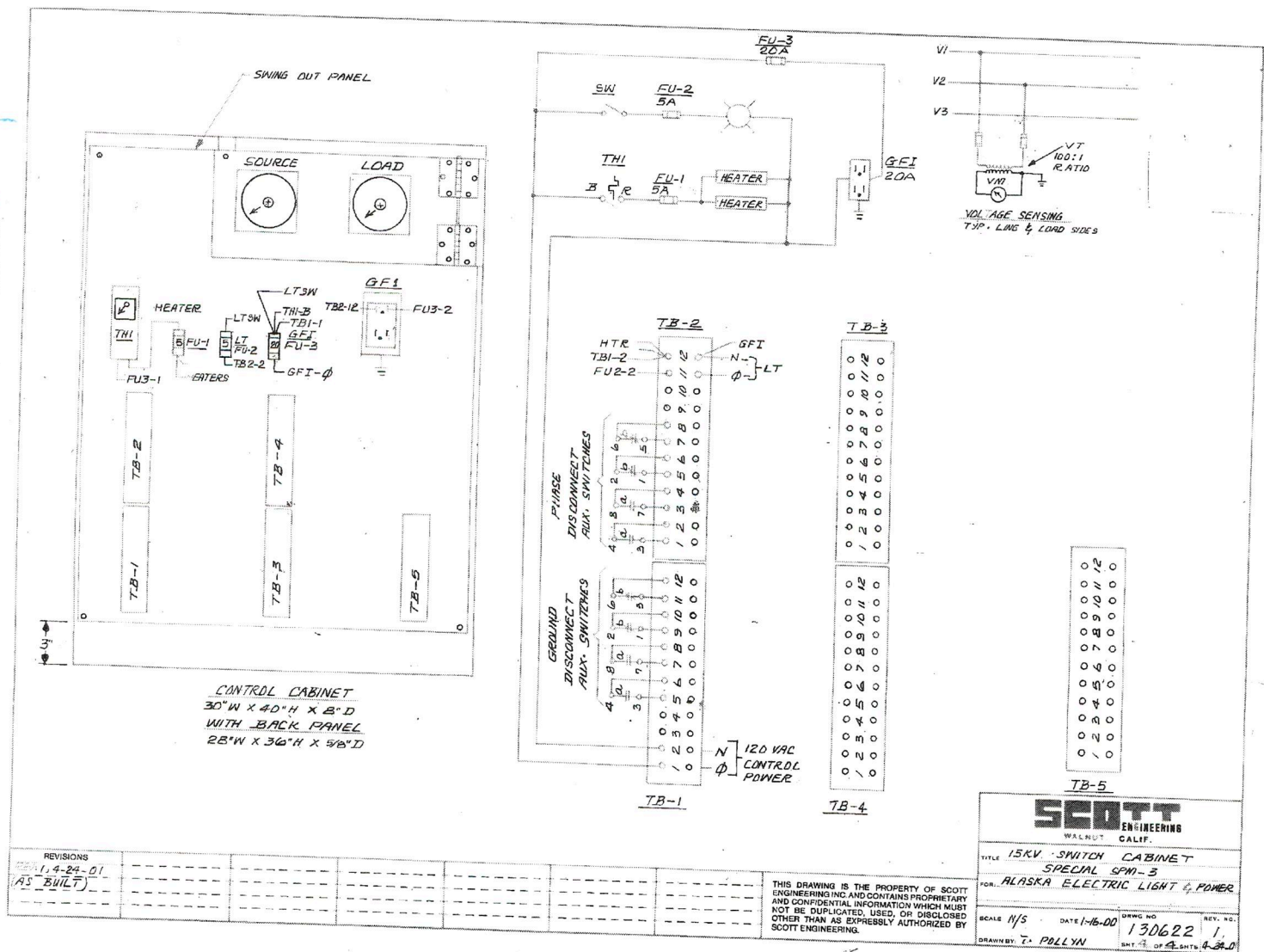
**SCOTT ENGINEERING, INC. IS PROUD
 TO BE A 100% ESOP COMPANY WITH
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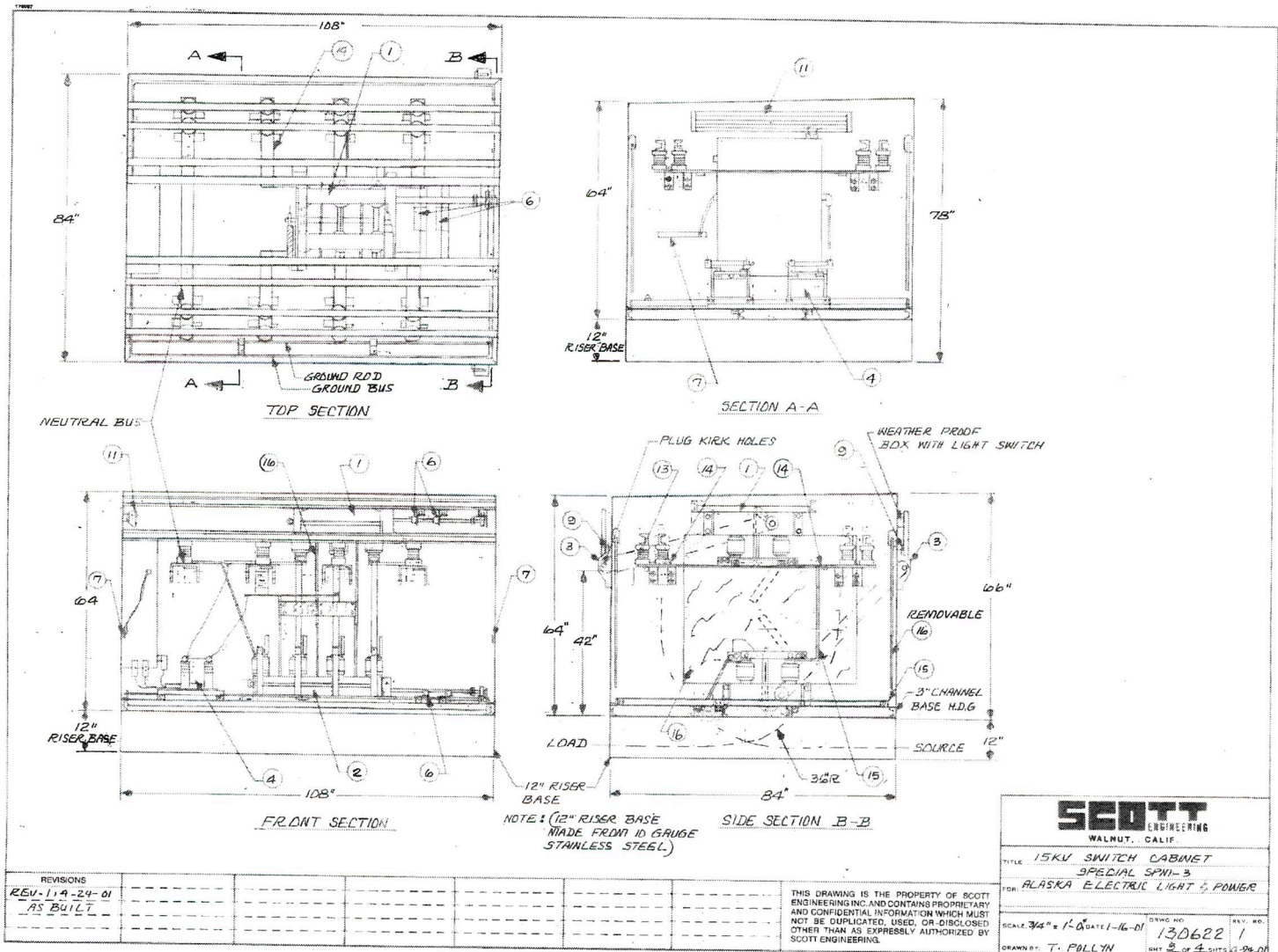
Signed: *Bob Arnold*

Bob Arnold
 Western Region Sales Manager









Standard Terms and Conditions of Sale

This Standard Terms and Conditions of Sale "T&Cs" shall control the sale of all Products of Scott Engineering Inc., d/b/a Scott Manufacturing Solutions (SMS) is referred to herein as "Seller". The person, or entity to whom of which these T&Cs is referred to herein as "Purchaser". Purchaser's orders are expressly subject hereto, and Purchaser accepts these T&Cs which may not be changed except in writing signed by an authorized official of the Seller. Additional or different terms in any documents or communication from Purchaser are objected to by Seller and shall not be effective unless expressly agreed to in writing by an authorized official of Seller. The Products from Seller covered by these T&Cs are referred to herein as the "Products". These T&Cs shall remain in full force and effect unless superseded by "Special Terms & Conditions" as submitted by Seller.

The T&Cs contained in the applicable Product specifications, and any supplements or modifications thereto confirmed by the Seller's acknowledgment, together with any written specifications signed by one of the Seller's authorized executives, shall constitute the complete and exclusive statement and of the Seller's T&Cs.

No transactions shall be subject to any affirmation of fact or promise, that relates to the application, performance, or description of the Product, unless such affirmation or promise is in writing and signed by one of the Seller's authorized executives or is confirmed by the Seller's acknowledgment. ANY TERMS, WHETHER IN A PURCHASE ORDER OR OTHER DOCUMENT OF THE IMMEDIATE PURCHASER, IRRESPECTIVE OF THEIR MATERIALITY, THAT ARE EITHER DIFFERENT FROM OR ADDITIONAL TO THIS SELLER'S T&Cs ARE OBJECTED TO AND ARE EXCLUDED UNLESS EXPRESSLY AGREED TO IN THE SELLER'S ACKNOWLEDGMENT.

Upon submittal of purchase order herein described as "PO", the Purchaser acknowledges the T&Cs have been read, understood, and agrees that seller must provide written acknowledgment prior to any commencement of any work under these terms. In special transactions involving a formal invitation to bid and a formal award by purchase T&Cs, the Seller's conditions of sale apply only to the extent not inconsistent with the purchase T&Cs. All past T&Cs proposed by Seller which are different from or in addition to this document by Seller, and that pertains to this quotation are unacceptable to Seller, are expressly rejected by Seller, and shall not become a part of the quotation unless approved by Seller in writing to the Seller for requote. (Any modifications to this quotation shall be made in accordance with the foregoing paragraph and must be agreed to and signed by one of the Seller's authorized executives.)

1. Terms of Offer (Quotation)

- a. Any price, quantity, or T&Cs stated in any quotation is effective for thirty (30) days from date of quotation unless changed by written notice of Purchaser by Seller of "the Effective Period." No quotation shall have any force or effect after thirty (30) days from date of quotation unless the Effective Period of such quotation is expressly extended in writing by the Seller. All quoted pricing shall be in U.S. Dollars.
- b. After the issuance of quotations, the Seller may, without notice, make design changes for Product modernization or improvement.
- c. If specified in the quotation, a materials surcharge may be applied to the net selling prices of Products at the time of shipment, depending on the cost levels of purchased parts and materials in the preceding month.
- d. Quotation-listed weights, dimensions, and other such specifications are approximate, are subject to change without notice, and are not guaranteed, unless specified by Purchaser.
- e. ALL purchase order must be sent to orders@scott-eng.com unless another platform has been approved in writing.

2. PO Acceptance

- a. Purchaser will order Products by issuing a written PO to Seller. POs are subject to acceptance by Seller, upon delivery to Purchaser of an "PO Acknowledgement". If Seller rejects a PO due to conflicting information or inaccuracies, the PO will be rejected and returned to Purchaser for correction and resubmittal.
- b. All POs, whether based upon specific quotations or not, are subject to acceptance by the Seller only at its general offices in Chino, California.
- c. "Long-lead items," as identified in the quotation, will be ordered upon submission of an acknowledged PO. Should Purchaser substitute previously identified "long-lead items", Seller will charge Purchaser for said items unless the material vendor accepts returns without Seller's charge.

3. Drawing Approval

- a. Seller will design the Products in line with, in Seller's judgment, good commercial practice. If at drawing approval, the Purchaser makes changes outside of the design as covered in their specifications, Seller will be paid reasonable charges and allowed a commensurate delay in shipping date, based on the changes made.

4. Changes in Specifications

- a. Changes or revisions from specifications upon which the quotation is issued shall be charged to and paid by the Purchaser at the Seller's applicable rates.
- b. The Seller's time for performance shall be extended to cover any additional design or Production time necessitated

Standard Terms and Conditions of Sale

by changes requested. Purchaser shall hold Seller harmless from any and all claims, liability, and damage, directly or indirectly, arising from any such extension.

5. Prices and Terms

- a. Milestone payments or deposits may be required and are at the discretion of Seller.
- b. Terms are net thirty (30) days from date of invoice unless otherwise specifically agreed in writing.
- c. If, in the judgment of Seller, the credit status of Purchaser, at any time, does not justify the continuation of Production or shipment of Product ordered on the terms of payment agreed upon, Seller, in its sole discretion, may require revision of payment terms to its satisfaction or shall declare the work and work in progress outstanding, without obligation by either Purchaser or Seller concerning unshipped Product.
- d. If any payment is not made in full when due, Seller is entitled to recover possession of the Product shipped. If they are in Purchaser's possession or control, the Purchaser shall collect them at a place to be designated by Seller. Repossession by Seller shall not exclude or modify any remedy provided by law. Also, if payment is not made in full when due, Seller may require, for any POs or items or quantities thereon then outstanding, full or partial payment in advance or shall be entitled to cancel or defer any of such POs or quantities thereon and shall be entitled to payment by Purchaser for all damages.
- e. In the event any proceeding is brought by or against Purchaser under any bankruptcy or insolvency laws, Seller shall be entitled to cancel any POs or items or quantities thereon outstanding as of the date of such bankruptcy or insolvency. In the event Purchaser defaults in payment, Purchaser shall be liable for all collection's costs incurred by Seller including, but not limited to, attorney and collection agency fees. In the event, Purchaser does not pay when due, past due amounts are subject to service charges of one and one-half (1 ½) percent per month or maximum permitted by law. In the event of litigation pertaining to any matter covered by this T&Cs, Purchaser hereby agrees to waive any right that it may have to a jury trial or any or all issues that may be raised in such litigation.

6. Payments

- a. All payments shall be in U.S. Dollars.
- b. Unless otherwise specified, payments shall become due date of shipment. If the Purchaser delays shipments, then payments shall become due on the date that the Seller is prepared to make shipment where Seller will invoice as "Ship in Place."
- c. Any disputed amount reflected on the invoice must be directed to the attention of: Controller, Scott Engineering, Inc. 5051 Edison Avenue, Chino, California 91710. Payment of other than the exact amount invoiced shall not be deemed satisfaction unless authorized in writing by the Controller.
- d. If the Purchaser delays the work to be performed hereunder, payments shall be made based on the purchase price and the percentage of completion. Equipment held for the Purchaser shall be at the risk and expense of the Purchaser.
- e. If the financial condition of the Purchaser at any time does not, in the judgment of the Seller, justify continuance of the work to be performed by the Seller on the terms of payment as agreed upon, the Seller may require full or partial payment in advance, or shall be entitled to cancel any order then outstanding, and shall receive reimbursement for its reasonable and proper cancellation charges, for if in the event of bankruptcy or insolvency of the Purchaser or in the event any proceeding is brought against the Purchaser, voluntarily or involuntarily from service or reinstallation or disassembly or reassembly, or claims of their parties against the Purchaser of this T&Cs, however arising. No sales representative of Seller has the authority to alter, vary, or waive any of the standard terms and conditions herein.

7. Delayed Payments

- a. Payment is expected upon, See 6b. If we do not receive payment in full on any invoice within thirty (30) days, late charges at .8333% interest per month (10% per year) will be imposed on your unpaid balance after 30 days, or fraction thereof, or the highest legal rate, on the unpaid balance.
- b. A grace period for the first month is fifteen (15) days.

8. Price Adjustments

- a. Prices stated on the Seller's PO Acknowledgment, or items or quantities thereon, for which the earlier of the actual or scheduled date of shipment (the "Controlling Date") is within 360 days from date of PO. Prices are not subject to upward or downward adjustment unless specified in the quotation.
- b. Prices for POs, or items or quantities thereon, for which the Controlling Date is beyond 360 days after date of order, may be increased at time of shipment by the amount of percentages which will not cumulatively exceed One (1) percent for each full 30-day period or fraction thereof by which the Controlling Date is beyond 360 days after

Standard Terms and Conditions of Sale

- date of order.
9. Taxes
 - a. The purchase price for Products does not include taxes and other charges. All taxes, including sales, use, privilege, excise, or other taxes or other related charges levied by any jurisdiction, and shipping, handling, insurance, brokerage and similar fees, pertaining to the Products, shall be paid by Purchaser. Where the Seller is required to pay or collect sales, use, or other taxes, the above amounts will be added to the invoice as a separate item.
 10. Financial condition of the Purchaser
 - a. Seller shall determine Purchaser's credit limit from time to time at Seller's discretion, and Purchaser will provide to Seller such financial information from time to time as may be reasonably requested by Seller. If any PO by Purchaser exceeds its credit limit, or if Purchaser fails to make payments when due or otherwise defaults or commits a breach hereunder, Seller, effective immediately upon giving notice to Purchaser, may do the following:
 - i. Suspend credit and delay shipment until such terms are met, and/or
 - ii. Alter the terms of payment: and/or
 - iii. Cancel any order then outstanding and/or
 - iv. Pursue any other remedies available by law or equity.
 - b. If Purchaser fails to pay any charges when due, Seller may charge Purchaser a late payment charge as noted in Article 6b.
 11. Delivery
 - a. Prices are "free-on-board (FOB) common carrier shipment point", unless specified in quote summary.
 - b. Shipping dates in the quotation are approximate and are based upon prompt receipt of all necessary information from Purchaser. Any delay in receipt of complete information shall extend the delivery date by a reasonable time based on the condition of the Seller's factory
 - c. Products will be packaged in accordance with Seller's standard practice.
 - d. Unloading of shipment, provision of suitable facilities, and personnel at the delivery point for unloading shipments, are the Purchaser's responsibility. Where the Seller elects to ship via its vehicles, a maximum of two hours unloading time (after the arrival of the vehicle) will be allowed without extra charge.
 - e. Risk of loss under FOB, except for shipments via the Seller's vehicles, and risk of loss of the Products or any part thereof, shall pass to the Purchaser upon delivery to the common carrier at point of shipment, Seller will assist Purchaser in submitting claims for loss or damage.
 - f. Where the Seller elects to ship via its vehicles, risk of loss, of the Products or any part thereof, shall pass to the Purchaser upon their arrival at the delivery point for unloading shipments.
 - g. The method and route of all prepaid freight shipments are optional with the Seller. If the Purchaser specifies that shipment be made other than the option by Seller, the Purchaser will bear the additional expense. All common carriers must use flatbed with air-ride suspension to ensure safe delivery of our Products. Crating, if possible, of Product will be at Purchaser's additional expense. If destination may be reached in part by boat shipment only, water shipment will be made at the "Purchaser's expense collect". In addition to the water shipping charges, cartage to the boat will be made at Purchaser's expense. If shipment is accepted by the Purchaser along the destination and re-forwarded by Purchaser, the re-forwarding is at the Purchaser's expense. No allowance will be made for freight, if the Purchaser accepts shipments at the Seller's factory, or if "collect shipments" are requested.
 - h. In handling charges for expedited shipments of Products is required, premium freight methods will be employed to minimize transportation time. Due to the extra attention required by such POs, a handling charge of \$500.00 will apply, in addition to the extra charges for premium freight.
 - i. For POs with the seller's selection of transportation prepaid to common carrier delivery point nearest first destination, a fuel surcharge will be added to the invoice, if specified in the quotation. This fuel surcharge will be calculated at the time of shipment and will be equal to 0.00875% of the net value of the order for every \$0.05 increase in fuel price above a base fuel price at the time of shipment determined from the National Average Diesel Fuel Price Index provided by the United States Department of Energy.
 12. Force Majeure
 - a. The Seller shall not be liable to the Purchaser for any failure or delay in complying with this T&Cs, if such failure or delay shall be due to any act of God, nature or the public enemy, accident, explosion, operation malfunction or interruption, fire, storm, earthquake, flood, drought, epidemic or pandemic, perils of the sea, strikes, lockouts, labor disputes, riots, sabotage, embargo, war (whether or not declared and whether or not the United States is a participant), federal, state, or municipal legal restriction or limitation or the compliance therewith, failure or delay of

Standard Terms and Conditions of Sale

transportation, shortage of, or inability to obtain raw materials, supplies, equipment, fuel, power, labor or other operational necessities, interruption or curtailment of the power of other energy or fuel supply or any other circumstances of similar nature beyond the reasonable control of the Seller. The Seller shall not be required to resolve labor disputes or disputes with the supplier of raw materials, supplies equipment from service or reinstallation or disassembly or reassembly, or claims of their parties against the Purchaser of this T&Cs, however arising. No sales representative of Seller has the authority to alter, vary, or waive any of this T&Cs herein.

13. Claims for Shortages or Shipping Damages
 - a. ALL claims must be submitted to customerexperience@scott-eng.com. Any Product received damaged must be noted on the delivery receipt by the delivery carrier at the time of delivery and reported to the Seller no later than seven (7) days after receipt of shipment. Claims for shortage Products, must be made in writing to the Seller within twenty (20) days after receipt of shipment. For any claims under this Paragraph (13) for which the Seller may be liable, the Purchaser's exclusive remedy shall be by repair or replacement. "FOB factory", as the Seller may elect, of such Product, and NO in and out charges are allowed.
14. Concealed Damage
 - a. Concealed damage claims must be reported and confirmed in writing in accordance with I.C.C. regulations to the delivering carrier no later than ten (10) days from the date shipment was initially received.
 - b. Except in the event of FOB destination shipments, Seller will not participate in any settlement of claims for concealed damage. When a shipment has been made on an FOB destination basis, the Purchaser must unpack immediately and, if the damage is discovered, must:
 - Not move the Products from the point of examination,
 - Retain shipping container and packing material,
 - Notify the carrier in writing of any apparent damage,
 - Notify Seller representative at customerexperience@dvotteng.com within 72 hours of delivery and,
 1. Provide photographic evidence to aid in swift claim resolution, and a copy of the carrier's inspection report.
15. Liquidated Damage
 - a. Pos, that include liquidated damage clauses for failure to meet shipping or job completion promises are not acceptable or binding on Seller, unless such clauses are accepted explicitly in writing signed by one of the Seller's authorized executives at its head office.
16. Returns
 - a. The Purchaser may not return Products without first securing a return merchandise authorization (RMA) number and identification labels from Seller at customerexperience@scott-eng.com. Seller authorizes Purchaser to return unused, recently received Products. Charges will be made to cover outgoing transportation paid by the Seller, plus cost of restocking, repacking, re-inspection, repair, or disassembly as applicable. In general, charges over and above the transportation will be at 75% or more, of the net selling price for Products of a custom nature, which must be unpacked and disassembled, when certain parts and subassemblies may be salvageable.
 - b. Authorized returns, with the return RMA number identified on the Product to be returned, should be shipped, freight prepaid and at the immediate Purchaser's risk, to the address below unless otherwise instructed:

Scott Engineering, Inc.
Returns Center
5051 Edison Ave.
Chino, CA 91710
 - c. The Seller will only accept cancellations or modifications of a PO by the Purchaser in writing and on that payment made to the Seller for expenses incurred up to the time that the Seller accepts the cancellation or modification. For this Seller will assess a minimum charge of \$500.00. Unless otherwise provided, if there has been an accumulation of materials engineering or drafting, Seller will base the cancellation on actual costs incurred, plus a reasonable allowance for overhead and profit up to 100% of the selling price.
 - d. The Seller will not be responsible for any back charges to correct any possible manufacturing error or any modifications to meet existing conditions, or for any reason whatsoever, unless authorized by the Seller in writing. The Purchaser should report any field problem to Seller at customerexperience@scott-eng.com.
17. Limitations of Liability
 - a. The Purchaser's exclusive remedy on any claim of any kind for any loss or damage arising out of, connected with, or resulting from this T&Cs, or the performance or breach thereof, or from the design, manufacture, sale, delivery,

Standard Terms and Conditions of Sale

resale, or repair or use of any Products covered by or furnished under this T&Cs, including but not limited to any claim of negligence or other tortious breach, shall be the repair or replacement, "FOB factory", as the Seller may elect, or the Product or part thereof giving rise to such claim, except that the Seller's liability for such repair or replacement shall in no event exceed the purchase price allocatable to the Products or part thereof (which gives rise to the claim.) THE SELLER SHALL IN NO EVENT BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES.

18. Storage

- a. Any item of the Product(s) on which manufacture or shipment is delayed by causes within Purchaser's control, or by causes which affect Purchaser's ability to receive the Product(s), may be placed in storage for an agreed-upon amount by Seller for Purchaser's account and risk. The Product may be "shipped in place" to afford constructive delivery.

19. Assignment

- a. Any assignment of the PO, or any rights hereunder, by the Purchaser without the written consent of the Seller shall be void. The provisions of any third-party contracts resulting from the PO are for the benefit of the parties hereto and not for any other person. No waiver, alteration, or modification of any of the provisions in this T&Cs shall be binding unless in writing and signed by a duly authorized representative of the Seller and Purchaser.

20. Termination

- a. The Purchaser may terminate any order only upon written notice and upon payment of reasonable and proper termination charges, plus a profit. Such fair and appropriate termination charges shall include, but not be limited to, all costs incurred at date receipt of written termination notice for any accumulation of materials, costs of terminating POs on said materials, and engineering or drafting fees. Seller will base the termination charge on actual costs incurred, plus a reasonable allowance for overhead and profit up to 100% of the selling price as usual and customary.

21. Inspection and Testing

- a. Seller's standard specifications and tests apply to all orders. All charges for inspections or tests not regularly furnished are for Purchaser's account and fees will be provided in quotation. All inspections shall be conducted at Seller's plant, and failure of Purchaser to avail himself of inspection privileges shall be deemed a waiver of such privileges. Seller may also include additional; recommended specific non-standard testing in quotation. If Purchaser refuses such recommendations, the Purchaser will hold Seller harmless, and the Seller shall not be liable for any penalty or for any special, consequential, or incidental damages, such as loss of profits or revenue, loss of other equipment, down-time costs, costs associated with the removal of the equipment from service or reinstallation or disassembly or reassembly, or third-party claims against the Purchaser.
- b. Seller shall comply with standard industry quality practices and procedures. Seller agrees that Purchaser shall have the right to enter Seller's facility at reasonable times to inspect the facility, Product, materials, and any property of Purchaser covered by this PO and Seller's records relating thereto.

22. Warranty

- a. Seller warrants to Purchaser for the period of twelve (12) months from date of shipment, that the Products delivered will be of the kind and quality specified in the quotation description and will be free of defects of quality and materials. Should any failure, to conform to the warranty, appear under proper and regular use, the Seller agrees, upon prompt written notification to customerexperience@cott-eng.com thereof and confirmation, that the equipment has been stored, installed, operated, and maintained in accordance with all recommendations of the Seller and standard industry practice, to correct the nonconformity, either by repairing any damaged or defective parts of the equipment, or (at Seller's option) by shipment of necessary replacement parts. Purchaser agrees that any claim of any kind by Purchaser based on or arising out of this T&Cs or otherwise, shall be barred unless asserted by Purchaser by the date noted above. No sales representative of Seller has authority to alter, vary, or waive any of this T&Cs. To the extent permissible, Seller shall extend to Purchaser the rights and warranties that Seller received from the original material vendor for the material used in the manufacture of Products. The Seller and Purchaser shall work in good faith on other warranty claims that Seller is able to assert against the material vendors. As required, Seller shall disclose the warranties that it receives from its material vendor(s) so far as not prohibited by agreement with such vendor(s). Seller shall work together with Purchaser to develop a mutually agreeable process to review the Vendor's terms and conditions of the material warranties provided, by approved material vendors. In an effort, jointly with Seller where appropriate, to extend the terms of such Material warranties to the Purchaser of the Products incorporating such material, and so that the warranty period of such Material warranties becomes co-extensive with the Warranty Period provided for in respect of the Product provided by Vendor to Seller.
- b. Seller does not provide a warranty for any defects or nonperformance of materials solely specified by Purchaser.

Standard Terms and Conditions of Sale

- c. Product built- to- order is not subject to return for credit.
- 23. Warranty for Service (Limited)
 - a. The warranty described in the preceding paragraph is exclusive, and the remedies provided herein above for breach of this warranty shall constitute Purchaser's sole remedy and fulfillment of all Seller's liability. In no event shall Seller's liability to Purchaser exceed the specific Product's price, which gives rise to Purchaser's claim. The Seller's warranty does not apply to major components; however, Seller will assign to Purchaser all manufacturers' warranties that apply to such major components. All other warranties whether express or implied or arising by operation of law, course of dealing, usage of trade or otherwise, are excluded. The only warranties are those stated herein, and there are no express or implied warranties of merchantability or fitness for a particular purpose. The Seller shall not be liable for any penalty or for any special, consequential, or incidental damages, such as loss of profits or revenue, loss of other equipment, down-time costs, costs associated with the removal of the equipment from service or reinstallation or disassembly or reassembly, or third-party claims against the Purchaser.
- 24. Seller's Remedies
 - a. The rights of Seller specified herein are cumulative and in addition to the rights available to Seller at law or in equity. No delay or failure, by Seller to exercise any right or remedy, shall impair any of such rights or remedies or be construed to be a waiver of any breach or acquiescence therein. Any single or partial exercise of any right or remedy shall not preclude other or further exercise thereof or the exercise of any other right or remedy.
- 25. Proprietary Rights
 - a. The sale of the Product hereunder to Purchaser shall in no way be deemed to confer upon Purchaser any right, interest or license in any patents or patent applications that Seller may have covering the Product. Seller retains for itself all proprietary rights, in and to all designs, engineering details and other data and materials pertaining to any Product supplied Seller, and to all discoveries, inventions, patents, and other proprietary rights arising out of work done in connection with the Product or with any and all Products developed as a result of thereof, including the sole right to manufacture any and all such Products. Purchaser warrants that it will not divulge, disclose, or in any way make use of such information e.g. (as-built drawings, software, and design information), and that it will not manufacture or engage to have manufactured such Products.
- 26. Assignment
 - a. The Purchase Order may not be assigned by Purchaser without the express written consent of the Seller, which consent will not be unreasonably withheld.
- 27. Clerical Errors
 - a. The Seller reserves the right to correct clerical errors or omissions in quotations, acknowledgments, invoices, or other documents.
- 28. EEO Compliance
 - a. The Seller shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.
- 29. California Law Governs
 - a. Any Purchase Order issued pursuant to this quotation shall be governed by and construed in accordance with the laws of the State of California, any disputes arising hereunder will be heard by a court of competent jurisdiction in California. This T&Cs shall remain in full force and effect and shall be deemed as accepted upon receipt of PO from Purchaser, unless superseded by a supplement to this T&Cs, and agreed in writing by an officer of the Company of both Purchaser and Seller.
- 30. Entire T&Cs
 - a. This quotation and this T&Cs, together with attachments, exhibits, or supplements, specifically referenced in the quote, constitutes the entire understanding between Seller and Purchaser and supersedes all prior oral or written representations and T&Cs. Any changes to the PO must be made by a change order by Purchaser.

AEL&P

Alaska Electric Light & Power Company
5601 Tonsgard Court
Juneau, Alaska 99801-7201
FAX: (907) 463 - 4833

Estimate Sheet

Date: 19-Dec-22
Work Order Number: EB24500
PROJECT NAME: PRINCESS DOCK CABINET CHANGE OUT
LOCATION: SF DOCK
CBJ Building Permit # or Exempt
DOT Permit Required (Yes or No) No
CBJ Easement Required (Yes or No) No
ESTIMATED BY: ML
Description: REMOVE OLD SWITCH CABINET AND INSTALL NEW FRESHY

Starting Date: 1-Mar-24
Completion Date: 1-Jun-24
Is project billable: YES
Billable Party Name:
Billing Party PHONE NUMBER:
Billing Address:
Billing City, State Zip Code

Cost of Project
Company Contribution
Customer Contribution
Customer Cost Share Contribution
CBJ Sales Tax
Prepaid Engineering Advance
Amount Subject to Refund

**In accordance with section 7.4a of
AEL&P tariff.**

**All customer contributions must be
made in advance of construction.**

Total amount due*

***AEL&P can only accept payment in the form of cash or check. We cannot accept credit cards at this time.**



Juneau District Heating
PO Box 22333
Juneau, AK 99802
(907) 789-2775

Section D, Item 3.

January 2, 2023

Alexandra Pierce,
CBJ Tourism Manager
155 S. Seward St.
Juneau, AK 99801

Email submission alexandra.pierce@juneau.org

Marine Passenger Fee (MPF) Request for Dock Electrification Infrastructure/bus charging infrastructure at or near the Proposed Huna Totem/NCLH dock.

Dear Ms. Pierce,

Juneau District Heating (JDH) is a Juneau-based, multi-million dollar investment entity finalizing its seawater heat development engineering design and insulated pipe routing layout for downtown Juneau. JDH is centrally and proudly located in Aak'w Village District, where our development is located at 300 Egan Avenue located across Whittier Street from the Huna Totem/Norwegian Cruise Line Holding Company (NCLH) dock and our property is adjacent to the USCG Station Juneau and NOAA properties where a future USCG Icebreaker is scheduled for location. JDH's strategic plan and actions demonstrate our resolve to remove carbon emissions from downtown heating systems and replace them with local, renewable, and sustainable lower-cost heating from efficient seawater heat pumps local hydropower energy resources. Our resolve to zero out emissions is compatible with past statements/commitments of NCLH and in synchronization with zero emissions strategies of all federal agencies, including the USCG and NOAA located in the Aak'w Village District.

The CBJ Assembly opens up every meeting honoring the people of the Aak'w Kwaan that lived in harmony with their natural environment producing low emissions for thousands of years. JDH, therefore suggests that it is meaningful, appropriate and well reasoned that the CBJ would welcome the opportunity to invest Marine Passenger Fees in eliminating the potential future cruise ship and potential USCG emissions in the Aak'w Village District. MPF financed shore power is precedential and would help ensure the growth and development of Aak'w Village District is emissions free. MPF financed Shore power would zero-out any potential future ship emissions and simultaneously honor our Aak'w founding fathers, ancestors and descendants of the Aak'w Village District that took pride living in harmony and with respect of our natural Juneau surroundings since time immemorial.

A well-published European university study released in December 2021 with a review published in Marine Pollution Bulletin¹ found that a large cruiseliner can have a bigger carbon footprint than 12,000 cars. A significant impact in the Aak'w Village District on the air quality and health of those working and living in the Aak'w Village District if shore power is not planned, funded and installed with Marine Passenger Fees. Failure to provide MPF financed shorepower would be like parking 12,000 idling vehicles in the Aak'w Village District every day during the cruise season.

¹ Environmental and Human Health Impacts of Cruise Tourism: a Review", by Josep Lloret, Arnau Carreño Hrvoje Carić, Joan San, Lora E. Fleming (10.1016/j.marpolbul.2021.112979). [Marine Pollution Bulletin](#), Volume 173, (September 2021), published by [Elsevier](#).

The Juneau Climate Action and Implementation Plan, Juneau Renewable Energy Strategy, Blueprint Juneau, and the Visitor Industry Task Force recommendations support dock electrification and carry forward the traditional values of the Aak'w people who initially and continue to live and occupy the Aak'w Village District.

JDH, on behalf of itself and others in Aak'w Village District requests an initial tranche of \$2.5M of Marine Passenger fees for the first stages of required infrastructure to install "all" necessary shoreside infrastructure. This MPF request is combined with an additional request for a continued CBJ MPF commitment to 100% reimburse any remaining shorepower and bus charging investments by Huna Totem/NCLH to be paid over a 10-year term in the same and non-discriminatory manner that CBJ paid for the Princess Franklin Dock shoreside shore power infrastructure.

Attached you shall find a 2009 Princess letter to former City Manager Rod Swope that confirms the agreement that MPF fully reimbursed the Franklin Dock shoreside dock electrification infrastructure, a similarly situated private dock facility owned by other Juneau investors and created the precedent for this request. Huna Totem, NCLH, and the business and residents of the Aak'w Village District deserve equal and similar treatment based on the past MPF allocations.

Let's be clear. Shore power infrastructure and bus charging infrastructure is clearly an appropriate and responsible use of MPF per the recent CLIA/CBJ settlement agreement, but is also a responsible use of the Marine Passenger Fee (MPF) per under CBJ Code 69.20.120 that specifically addresses that CBJ shall use, "proceeds of the fund shall be appropriated in support of the marine passenger ship industry including...1) Design, construction, enhancement, operation, or maintenance of capital improvements; (2) Operating funds for personnel, training, commodities, rentals, services, and equipment for services provided, made available to, or required as a result of marine passenger ships and marine passengers; (3) Projects and programs that promote safety, environmental improvements efficiency of interstate and international commerce, or enforcement of laws caused or required by marine passenger ships and marine passengers..."

Today's world-wide elimination of port emissions through shore power was first pioneered in Juneau, Alaska, with visionary elected Assembly members, AELP, Princess and a City Manager that were ahead of their time. Juneau has an obligation as well as an unprecedented opportunity to embrace its past CBJ leadership and shore power legacy and expand on its proven but partial (only one dock electrification in Juneau has shorepower in 20 years) success story. The time is now for a new chapter of Juneau leadership to regain and begin a new reign for Juneau's world leadership role in clean port dock electrification through partnership and cooperation. Using MPF funding to finance shore power electrification at the proposed Huna Totem/NCLH dock will ensure zero emissions in the Aak'w Village District. Zero-emission with economic harmonization while incorporating our community values and intertwining our traditional Native values for bettering the world-class port destination that Juneau has become.

NCLH and its associated companies significantly and growingly contribute to Juneau's annual MPF account. Therefore this request is more than fair, equitable, and appropriate that Huna Totem/NCLH is provided the same arrangements to fully pay for all required shoreside power infrastructure that was provided to Princess Cruises twenty years ago.

Further, the conduit and electrical service to the shoreside facilities additionally enables further benefits through electric bus staging, charging and support the shorepower and increased electrical demand for USCG Station Juneau as a means of supporting the USCG's decision to

locate and station an Arctic Ice breaker in Juneau with an allocation of Arctic Ice breaker under consideration for purchase or one of the Arctic Ice breakers currently under construction.

Lastly, the Juneau “public” overwhelmingly supports dock electrification as a priority. The recent 2022 Juneau Tourism Survey initiated by CBJ and conducted by the McKinley Group asked, Should CBJ place a high priority, medium priority, or low priority on each of the following items? On Dock Electrification support, 55% stated a high priority, 22% stated a medium priority, and 17% stated this as a lower priority (for a combined total 94% stated dock electrification is a priority)². It is, therefore to note with confidence that the Assembly and the public will require dock electrification for any new cruise ship dock in Juneau. Therefore, it is highly appropriate that CBJ should provide successful MPF funding in an equal and non-discriminatory manner for the Huna Totem/NCLH proposed facilities for the public benefit.

JDH would therefore ask for your respectful consideration of this timely, publicly supported, appropriate, precedential, and therefore justified Marine Passenger Fee request for your and, ultimately, the Assembly’s approval to provide Huna Totem Corporation, NCLH, and AELP, the requisite MPF contributions to install shore power infrastructure for the Aak’w Village District. Our common sense MPF request ensures that the Aak’w Village District, its residents, and businesses maintain and protect its historically low emission status. This request is in concert with traditional Native and Juneau community values while mutually serving the needs of the cruise ship industry with the very purpose Marine Passenger Fees and the CBJ Code 69.20,120 were created for.

JDH and others in the Aak’w Village District look forward to your evaluation to proactively assist the Huna Totem/NCLH in meeting the community priorities of establishing robust dock electrification for the Port of Juneau and providing Huna Totem and NCLH the monetary means through a current tranche and future MPF appropriations.

As an adjacent property developer and supporter in 11a current zero-emission development in the Aak’w Village District, JDH staff and resources are available to assist you in future private and public discussions of this matter to successfully execute shorepower dock electrification in the Aak’w Village District.

Kindest Regards,

Duff Mitchell
Executive Director

Attachment. 2009 MPF arrangements for Franklin Dock Shore Power reimbursement correspondence.0

² Juneau Tourism Survey 2022 McKinley Group https://juneau.org/wp-content/uploads/2022/12/Juneau-Tourism-Survey-2022-Report-REV-12_1_22.pdf



November 24, 2009

To: Rod Swope, City Manager

Fm: Kirby Day, Director of Shore Operations
Princess Cruises

Re: continued support for shore power from marine passenger fees

In November of 2000, Princess Cruises embarked on a \$6.0 million shore power project in Juneau, the first of its kind anywhere in the world. This project was undertaken as a proactive attempt by Princess to reduce visible emissions from our ships during their port calls in Juneau.

While the total cost of the project was approximately \$6.0 million, the total amount spent on shore side infrastructure in Juneau was \$3.0 million. This included expenses relating to the new electrical transformer, the dockside gantry system, steam boiler and related building, and conduit pipe and sophisticated switch and breaker systems.

The marine passenger fee ordinance states:

69.20.120 USE OF PROCEEDS:

- a)The proceeds of the Fund shall be appropriated to address the impacts caused by the marine passenger ship industry including:
 - Design, construction, operation, or maintenance of capital improvements to relieve impacts of marine passenger ships.....
 - Projects and programs that promote safety, environmental improvements.....

We believe that the use of marine passenger fees to help pay for the shore side costs of the program is consistent with the intent of the ordinance. The shore power system has virtually eliminated the impacts of visible emissions from Princess ships in Juneau, while enhancing the efficiency of the vessel operations.

In addition to eliminating visible emissions, the shore power project benefits the community in another important way. All amounts paid by Princess Cruises for shore power reduces every AEL&P customer's electric bill. Further, if AEL&P has fuel costs for diesel generation, the Princess payments would be used to defray those fuel costs so local customers would not be negatively impacted. Princess Cruises has purchased in excess of \$2.4 million in shore power electricity since the project was completed.

In 2001, there was a "handshake agreement" with the Assembly to help fund the project going forward, but Princess was asked to continue to identify the CBJ as a partner in the project. We have continued to do this as opportunities have presented themselves while developing shore power in Vancouver, B.C. and Seattle. Princess is asking for reimbursement over time, of \$3.0 million for shore side costs. The company paid the entire cost of the project in good faith, with no guarantee, but with an understanding that we would come before the Assembly each year to ask for a fraction of the passenger fees. The Assembly has funded the request at a level of \$300,000 for the past nine years. This year would represent the final year of this support for the project. The request for \$300,000 calculates to 6.8% of the total passenger fees anticipated to be collected (approx \$4.4 million).

Princess Cruises appreciates your willingness to consider continuing support of this program.

Thank you again.



www.JEDC.org
612 West Willoughby Avenue
Juneau, AK 99801
Phone: (907) 523-2300
Fax: (907) 463-3929

December 30, 2022

City Manager's Office
 Attn: Alexandra Pierce
 155 South Seward Street
 Juneau, Alaska 99801

RE: CBJ FY24 Marine Passenger Fee Funding Proposal for Planning, Design, and Construction of Seasonal Tourism Workforce Housing Project

Dear Ms. Pierce,

The Juneau Economic Development Council (JEDC) requests FY24 Marine Passenger Fees. This request to identify and provide a concrete solution to mitigate the seasonal worker housing shortage would directly improve the ability of the visitor industry to provide services to visitors to Juneau and also alleviate some of the impacts on Juneau's housing market for year-round residents caused by the high number of seasonal workers requiring housing. JEDC's request can be viewed as one single request or in two parts. JEDC seeks \$12,050,000 in FY24 passenger fee funding for the planning, design, and partial construction costs of a seasonal workforce housing project that will accommodate approximately 200 non-local seasonal workers. If construction funding is not approved at this time, JEDC alternatively requests \$50,000 to cover a portion of planning and design costs required to offset JEDC's investment and to allow continued development of this project. The proposed housing project strongly aligns with three of JEDC's five strategic priorities: 1) help make Juneau a great (capital) city; 2) develop talent; and 3) strengthen key regional industries.

A summary of the components of this request is as follows:

1. \$50,000 Major contribution to Planning and Concept Development for a Seasonal Workforce Housing Solution targeted at the tourism industry in Juneau.
2. \$12,000,000 Major contribution to Project Costs, including construction, of a dormitory-style, modular housing complex for non-local, seasonal employees of tourism operators.

The total FY24 request is \$12,050,000.

Since 2011, JEDC has supported an industry cluster-based approach to economic development in the Southeast Alaska region called the Southeast Alaska Cluster Initiative. In support of the tourism sector specifically, this approach brings private sector firms in the Visitor Products industry together with federal, state, and local agencies, university faculty, trade association representatives, economic development organizations, community leaders, and other stakeholders in a facilitated cluster working groups to address industry needs, concerns and opportunities on a cooperative basis. In October 2022, the Visitor Products Cluster Working Group (VPCWG) refreshed its priorities and outlined eight "Action Initiatives," each led by private-sector business leaders. One of these initiatives focuses specifically on addressing the lack of sufficient seasonal workforce housing in Juneau and other cruise ship ports in Southeast Alaska.

The lack of available and affordable housing in Juneau remains a significant barrier to workforce recruitment. Preliminary results of JEDC's Non-Local Seasonal Workforce Housing Survey showed over 90% of businesses surveyed (those employing non-local seasonal workers) report being impacted by a lack of housing for

employees in 2022. Of those impacted, over 35% report being severely impacted. Local businesses described extreme staffing shortages in the 2022 summer season that prevented them from operating at normal capacity. Some businesses even shut down for periods of time during their peak season. When businesses are closed, have limited capacity, or the quality of service is affected, this negatively impacts the cruise ship visitor experience and results in significant losses for local businesses. Juneau's visitor experience and the visitor industry suffer due to this lack of available and affordable housing.

To better assess the workforce housing needs of tourism-focused businesses in Southeast Alaska, JEDC is currently conducting a Non-Local Seasonal Workforce Housing Survey. This survey is targeted at the Visitor Industry, specifically businesses that hire non-local, seasonal workers that will require some form of housing. At the time of writing this memo, over 130 participants have responded to the survey responses. Of these preliminary responses, 51 are from businesses that employ **non-local, seasonal workers that will require housing in Juneau**. See below for preliminary results; again, these data points only indicate early trends as the survey instrument will remain open through mid-January 2023 and will require formal analysis at that time:

- 47 of the 51 respondents to date have identified explicitly as tourism businesses.
- 49+ businesses (>96%) have seasonal workers May-August; 47 businesses (92%) have seasonal workers in September; 40 businesses (78%) in April, 33 businesses (64%) in October, and then a sharp decline to 2-6 businesses (<12%) that have seasonal workers in the remaining months of the year.
- When considering multiple variables related to housing, businesses ranked Affordability as most important to their employees, followed closely by Location, then Size and Space; Privacy ranks last.
- On average, 20 non-local, seasonal workers who require housing will be hired per business in 2023. The 51 responses so far suggest that 1,000+ seasonal workers will need housing in the 2023 season.
- Collectively, the businesses responding so far intend to provide a financial subsidy for housing to 463 workers; this means local businesses will subsidize housing for 46% of these seasonal workers. Also, 34 businesses (65%) reported being willing to subsidize some amount of employee housing.
- Regarding maximum price range employees are willing to pay, 24 businesses (47% of respondents) reported \$500-\$750/month, 13 businesses (25%) reported under \$500/month, 11 businesses (21%) reported \$751-\$1000/month, and 3 businesses (6%) reported \$1001+/month.
- If housing for seasonal workers is built, 25 businesses (49%) are willing to provide transportation to/from work, 14 businesses (27%) may provide transportation, and 12 businesses (23%) will not provide any transportation assistance.
- If seasonal housing is built, 26 businesses (51% of respondents) are interested in reserving units (guaranteeing rent and damage deposits) for their seasonal employees and 17 businesses (33%) are possibly interested.

While a formal analysis is still pending, preliminary data from Juneau tourism businesses indicate there is significant interest in addressing seasonal workforce housing. Many employers are also willing to provide financial subsidies and transportation to make such housing more attractive and affordable for employees.

In response to Juneau's housing shortage and its effect on seasonal workforce recruitment, JEDC, along with the VPCWG, proposes the construction of an approximately 200-unit dormitory-style modular housing complex for seasonal tourism workers. The units will be leased directly to tourism businesses to meet workforce housing needs. Direct leases to tourism-focused businesses will ensure that the housing meets its intended primary purpose: addressing the housing needs of non-local seasonal workers required to support the businesses that serve over 1.5 million cruise ship passengers visiting Juneau each year. Businesses will secure the appropriate number of units based on their needs and manage internal transitions between employees that occur during the rental period. Additional benefits of direct leases to businesses (versus rentals to individuals) include the reduced likelihood of missed payments, maintenance of security deposits, and overall ease of property management. JEDC plans to hire a Program Director to oversee the development of this project. Once the

building is constructed, JEDC will consider hiring a private operator to work directly with local tourism operators and manage the property. Tourism businesses are the focus of this project and will be given priority in securing units, given the investment of Marine Passenger Fees. During the off-season, units will be made available to temporary workers in other industries, such as construction and healthcare, to address seasonal workforce needs in other sectors and create additional revenue to offset costs. The current demand for such housing is also being evaluated in our Non-Local Seasonal Workforce Housing Survey.

With the requested Marine Passenger Fee funding, JEDC seeks to cover planning and design costs, including a Modular Housing Feasibility Study, in collaboration with NorthWind Architects LLC. Additionally, JEDC seeks to supplement construction costs associated with the project. JEDC intends to finance the remaining construction costs not covered by Marine Passenger Fee funding through revenue generated by the project. Rental income from the property will offset the initial investment and fund ongoing property maintenance and overhead. Marine Passenger Fee funding is necessary to offset high construction costs and make this project feasible. Assuming 85-100% capacity from May through September, 55-70% capacity in April and October, and 0-15% capacity at a reduced rate from January through March and November through December, JEDC estimates gross annual revenue between \$807,000.00 to \$1,105,500.00.

JEDC is developing the proposed design in collaboration with NorthWind Architects LLC. Please find the first draft of the building design attached. CBJ-owned property at Renninger Subdivision Lot 4 is selected to develop project construction cost estimations. However, the proposed project (non-local seasonal workforce housing to support the tourism industry) is not site-specific. A modular design is chosen that can scale to different project sizes and locations, including throughout Southeast Alaska. The modular design requires less on-site labor to erect the structure, which acknowledges the constraints on our construction workforce in Juneau and other communities in Southeast Alaska. Regarding schedule, modular construction is underway at the same time as site construction, including foundation and utilities. This allows for a shorter, more efficient construction schedule and earlier availability for occupancy. JEDC will consider site suitability, development costs, impact on local neighborhoods, and preferred location for businesses (based on the results of the Seasonal Workforce Housing study) to determine the optimal project location.

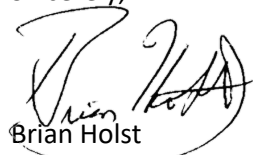
Considering a conventional site development, the total construction cost, including site development, was estimated at \$19,320,00.00. At 72,000 square feet, composed of two 36,000 square foot buildings, this comes out to \$268.00 per square foot. Site preparation costs at the Renninger Subdivision are estimated to be approximately three million dollars higher than a conventional site due to conditions discovered at that location (which makes the Renninger Subdivision site less attractive). This estimate includes associated costs, including but not limited to site development, labor, equipment, materials, plumbing, and electrical, and factors in escalation for inflation and 15% contingency. It does not include the cost of purchasing the CBJ-owned land (or any land). In addition to the construction costs, there will be additional Project Management Costs, which will range from 15-25%. JEDC has identified options to increase affordability, such as increased density, alternative site location, and building site configuration, and is actively working with NorthWind Architects to create an updated design that significantly reduces overall costs.

JEDC acknowledges the planning and design for this project are still being developed. An updated design and project plan will be submitted by February 14, 2023 (or sooner, if necessary). This will include the results of the Non-Local Seasonal Workforce Housing Survey and updated financial projections and management plan. Given the urgent need for seasonal housing in Juneau, and the time required to complete a project of this scope, JEDC is submitting a request for FY24 Marine Passenger Fee funding. If approved, JEDC intends to have some units available as early as summer 2024. By acquiring funding now, JEDC hopes to avoid delaying construction by an additional year or more. JEDC will secure funding for the other portion of construction costs from other sources.

Ultimately, available and affordable housing is good for all Juneauites. Seasonal workforce housing will benefit cruise ship passengers directly by allowing Juneau-based businesses to attract and retain workers to support visitor services. The provision of housing for non-local seasonal workers in the tourism industry will also alleviate pressure on Juneau's housing market by reducing the need for tourism companies to occupy housing units for part of the year that could be available to year-round Juneau residents. The growth of Juneau's economy is limited by our ability to build housing for our workers, seasonal and year-round. Juneau continues to experience a housing crisis as the supply of newly built housing units has not kept up with the increased demand for units for short-term rentals, seasonal housing, and a growing adult population. The Juneau Economic Development Council, with the support of the Visitor Products Working Group, is committed to tackling these issues through the proposed seasonal workforce housing project.

Thank you for your continued support.

Sincerely,



Brian Holst
Executive Director

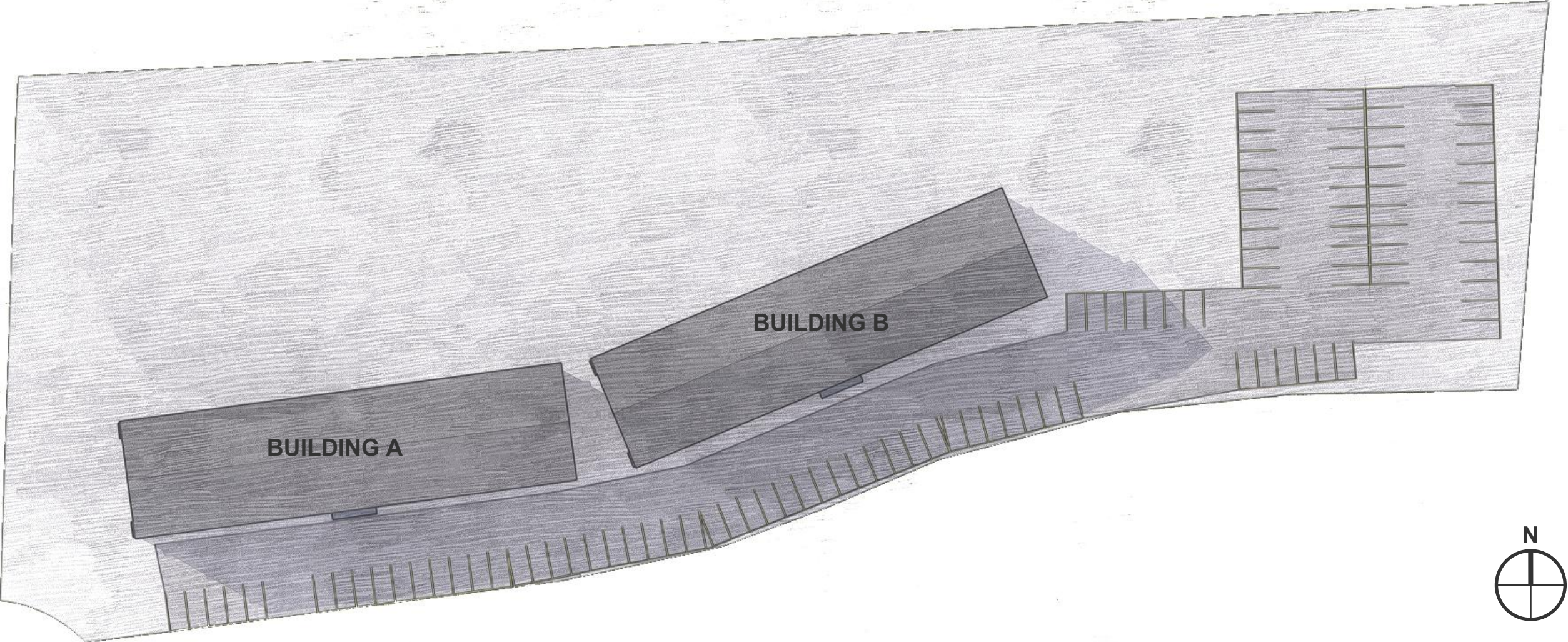


SITE LOCATION



PROJECT SUMMARY

BUILDING AREA TOTAL:	12,241 GSF
FOUR BEDROOM UNIT AREA:	1,050 GSF
PARKING COUNT TOTAL:	100
LEVEL 1:	8 UNITS, 32 BEDROOMS
LEVEL 2:	8 UNITS, 32 BEDROOMS
LEVEL 3:	8 UNITS, 32 BEDROOMS
PER BUILDING TOTAL:	24 UNITS, 96 BEDROOMS



SPECIFICATIONS

MANUFACTURER: NASHUA BUILDERS	
NUMBER OF SUITES	24
MODULES COUNT (MFG)	54
MODULES COUNT (INSTALL)	54
APPROX. MODULE GROSS	34,205

FLOOR ASSEMBLY	
SUB-FLOOR	ONE LAYER OF 3/4" T&G PLYWOOD, GLUED & SCREWED
FLOOR JOISTS	11-1/4" OW TRUSS FLOOR 16" O.C. IN WET AREAS AND 2X12 DF #2 OR BETTER IN DRY AREAS, (2X) 2X12 DF #2 OR BETTER END RIM RAILS & (2X) 1-1/2"X11-1/4" LVL SIDE RAILS
INSULATION	R-38 FIBERGLASS BATT ALL FLOOR CAVITY ALL LEVELS
MODULE UNDERBELLY	WOVEN CONSTRUCTION POLYETHYLENE UNDERBELLY
CRAWL SPACE ACCESS	INCLUDED AS NEEDED - PROJECT SPECIFIC
KITCHEN & BATH FINISH	LVT
LIVING AREA FINISH	LVT
BEDROOMS FINISH	LVT
BASE MOLDING	3 1/2" MDF PAINTED (POLAR WHITE) - INSTALLED IN ALL AREAS POSSIBLE AND SHIPPED LOOSE AS NEEDED

EXTERIOR WALLS	
INTERIOR FINISH	TAPE & TEXTURE (ORANGE PEEL) - WITH SHERWIN WILLIAMS PROMAR 200 PAINT, 1-COLOR IN EGGSHELL SHEEN
VAPOR BARRIER	SPRAY ON VAPOR BARRIER WITH PRIMER (INTERIOR APPLIED)
EXTERIOR WALL ASSEMBLY	5/8" TYPE X GYPSUM, 7/16" OSB INTERIOR UNDERLAYMENT, 2X6 DF #2 OR BETTER 16" O.C., R-21 BATT INSULATION, 7/16" OSB EXTERIOR SHEATHING
AIR/WATER BARRIER	"DRYLINE" BUILDING WRAP AT THE EXTERIOR SIDE OF EACH INDIVIDUAL UNIT, TAPED SEAMS AND TUCKED FOR LAPPING ONSITE
EXTERIOR FINISHES (SIDING)	ON SITE - BY OTHERS

INTERIOR WALLS	
INTERIOR FINISH	TAPE & TEXTURE (ORANGE PEEL) - WITH SHERWIN WILLIAMS PROMAR 200 PAINT, 1-COLOR IN EGGSHELL SHEEN
PARTITION WALL ASSEMBLY	5/8" TYPE X GYPSUM, 2X4 DF #2 OR BETTER 16" O.C., INSULATION, 5/8" TYPE X GYPSUM
CORRIDOR WALL ASSEMBLY	5/8" TYPE X GYPSUM, 7/16" OSB UNDERLAYMENT, 2X6 DF #2 OR BETTER 16" O.C. - NO INSULATION, GYPSUM ON CORRIDOR SIDE (GYP INSTALLED ONLY TO EXTENT NEEDED FOR DOOR INSTALLATION) - MATERIALS & LABOR SUPPLIED BY OTHERS ONSITE FOR ALL CORRIDOR FINISHES
MATELINE WALL ASSEMBLY	5/8" TYPE X GYPSUM, 7/16" OSB UNDERLAYMENT ON INTERIOR SIDE, 2X4 DF #2 OR BETTER 16" OC, 1 MATELINE WALL INSULATED, 1" STRIPS OF 7/16" OSB AT ROOF AND FLOOR FOR HOLD DOWN & SHEET TRANSFER. DRAFT STOP INSULATION INSTALLED 1 MATELINE WALL PER MODULE 8' O.C. (TYPICAL, <100 SQ')

CEILING STRUCTURE	
CEILING HEIGHT	9'-1/4" FROM TOP OF FLOOR TO UNDERSIDE OF CEILING
CEILING FINISH	TAPE & TEXTURE (ORANGE PEEL) - WITH SHERWIN WILLIAMS PROMAR 200 PAINT, 1-COLOR IN EGGSHELL SHEEN
CEILING ASSEMBLY TYP.	2 LAYERS 5/8" TYP X GYPSUM, 2X8 DF #2 OR BETTER 24" O.C. WITH SINGLE 1-1/2" X 7-1/4" LVL RIM RAIL, R-21 PERIMETER INSULATION TO MAINTAIN ENVELOPE, 7/16" OSB FASTENED TO ROOF JOISTS
CEILING ASSEMBLY ROOF LEVEL	2 LAYERS 5/8" TYPE X GYPSUM, 2X12 DF #2 OR BETTER 16" O.C. WITH SINGLE 1-1/2" X 11-1/4" LVL PERIMETER RIM RAIL, R-38 INSULATION THROUGHOUT AND 19/32" OSB DECKING
DROP CEILINGS / SOFFITS	
TEMPORARY DRY-IN	LIGHT GAUGE METAL FRAMING W/ SINGLE LAYER 1/2" GYPSUM
ROOF (BY OTHERS)	REINFORCED EPDM (OR SIMILAR) RUBBER ROOFING SYSTEM * TO AID IN PROTECTING THE UNIT DURING TRANSPORT AND SETUP RAFTERS & ROOFING MATERIAL TO BE PROVIDED AND INSTALLED ON SITE BY OTHERS ALONG WITH ALL OVERHANGS, SOFFITS, PARAPETS ETC.

COMMON AREAS	
STAIRWELL MODULES	INSTALL STAIRS, LANDING, BLOCKING AS REQUIRED/REQUESTED; REFER TO PLANS FOR LOCATIONS (LOWER RUN OF STAIRS) FROM FLOOR TO LANDING INSTALLED - UPPER RUN OF STAIRS LANDING TO UPPER LEVEL. SHIPPED LOOSE FOR SITE INSTALLATION BY OTHERS. STAIRWELL FRAMING, PLYWOOD, SQUARE TREADS, SQUARE OSB TREAD COVERS, LVL STRINGERS, NO SKIRTS OR TREAD FINISHES. 2 LAYERS 5/8" TYPE X GYPSUM WALLBOARD INSTALLED ONLY TO EXTENT NECESSARY FOR FIRST RUN OF STAIR INSTALLATION
ELEVATOR SHAFTS, TRASH CHUTES	FRAMED ONLY AT FACTORY IF IN NASHUA'S SCOPE OF WORK - PROJECT SPECIFIC
IDF, JANITOR CLOSETS, ETC	TYPICALLY ROUGH FRAMED ONLY, ALL FINISHES ONSITE BY OTHERS - PROJECT SPECIFIC

DOORS & WINDOWS	
DOOR (EXTERIOR-ENTRY)	3' X 6'-8" 20-MINUTE 2-PANEL STEEL DOOR W/ PEEP, ADJUSTABLE/EXPANDABLE STEEL JAMB & CASE W/ SATIN NICKEL HARDWARE, DOOR & FRAME TO BE PAINTED THE SAME COLOR
DOOR (EXTERIOR-ENTRY ADA)	3'X 6'-8" 20-MINUTE 2 -PANEL STEEL DOOR W/ DOUBLE DEEP, ADJUSTABLE/EXPANDABLE STEEL JAMB & CASE W/ SATIN NICKEL INTERCONNECTED HARDWARE, DOOR & FRAME TO BE PAINTED THE SAME COLOR
DOORS (INTERIOR)	30" (TYPICAL) POLAR WHITE CRAFTSMAN STYLE 2-PANEL SOLID CORE, 10" KICK PANEL W/ SATIN NICKEL LEVER HANDLES. FIXED DEPTH STEEL JAMB AND CASE
DOORS (INTERIOR ADA)	36" DOORS IN ADA UNITS ONLY. POLAR WHITE CRAFTSMAN STYLE 2-PANEL SOLID CORE, 10" KICK POANEL W/ SATIN NICKEL LEVER HANDLES. FIXED DEPTH STEEL JAMB AND CASE
DOORS (BI-PASS CLOSETS)	POLAR WHITE CRAFTSMAN ST6YLE 2-PANEL SOLID CORE, MDF JAMB AND CASE W/ SATIN NICKEL HARDWARE
WINDOWS	MILGARD TRINSIC WHITE VINYL WINDOWS, SLIDER OR SINGLE HUNG OPERATION
WINDOW SURROUNDS	POLAR WHITE PAINTED MDF JAMB AND WINDOWSILLS, WINDOW CASINGS ARE 2-1/2" MDF WITH A 3-1/2" MDF HJEADEAR CRAFTSMAN STYLE
WINDOW COVERINGS	N/A - PROJECT SPECIFIC

MECHANICAL SECTION: (QTY AS PER LAYOUT)	
HEATING/COOLING	ALLOWANCE FOR HVAC INTERIOR UNIT - PROJECT SPECIFIC * (EXTERIOR UNITS COMPLETED AND SUPPLIED BY OTHERS)
WATER HEATER	50 GALLON ELECTRIC (TYPICAL) - PROJECT SPECIFIC
WATER SUPPLY	CROSS LINK POLYETHYLENE, CLASS-C "PEX" PIPING
DWV	ABS PLASTIC FITTINGS & PIPE - PROJECT SPECIFIC
GAS LINES	NOTE: ANY GAS SUPPLY LINES ARE THE RESPONSIBILITY OF THE CUENT ON SITE
SPRINKLER SYSTEM	GENERAL CONTRACTOR WILL SELECT AND RETAIN FIRE SPRINKLER COMPANY FOR DESIGN AND INSTALLATION AT NASHUA PRODUCTION FACILITY AND FINAL CONNECTIONS ON SITE
FIRE ALARM SYSTEM	GENERAL CONTRACTOR WILL SELECT AND RETAIN FIRE ALARM COMPANY FOR DESIGN AND FINAL CONNECTIONS ON SITE - FACTORY TO PROVIDE PATHWAYS PER DESIGNED FIRE ALARM PLAN

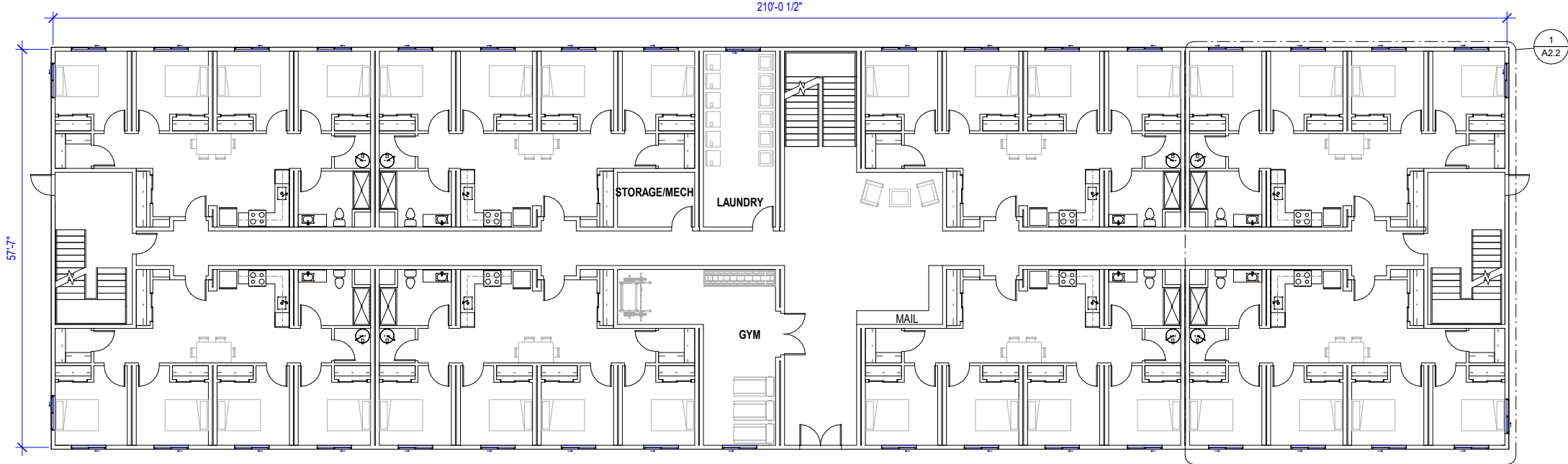
FIXTURES (QTY. AS PER LAYOUT)	
INTERIOR FINISH	<ul style="list-style-type: none">1.28 GPF ELONGATED TOILETS W/ DELUXE TOILET SEAT - WHITE1.28 GPF ADA HEIGHT ELONGATED TOILET W/ DELUXE TOILET SEAT IN ADA MASTER BATH - WHITE
PARTITION WALL ASSEMBLY	<ul style="list-style-type: none">CHINA OVAL DROP IN BATHROOM SINK - WHITESINGLE LEVER LAVATORY FAUCET, 1.2 GPM - BRUSHED NICKEL
CORRIDOR WALL ASSEMBLY	<ul style="list-style-type: none">STAINLESS STEEL DOUBLE BOWL (DROP IN) KITCHEN SINKADA COMPLIANT STAINLESS STEEL DOUBLE BOWL (DROP IN) KITCHEN SINK IN ADA DWELLING
MATELINE WALL ASSEMBLY	<ul style="list-style-type: none">SINGLE LEVER KITCHEN FAUCET (NO SPRAY) 1.5 GPM - BRUSHED NICKELADA COMPLIANT STAINLESS STEEL DOUBLE BOWL (DROP IN KITCHEN SINK IN ADA DWELLINGSINGLE LEVER KITCHEN FAUCET (NO SPRAY) 1.5 GPM - BRUSHED NICKEL1/2 HP GARBAGE DISPOSAL - (ADA DWELLINGS TO HAVE ACCESSIBLE SWITCHES)BESTBATH ONE PIECE 60" FIBERGLASS TUB/SHOWERS IN BATHROOMS W/ CURVED SHOWER CURTAIN ROD - SATIN NICKELBESTBATH ONE PIECE 60" FIBERGLASS TUB/SHOWER ADA DWELLING BATH (INCLUDES SEAT, GRAB BARS * HAND SHOWER W/ GLIDE BAR), W/ CURVED SHOWER CURTAIN ROD - SATIN NICKEL)SINGLE LEVER TUB/SHOWER FAUCET WITH POISI-TEMP SHOWER VALVE AND 1.8 GPM SHOWERHEAD - BRUSHED NICKELBATH FANS (50 CFM)

ELECTRICAL SECTION	
UNIT PANEL	125 AMP PANEL BOX W/ WIRE TO J-BOX IN CORRIDOR
EXTERIOR METER	ON SITE BY OTHERS
INTERIOR LIGHTING	SURFACE MOUNTED ROUND LED DISC LIGHTS IN KITCHEN & HALLWAY - SATIN NICKEL 3-LIGHT LED SCONCE TYPE VANITY WITH ETCHED GLASS CUPS OVER BATHROOM SINKS - SATIN NICKEL
EXTERIOR LIGHTING	ON SITE BY OTHERS (J-BOXES & WIRING INCLUDED AT EXTERIOR DOORS BY NASHUA FOR CUSTOMER PROVIDED & INSTALLED LIGHTS)
RECEPTACLES	DUPLEX ELECTRICAL RECEPTACLES AS REQUIRED BY DESIGN AND/OR CODE
SWITCHES	DECORA ROCKER SWITCHES
DATA	DATA BOX AND ALLOWANCE FOR PATHWAY AND PULL STRING (1 PER DWELLING). WIRING AND CONNECTING ONSITE BY OTHERS
DOOR CHIME	DOOR CHIME W/ INTEGRATED TRANSFORMER AT UNITY ENTRY DOOR

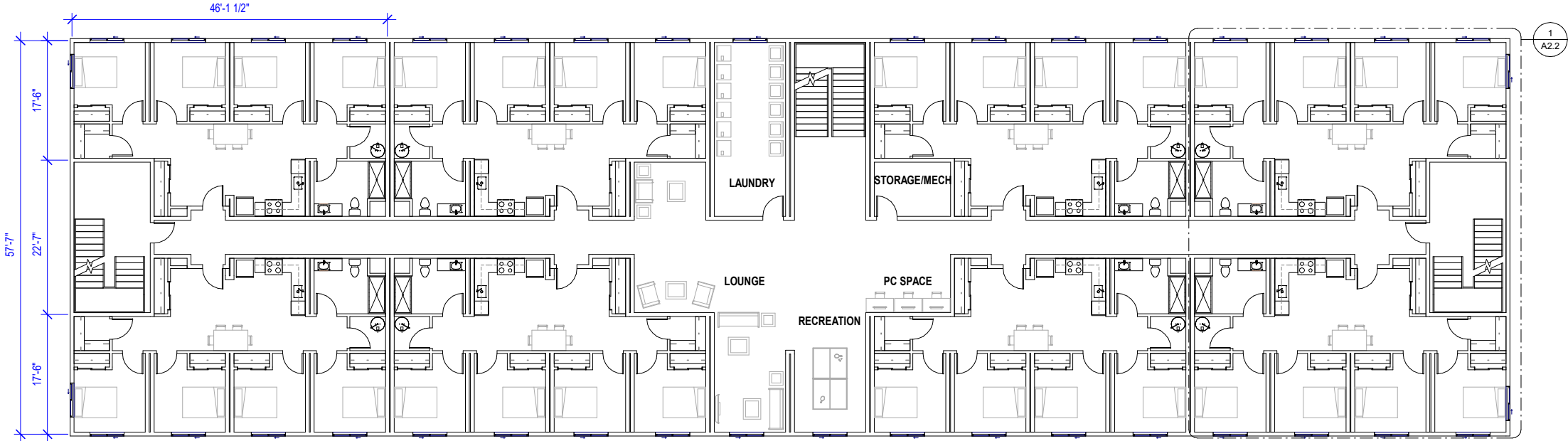
APPLIANCES	
	<ul style="list-style-type: none">30" FREESTANDING GLASS TOP SELF CLEANING ELECTRIC RANGE - BLACK30" SPACE SAVER MICROWAVE (VENTED/DUCTED) OVER RANGE - BLACK18 CU FT REFRIGERATOR W/ TOP FREEZER (NO ICEMAKER OR PLUMBING) - BLACK24" DISHWASHER - BLACK **APPLIANCES PER ADA DWELLING - QUANTITY TBD** <ul style="list-style-type: none">30" FREESTANDING GLASS TOP SELF CLEANING ELECTRIC RANGE W/ FRONT CONTROLS (ADA COMPLIANT) - BLACK30" RANGE HOOD W/ ADA ELECTRICAL SWITCH PER ENG. DRAWINGS (VENTED/DUCTED) - BLACKCOUNTERTOP MICROWAVE - BLACK18 CU FT ADA COMPLIANT REFRIGERATOR W/ TOP FREEZER (NO ICEMAKER OR PLUMBING) - BLACK24" DISHWASHER ADA COMPLAINT - BLACK

ACCESSORIES / CABINETS: (QTY AS PER LAYOUT)	
	<ul style="list-style-type: none">RADFORD EURO/FRAMELESS TFL CABINETS, AMERICAN LAMINATES EIR AND RWT TIER ONE FINISHE S(TBD), PARTICLE BOARD CORE W/ WHITE MELAMINE INTERIORS. METAL DRAWER BOX CONSTRUCTION WITH STANDARD GUIDES. **NOTE - ALLOWANCE FOR REMOVABLE FRONTS ON 2-KITCHEN CABINETS (SINKBASE AND WORK SPACE) * MASTER BATH SINK BASE IN ADA DWELLING(S) <ul style="list-style-type: none">MIRROR, POLISHED EDGE WITH CLIPS OVER BATHROOM SINKSALLOWANCE FOR 3CM DALTILE GROUP 0-1 QUARTZ KITCHEN COUTNERTOPS W/ 6" - 2CM COLOR MATCHING BACKSPLASHALLOWANCE FOR 2CM DALTILE GROUP 0-1 QUARTS BATHROOM COUNTERTOPS W/ 4" - 2CM COLOR AMTCHING BACKSPLASHTOWEL BAR, TOWEL RING, TOILET TISSUE HOLDER - SATIN NICKELGRAB BARS IN (1) ADA MASTER BATH (1-36" BEHIND TOILET, 1-42" BESIDE TOILET)CLOSET SHELIVING - 12" RUBBERMAID OPEN WIRE SHELIVING, SINGLE CONTINUOUS RUN/CLOSET. (2 CONTINUOUS RUNS IN ADA UNITS)

OVERALL FLOOR PLAN

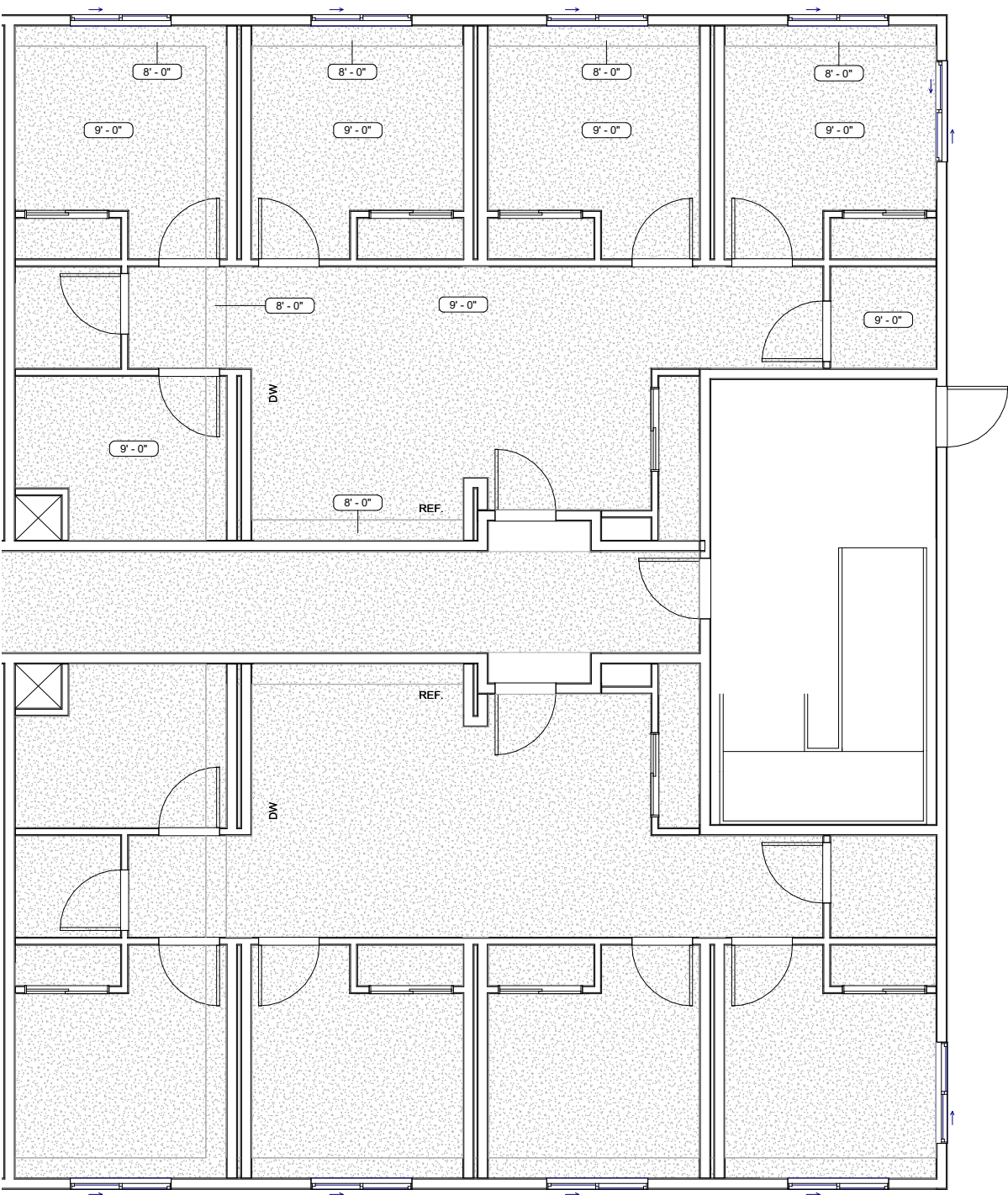
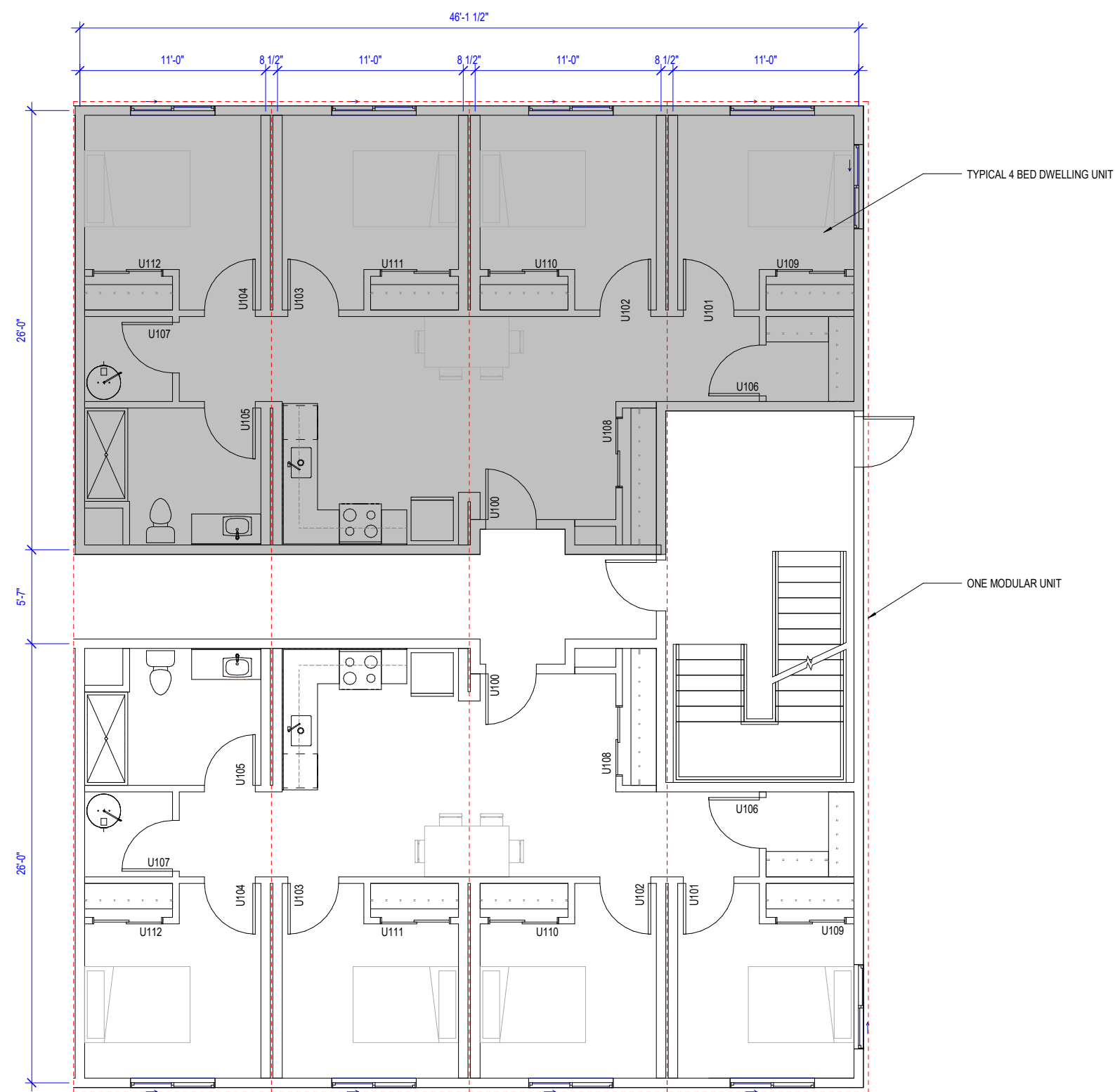


1ST FLOOR TYPICAL

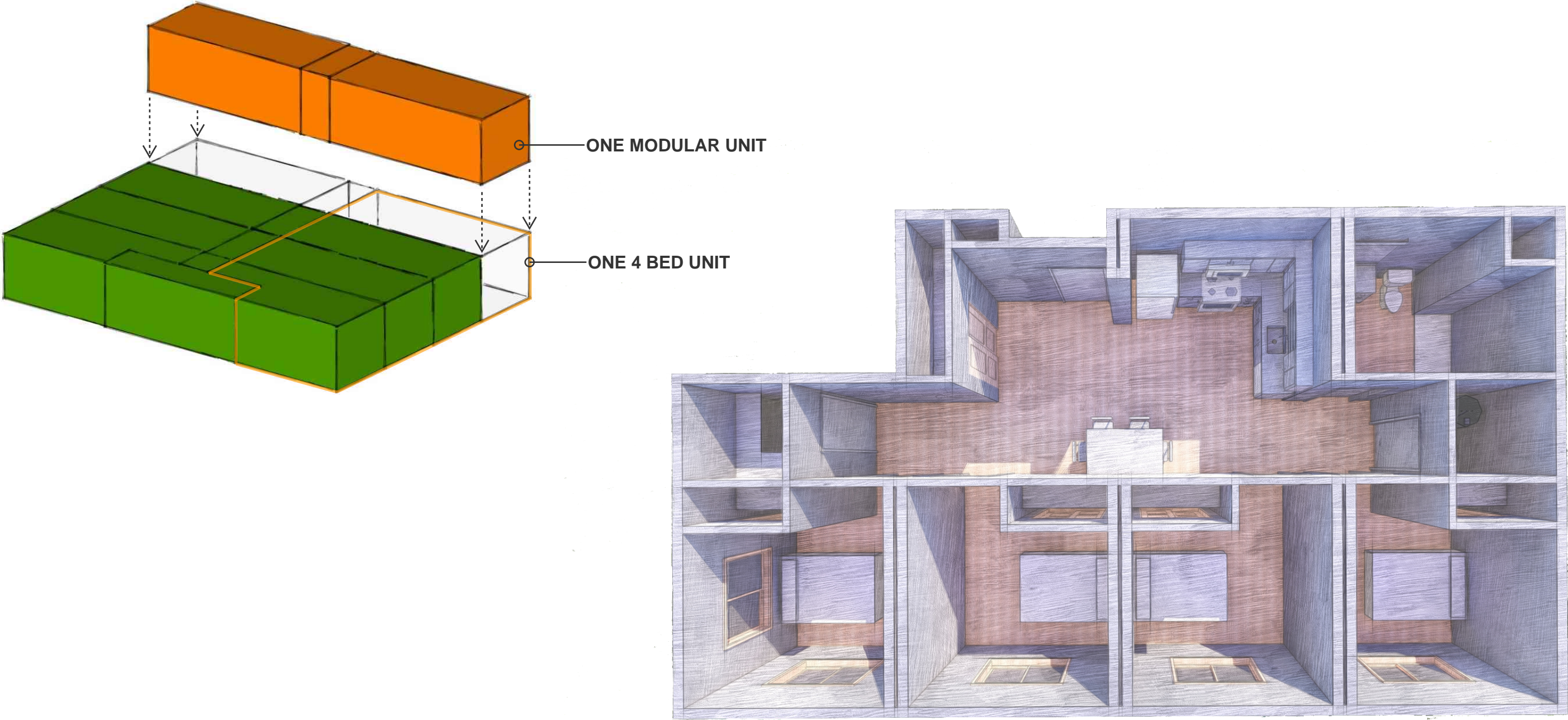


2ND-3RD FLOOR TYPICAL

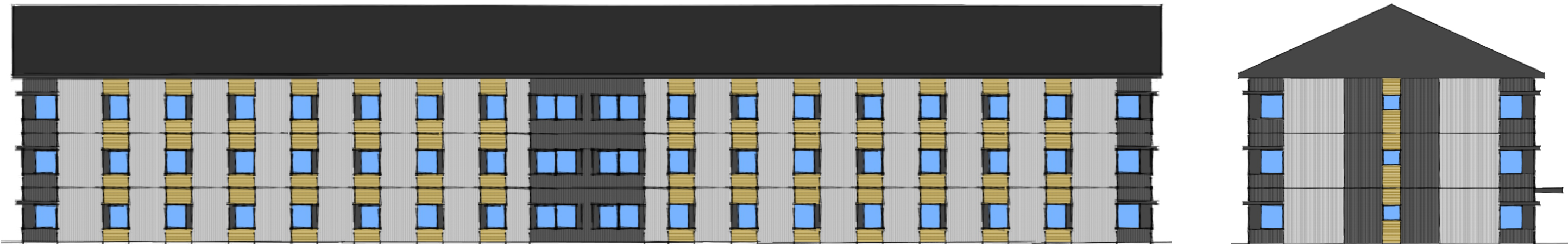
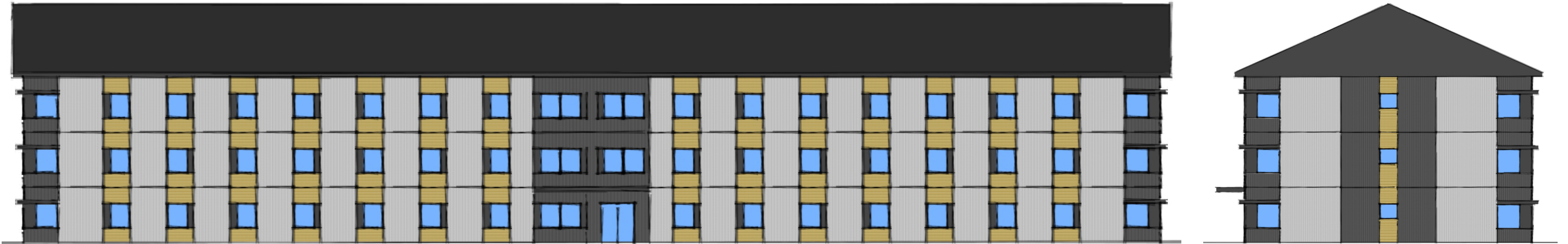
TYPICAL UNIT PLAN



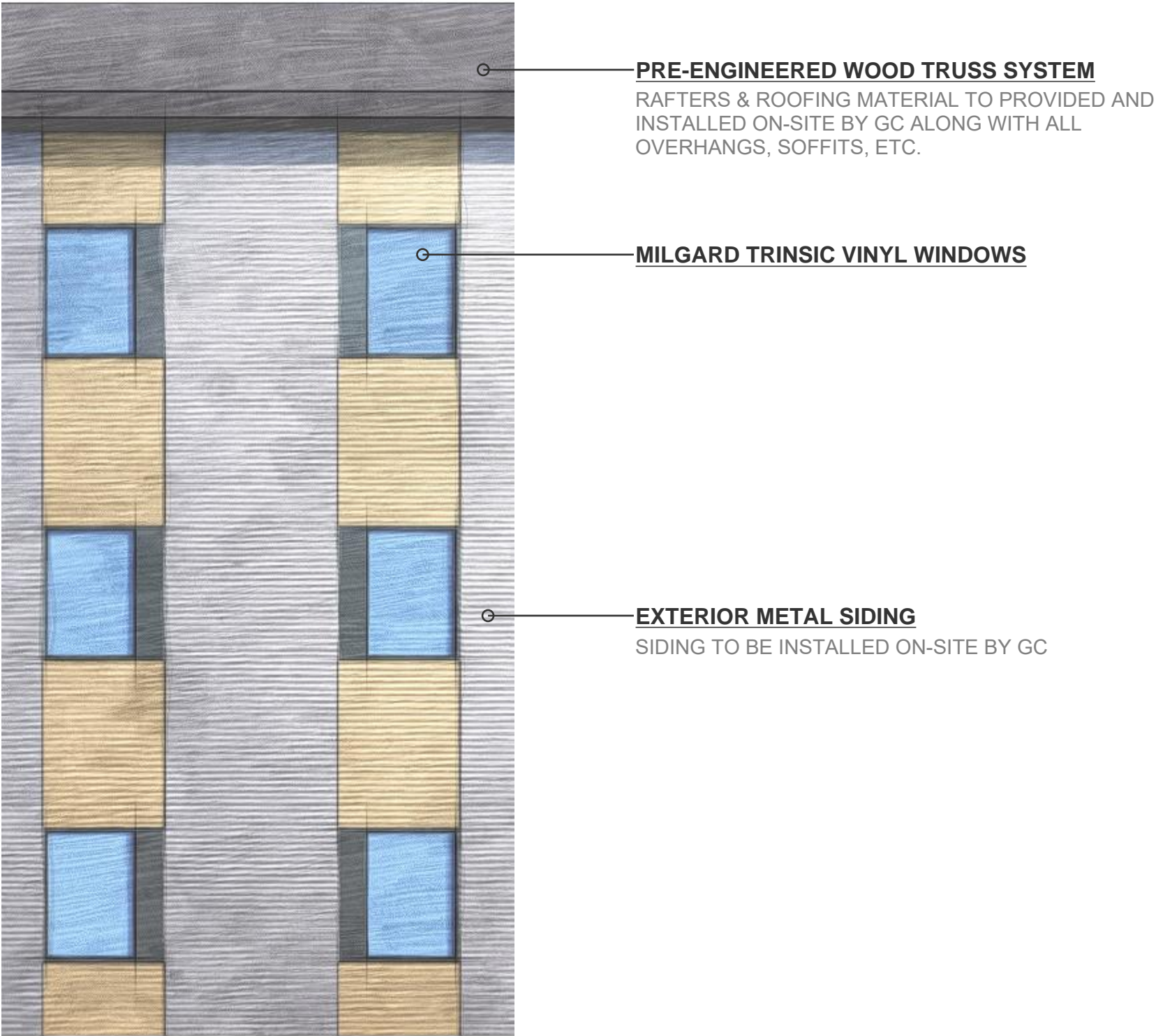
MODULAR UNIT DIAGRAM



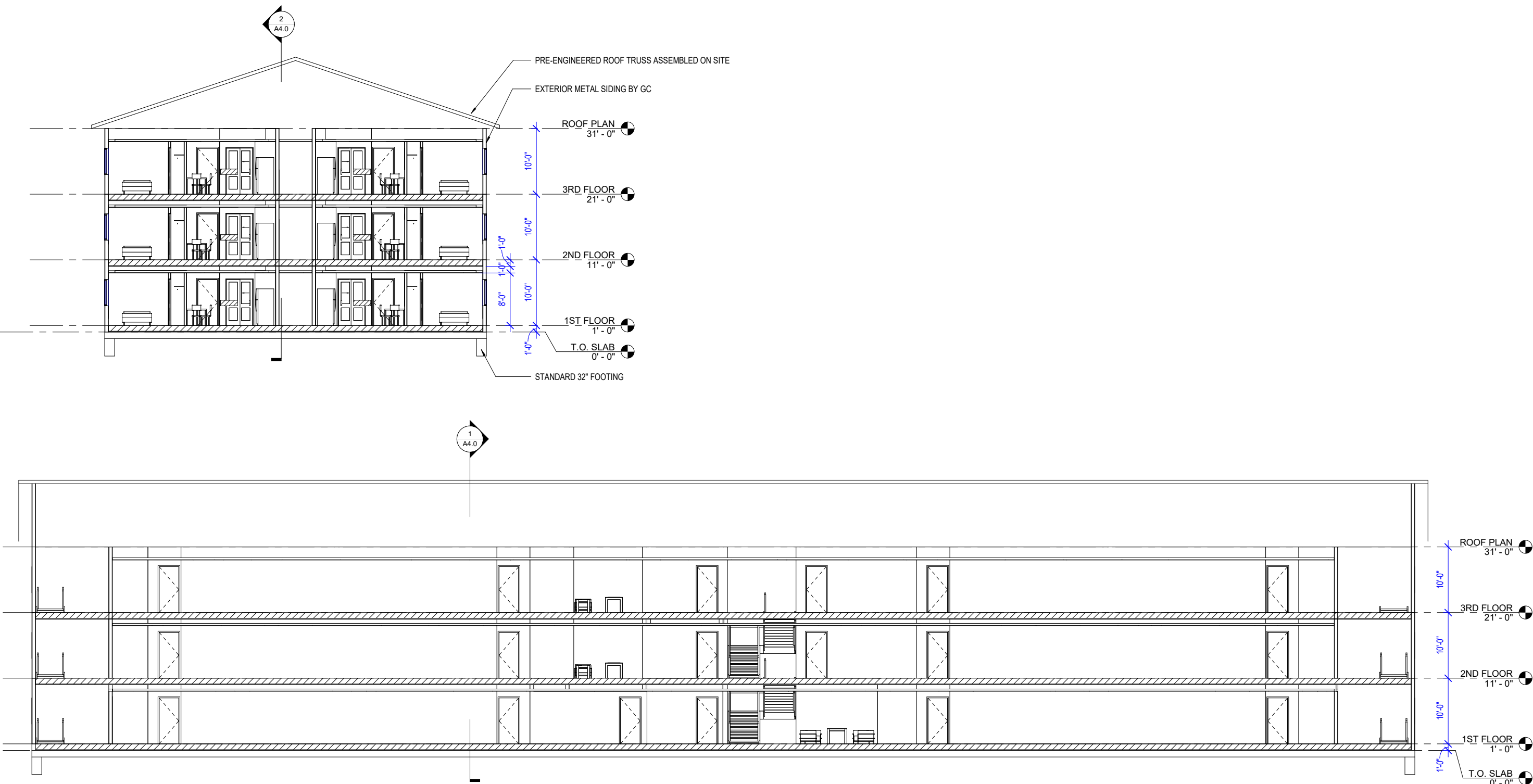
OVERALL ELEVATIONS



DETAIL VIEWS



BUILDING SECTIONS





Port of Juneau

155 S. Seward Street • Juneau, AK 99801
(907) 586-0292 Phone • (907) 586-0295 Fax

From: *Carl J. Uchytel*
Carl Uchytel, P.E.
Port Director

To: Alexandra Pierce
Tourism Manager

Via: Docks & Harbors Board

Date: December 30th, 2022

Re: FY 2024 Marine Passenger Fee (MPF) Request

1. Attached for your consideration is a list of FY24 Marine Passenger Fee requests from Docks & Harbors. This list was discussed by the Docks & Harbors Operations-Planning Committee at its December 21st meeting and approved at its December 29th, 2022 regular board meeting.
2. Docks & Harbors is very appreciative of the financial support received through this process. FY22 ended with strong cruise ship activity; however, the Docks Enterprise did transfer \$130,000 from the fund balance to meet necessary expenditures. Please know that the MPF generously provided to the Docks Enterprise provides approximately one-third of all revenue collected. With Docks fees largely unchanged since 2007, MPF has increasingly become more important to the financial health of this Enterprise.
3. Please contact me should you have questions at 586-0282.

#

Encl: (1) FY24 Docks & Harbors Marine Passenger Fee Request

Copy: City Manager
Parks & Recreation
Finance Department

CBJ Docks and Harbors Board
FY2024 Marine Passenger Fee Request

Section D, Item 3.

Area Wide Port Operations

Descriptions: CBJ's cruise ship docks and associated infrastructure are run as an enterprise fund established by local ordinance. All expenses and revenues associated with operating and maintaining CBJ's cruise ship docks and associated infrastructure are accounted within this fund. The CBJ Assembly has placed these assets under the responsibility of the Docks and Harbors Board. CBJ Ordinance Title 85 requires the Board to be self-supporting, generating revenues sufficient to meet the operating costs of the Docks Enterprise. The Board has established a number of fees to generate revenues from users of the assets. The Board has calibrated these fees to assure the overall revenue generated by the enterprise equals the overall cost of running the enterprise.

Many of the uplands assets are used by entities which it is not possible, feasible, or acceptable to charge fees. As a result, users paying fees are subsidizing users that do not pay fees. The services provided to these users are area wide in nature benefiting the general public and cruise ship passengers of private docks. As part of this fee request, the Board identified services that are area wide in nature.

Board identified the following services:

1. Year round maintenance and monitoring of Marine Park.
2. Maintenance and operation of public parking at the Columbia Lot and seasonal public parking at the Steamship Wharf Plaza and the Visitor's Center Lot.
3. Maintenance and operation of unrestricted pedestrian access along the waterfront at the public docks.
4. Year round maintenance and monitoring of Peratrovich Plaza.
5. Costs associated with landscape maintenance services throughout the Downtown Waterfront.
6. Providing area wide port security. Of note are new Coast Guard requirements to validate credentials of passengers and crew returning to the cruise ships. New security structures have provided greater efficiencies but the resultant is greater staff responsibilities to meet the Facility Security Plan. [Note an additional \$300K MPF request for "Port of Call" access control is included in this year's request.]
7. Billing and collecting CBJ area wide fees for all docks.
8. Maintenance & repairs of Visitor's Kiosk.

The Board reviewed its FY22 budget and apportioned expenses associated with these services. Based on its review, it estimates that about 20% of the annual docks budget is attributable to area wide services.

Marine Passenger Fee Funds Requested (FY24): \$275,000

Benefits: This approach is supported by the cruise ship industry since it is more equitable than raising dockage fees, although Docks & Harbors is considering fee increases. This approach meets the intent of the marine passenger fee since the services benefit all cruise ship passengers, not just the passengers at the public docks. This approach allows the Docks and Harbors Board to direct part of the dock lease revenues to the much needed rebuild effort of the small boat harbors reducing the need for fee increases at the harbors.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will use local Docks enterprise funds for these expenses.

Project Contact: Teena Larson, Port Admin Officer or Carl Uchtyl, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2024 Marine Passenger Fee Request

Section D, Item 3.

Port-Customs and Visitor Center Buildings Maintenance Support

Project Descriptions: The Port-Customs and Visitor Center buildings are located on the downtown Juneau waterfront, an area that serves in excess of one million cruise ship passengers each year. Docks and Harbors, an enterprise operation, is responsible for costs associated with operating the Port-Customs and Visitor Center Buildings. Expenses include all utilities (water, sewage, electrical, alarm monitoring) and facility support (parking lot, plaza, snow removal, janitorial and general maintenance). The two buildings comprise approximately 4450 square feet in area. Maintenance costs are estimated at \$2.66 per square foot per month equaling \$142,000.

Marine Passenger Fee Funds Requested (FY24): \$142,000

Project Review: The Port-Customs Building was completed in May 2011 with the Visitor Center completion in June 2012. The project which included the buildings, infill dock construction, covered shelters, landscaping and plaza cost approximately \$9M and was funded with Marine Passenger Fees. The Port-Customs Building is occupied by the US Customs and Border Protection (CBP) and Docks and Harbors staff. CBP claims to be exempt from any costs associated with their operations within a port. The Visitor Center Building is occupied by the Travel Juneau, a non-profit organization for the purpose of supporting cruise passenger inquiries. The Travel Juneau budget does not support maintenance of the building. This leaves the Docks enterprise funds fully exposed to the costs of maintaining and servicing these buildings.

Benefits: By establishing a Port-Customs and Visitor Center Buildings maintenance fund Docks & Harbors can effectively manage and maintain the properties entrusted under their responsibilities. Passenger fees were granted for this purpose in FY2013 through FY2020.

Maintenance and Operation Responsibility: CBJ Docks and Harbors is responsible for all ongoing maintenance and operating expenses of these two buildings and associated upland support facilities.

Project Contact: Matthew Sill, CBJ Port Engineer or Carl Uchtyl, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2024 Marine Passenger Fee Request

Section D, Item 3.

Safety Rail along Dock Face

Project Descriptions: The project would be located along the downtown Juneau waterfront, an area that services approximately one million cruise ship passengers each year. The project consists of constructing a new guardrail along the face of the existing dock.

Marine Passenger Fee Funds Requested (FY24): \$1,000,000

Project Review: This project would construct a new pedestrian guardrail along the existing dock face from Marine Park to the South Berth approach dock. The existing dock face only features an eighteen inch bullrail at the edge. For pedestrian safety a forty two inch high guard rail would be constructed. The proposed guardrail would be designed in the same character as other guardrails along the Seawalk.

Project Time-Line: This project would begin as soon as funding is allocated. The first step would be to design the guardrail and prepare construction bid documents. Upon award of a contract to the lowest qualified bidder construction would begin. The plan is to have the guardrail installed by spring 2024 provided full funding is obtained.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses. Maintenance and operations expenses for the guardrail would be minimal.

Project Contact: Matthew Sill, CBJ Port Engineer or Carl Uchytel, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2024 Marine Passenger Fee Request

Section D, Item 3.

FY2024 ADOPTED BUDGET FOR DOCKS

Descriptions: CBJ's cruise ship docks and associated infrastructure are run as an enterprise fund established by local ordinance. All expenses and revenues associated with operating and maintaining CBJ's cruise ship docks and associated infrastructure are accounted within this fund. The CBJ Assembly has placed these assets under the responsibility of the Docks and Harbors Board. CBJ Ordinance Title 85 requires the Board to be self-supporting, generating revenues sufficient to meet the operating costs of the docks enterprise. An alternative is for the Docks Enterprise to be completely funded with Marine Passenger Fees.

Marine Passenger Fee Funds Requested (FY24): \$2,200,000

Benefits: This request places the entire Docks budget under a single funding source.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses and will use local Docks enterprise funds for these expenses.

Project Contact: Teena Larson, Administrative Officer or Carl Uchytel, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2024 Marine Passenger Fee Request

Section D, Item 3.

Additional Personnel for “Port of Call” Access Control

Description:

After two years of cruise ship inactivity due to the pandemic, CY2022 rebounded with 1.2M arriving passengers which was second highest record to 2019. The CY23 schedule calls for an equally busy season for the AS/CT Docks and at the PFO lightering dock. The 2020 Coast Guard requirements described below is a non-funded federal mandate that must met to remain compliant with our approved Federal Security Plan. Docks & Harbors has provided briefings to determining the financial resources necessary to meet this requirement.

On December 18th, 2020 Coast Guard Sector Juneau released a Marine Safety Information Bulletin clarifying the regulatory requirements for Maritime Transportation Security Act (MTSA) regulated facilities which receive large foreign passenger vessels (i.e. cruise ships). The Consolidated Cruise Ship Security final rule, published on March 19th, 2018 defined the differences between a “cruise ship terminal” and a “port of call”. The final rule also prompted a conversation between USCG Sector Juneau and SEAK industry stakeholders, including the Port of Juneau. Previously, SEAK industry stakeholders (including the Port of Juneau) interpreted Title 33, Code of Federal Regulations (CFR), Section 105.255(d)(4) as a list of documents which could serve as personal identification irrespective of criteria in 33 CFR 101.515. As such, facility security personnel (including the Port of Juneau) were allowing individuals with only a vessel boarding pass or room key to gain access to the secure area adjacent to the cruise vessel.

The resultant clarification in the MSIB is that, effective April 1st, 2021, facility security personnel must use a two-prong approach to ensure proper identification and valid purpose:

1. Check the personal identification meeting the criteria in 33 CFR 101.515; and,
2. Confirm the purpose for access by examining at least one document listed in 33 CFR 105.255(d)(4).

Although this may seem like a minor additional task to validate an ID with a boarding pass, we believe the impact will greatly impede the flow of passengers returning to their vessel. The above mentioned two-prong requirement will be similar to what one experiences at an airport TSA checkpoint. The extra time required to ensure each boarding pass matches the government issued ID has the potential to create delays when excess of 1000 passengers/hour attempt to embark their vessels during the waning time in Juneau. Additionally, passengers who do not have government issued ID will need to be escorted by port facility security to the vessel security officer which will only exasperate those waiting in the queuing line.

Marine Passenger Fee Funds Requested (FY24): \$300,000 (14 Part Time Limited Harbor Technicians)

Benefits: By funding an additional 14 PTL Harbor Technicians positions, Docks & Harbors will recruit seasonal employees who will augment the standing Docks security force enabling greater redundancy for properly checking credential in accordance with Coast Guard guidance.

Maintenance and Operation Responsibility: CBJ Docks & Harbors, as the facility manager for the AS and CT Docks, has uplands security requirements required under MTSA regulations.

Project Contact: Matt Creswell, CBJ Harbormaster or Carl Uchtyl, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2024 Marine Passenger Fee Request

Section D, Item 3.

Port of Juneau Harmonization

Description: The geographic area of Juneau Harbor (aka Port of Juneau) is posed for unprecedented capital investment from private, federal and local government interests. It should be a CBJ goal to ensure the entities involved do so collaboratively and with community mindfulness.

- a. Huna-Totem Corporation – has publicly announced plans to develop the NCL deeded property at the Sub-port.
- b. USCG – open source media articles have suggested the Coast Guard is considering Juneau as a potential homeport for a commercially available icebreaker.
- c. Goldbelt Inc. – has approached CBJ to secure property necessary to raze and construct a new Seadrome Building along the waterfront and adjoining to the future Seawalk.
- d. CBJ Small Cruise Ship Infrastructure – Docks & Harbors continues to pursue federal grant funding to expand moorage encourage small US flagged cruise ships to operate out of the downtown port.
- e. CBJ Dock Electrification – Docks & Harbors is actively working with AELP in procuring long lead items and planning efforts to electrify one of the two CBJ owned cruise ship docks in 2026.
- f. CBJ Seawalk & Marine Park – CBJ Engineering and Parks & Recreation are working in concert to expand the existing Seawalk and have recently selected a consultant to re-envision Marine Park.

Each project is with merit including the potential to enhance local economic prosperity and quality of life. However, if each organization executes in a silo, without proper waterfront coordination, it is probable that the sum of the individual projects will be less that what could be accomplished when efforts are synchronized.

Board identified the following services: The desired product is to secure waterfront engineering and planning consulting services to harmonize the individual projects consistent with the vision of the CBJ Assembly. The proposed waterfront consultant would be under the direction of Docks & Harbor in collaboratively working with the businesses/agencies listed above to provide studies, reports, engineering design & services, permitting, third party reviews, consultation with local utilities and presentations to local government officials.

Marine Passenger Fee Funds Requested (FY24): \$1M

Benefits: This approach is a force multiplier to all involved and best aligns the interests of the local community. An example, could be active and influential engagement with the Coast Guard and Huna-Totem for design/planning efforts for Seawalk extension through their respective controlled property. The individual organizations may not be motivated to consider the contiguous vision of a community desired Seawalk. Focused CBJ-led waterfront efforts to bridge the individual interests will pay dividends. Another example could be to leverage the CBJ/AELP partnership to advance the needs of entities requiring significant power requirements. These services could also be used to augment the navigational/environmental study needs most likely required by each of the entities who are contemplating infrastructure investment.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses of CBJ owned facilities and will use local Docks enterprise funds or future Marine Passengers Fees for these expenses.

Project Contact: Carl Uchtyl, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2024 Marine Passenger Fee Request

Section D, Item 3.

Purchase of Archipelago Property, LLC Uplands

Description: Purchase the upland property in private ownership adjoining Peratrovich Plaza. This 0.777 acre parcel is owned by Archipelago Property, LLC is assessed at \$9.9M. Docks & Harbors completed the [Marine Park to Taku Dock Urban Design Plan in 2018](#) which provided direction for expanding the use of the along the Juneau waterfront. This plan lead to a sophisticated land swap/sale with the private owner to achieve beneficial use.



Board identified the following: The Marine Park to Taku Dock Urban Design Plan envisioned the *terra firma* property to be developed with private capital for retail purchase. The plan was also a catalyst for identifying a future, undefined waterfront attraction on the wooden deck. The CBJ Manager has identified a project to relocate the Juneau-Douglas City Museum to the waterfront.

Marine Passenger Fee Funds Requested (FY24): \$10M

Benefits: Docks & Harbors believes the best use of the waterfront would be to purchase the uplands and develop the museum along Franklin Street. This would leave Peratrovich Plaza, including the Peratrovich mural, to have view planes protected along the Seawalk and to Juneau Harbor.

Maintenance and Operation Responsibility: As this is request is for property transaction only there is no maintenance and operational costs.

Project Contact: Carl Uchtyl, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2024 Marine Passenger Fee Request

Section D, Item 3.

Lone Sailor Statue

Description: Alaska Pioneers (Igloo 6) are in the initial planning stages to erect a [Lone Sailor Statue](#) in Juneau. There are currently 17 Lone Sailor Statues around the world. Discussion with the Navy Memorial, which oversee the program, indicates that a sponsor would need to fundraise \$350,000 and provide a suitable location for display. The sailor is 7' 4" tall and made of bronze.



Marine Passenger Fee Funds Requested (FY24): \$100K

Benefits: This is a non-profit civic organization's efforts to bring art and vitality to Juneau. There is a connection to the USS JUNEAU and the Lone Sailor mission. The Lone Sailor is an iconic symbol of the Navy Memorial's mission to *Honor, Recognize, and Celebrate* the men and women of the Sea Services, past, present, and future; and to Inform the public about their service.

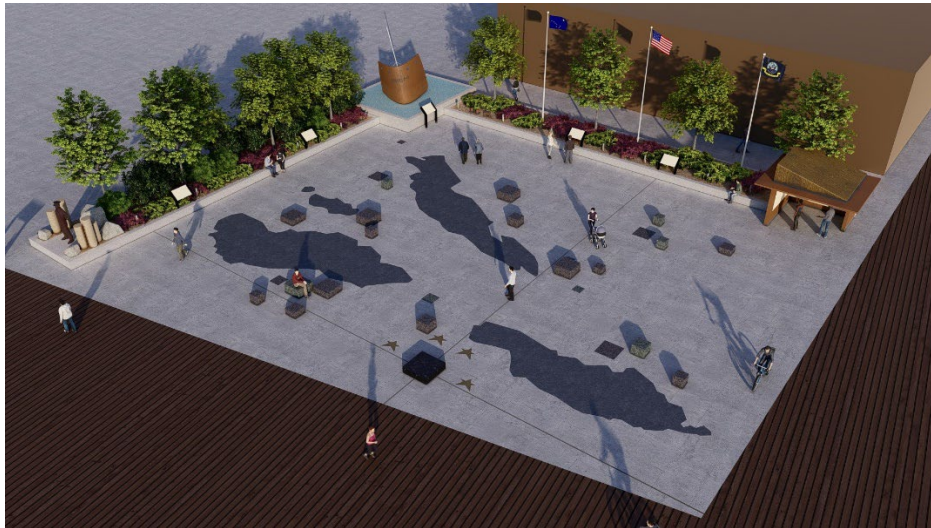
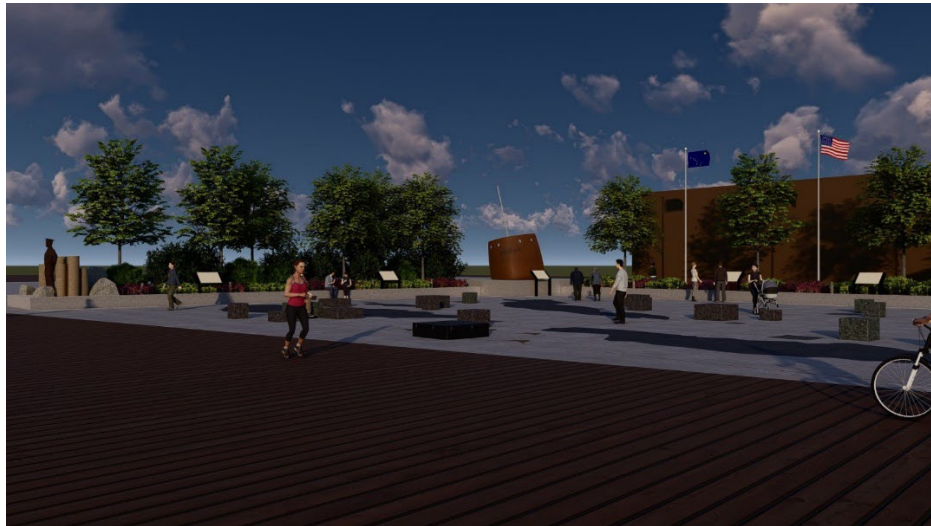
Maintenance and Operation Responsibility: Should a suitable location be found on CBJ property, the appropriate CBJ department could maintain the bronze statue. Else, the sponsoring organization could retain this responsibility.

Project Contact: Carl Uchtyl, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board FY2024 Marine Passenger Fee Request

USS JUNEAU MEMORIAL - EXPANSION

Description: In the [Marine Park to Taku Dock Urban Design Plan in 2018](#) an option was explored to create a larger and more significant USS JUNEAU memorial along the Seawalk. The USS JUNEAU memorial is currently revered at its location; however, it lacks interpretive information on the Battle of Guadalcanal and the five Sullivan brothers. A well designed memorial could enhance the visitor experience and honor a local namesake.



Marine Passenger Fee Funds Requested (FY24): \$3M

Benefits: This project could expand the useable width of the Seawalk, provide an historical educational display and honor those in the sea going services.

Maintenance and Operation Responsibility: CBJ is responsible for all ongoing maintenance and operating expenses of CBJ owned facilities and will use local Docks enterprise funds or future Marine Passengers Fees for these expenses.

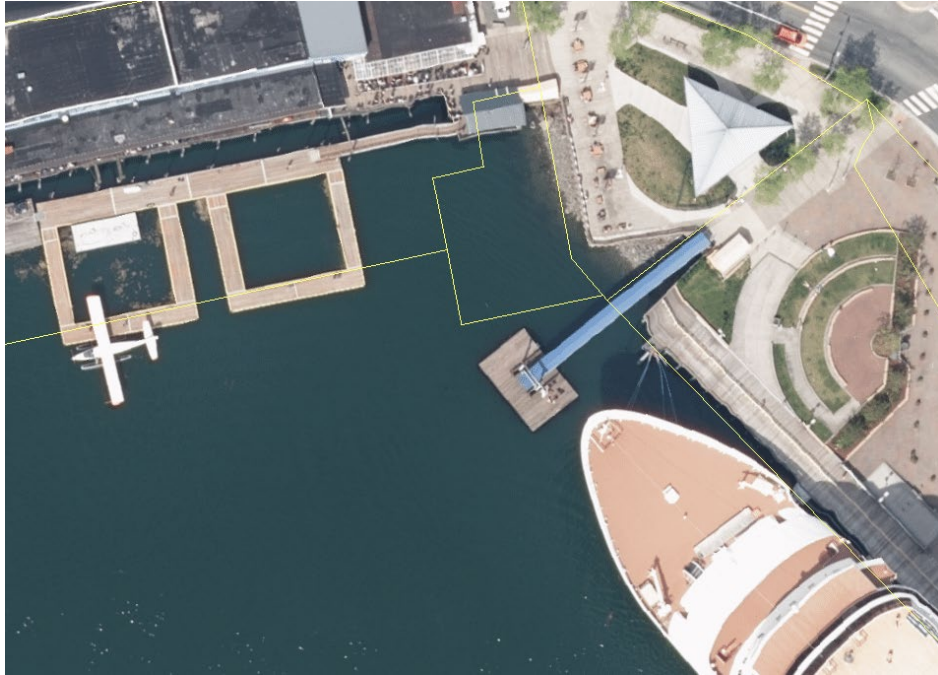
Project Contact: Carl Uchtyl, CBJ Port Director 586-0292.

CBJ Docks and Harbors Board
FY2024 Marine Passenger Fee Request

Section D, Item 3.

Reestablishment of Emergency Vessel Loading Float

Description: With the construction of the new downtown cruise ship docks, the former lightering float became a risk to the float planes and was removed.



Marine Passenger Fee Funds Requested (FY24): \$650K

Benefits: This project, at a yet to be determined location, would contribute to providing a secondary emergency vessel mooring location to offload cruise ship passenger in the result of a mishap.

Maintenance and Operation Responsibility: Docks & Harbors would be responsible for all ongoing maintenance and operating expenses for this CBJ owned facility and will use local Docks enterprise funds or future Marine Passengers Fees for expenses.

Project Contact: Carl Uchtyl, CBJ Port Director 586-0292.

Alexandra Pierce

From: Gene Miller <genemiller03@gmail.com>
Sent: Thursday, December 1, 2022 11:09 AM
To: Alexandra Pierce
Subject: Marine Passenger Fee proceeds

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

I work as a naturalist guide and observed too few public restrooms downtown and not enough restroom capacity at the Mendenhall Glacier Visitor Center.

Also, the existing facilities need upgraded signage and posted on maps. Thanks for the consideration.

Kind Regards,

Gene

c. 907.723.5537

e. genemiller03@gmail.com

Alexandra Pierce

From: Jim Donaghey <jmdjnu@outlook.com>
Sent: Friday, December 23, 2022 10:55 AM
To: Alexandra Pierce
Cc: donaghey@gci.net
Subject: Marine Passenger Fee Program

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Date: Dec. 23, 2022
Subject: Recommendation for
Marine Passenger Fee Program
To: Alexandra Pierce
CBJ Tourism Manager

For those of us living throughout the downtown area the Juneau City Docks are one of the major attractions for daily walks (weather permitting)! Which brings me to my suggestion for the use of the funds from the passenger fees collected. Two things that would enhance the use of the city docks not only for passengers off the cruise ships but also for us locals who would like to use the docks year-round are:

- Covered walking area on at least half the width of the dock from one end to the other.
- Allow for local vendors such as food carts, coffee stands, artists etc. to set up their stands.

The summer the rains makes walking into the shopping areas and from one end of the docks to the other uncomfortable for everyone and during the winter months snow and ice make walking dangerous and at times impossible on the docks.

If you have any questions, suggestions or concerns regarding my suggestions please do not hesitate to contact me.

Kind regards – Jim

James Donaghey
1029 A Street
Juneau AK 99801

Cell: (907) 209-2560
Email: donaghey@gci.net

Alexandra Pierce

From: Bruce Denton <brucecdenton@gmail.com>
Sent: Monday, January 2, 2023 9:09 AM
To: Alexandra Pierce
Cc: rory.watt@cbj.org; Maria Gladziszewski; Wade Bryson; Greg Smith; Carole Triem; Waahlaal Giidaak; Aliciahughes-skandijs@juneau.org; Michelle Hale; Christine Woll; Beth Weldon
Subject: MPF funding request for downtown bus circulators

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Senate Building

175 South Franklin St. Juneau, Alaska 990801

January 1, 2023

Alexandra Pierce
 CBJ Tourism Director

Re: MPF funding request for downtown bus circulators

Dear Ms. Pierce,

I urge you to support use of one million dollars of the 2023 Marine Passenger Fees as a match to leverage a US DOT 5339(c) Low No Emissions grant request <https://www.transit.dot.gov/bus-program> for four 30-foot electric busses to be used as downtown circulators.

The need for a downtown circulator has been there for years and has become more necessary with increasing cruise ship passenger numbers as well as the geographic separation of the four (and now potentially five) cruise ship docks. I believe efficient, regular, and frequent buses circulating between the cruise ship docks and the downtown business districts will:

1. Incentivize cruise ship passengers who because of age, disability, and/or ambulatory issues, or who just aren't interested in having to walk anywhere, that currently don't disembark to do so
2. Give passengers, particularly those returning from shore excursions the option of going downtown knowing they have an easy and reliable means to get there and back thus increasing evening hour activity
3. Increase cruise ship passenger satisfaction
4. Increase support of downtown businesses and increase CBJ sales tax revenue
5. Support local downtown residents especially those who do not own cars
6. Decrease pedestrian sidewalk congestion
7. Be a completely appropriate use of MPF's (particularly if used to leverage significant additional federal grant funds)

This use of MPF's is a win for the City, the cruise ship passengers, the cruise industry, locals, and the downtown business community. The buses can become an extension of the current CBJ transit system or can be operated as a private/public partnership not unlike the existing Care A Van operation. There also may be an opportunity to use these buses to support the recently announced CDL program at UAS.

It will take 18 months from the time the busses are ordered before delivery. Therefore, we have until the ship season to work out the operational details, but now is the time to take advantage of the opportunity to secure funding for the capital investment without using any CBJ taxpayer dollars.

I am willing to participate in any future discussions or efforts to promote what I believe is this most important next step to a more viable downtown.

Respectfully submitted,

Bruce Denton
Senate Properties, LLC
bruceCdenton@gmail.com

Cc: CBJ City Manager, CBJ Assembly members

Alexandra Pierce

From: Joyanne Bloom <joyanneb@gmail.com>
Sent: Tuesday, December 6, 2022 11:55 AM
To: Alexandra Pierce
Cc: ricardo.worl@sealaska.com; Kathy.dye@sealaska.com
Subject: Idea for Head Tax Funds - Signage for Elizabeth Peratrovich Mural

Follow Up Flag: Follow up
Flag Status: Flagged

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Hi Alex,

As requested, I would like to submit my idea for an expenditure of cruise ship head tax collected by CBJ to be used for the enhancement of passenger experience.

Two tourist seasons have now passed since the awesome Elizabeth Peratrovich mural has greeted our tour ship passengers. Two years of missed opportunities to educate well over a million of our guests about who she is and why she so deserves to fill an enormous space in our downtown.

Please work with Sealaska Heritage Institute to get signage and displays up in time for the next million visitors coming in 2023. I'm picturing at a minimum something like what explains William Seward's statue by the court building or Patsy on the dock.

Thank you for your consideration,
Joyanne Bloom

--

Joyanne Bloom
883 Basin Road
Juneau, Alaska 99801

(907) 723-3604

To: Alexandra Pierce,
Juneau City Borough Tourism Manager
155 S. Seward Street
Juneau, Alaska 99801

December 14, 2022

Dear Ms. Pierce,

In response to the CBJ's request for proposals for the use of head tax proceeds, I offer the following:

Project: Reallocate existing inventory, or purchase new assets, several (2-3 tbd) emergency response vehicles (medical and fire response) and house them in a seasonal summer season facility on the rock dump. The CBJ already owns buildings and land on the rock dump, such as the IHH building, which could be ideally suited for this purpose with light remodel.

This project serves two purposes:

1. Reduce response time for residents and tourism businesses located past the rock dump on Thane Road. During the busy tour ship season, South Franklin Street and Egan Drive are frequently at a standstill with buses, container laden semi-trucks, taxis, minibuses, pedicabs, resident vehicles, and above all, pedestrians using the roadway. Throw emergency response vehicles into the mix, and you have a real time issue as there is no room for pulling over and allowing emergency vehicles to pass. Response times in the event of medical or fire emergencies are critical. A delay in response time of even minutes may mean the difference between life and death or salvage and destruction.
2. Reduced response time for passengers requiring medical assistance upon tying up to the Juneau docks. Cruise ships tying up at our docks frequently require emergency response vehicle assistance as they tie up as quite a few passengers tend to be of an older age class and may become ill or incapacitated while at sea. Three of the five Cruise ship docks in the Port of Juneau (not including the Intermediate Vessel Float) would be much more easily served from the rock dump than from the current fire station near the Federal building. I think that the two berths at the marine park area could continue to be served as they currently are, but they could also be served in the summer from a rock dump EMT facility.

This proposal is directly related to the visitor industry. It enhances the tourism experience in Juneau and the proposal would help to offset impacts to our community created by the cruise ship industry. While it would be easier to reduce traffic snarls in the downtown corridor by widening S. Franklin St., that is not a likely scenario given the existing land and building ownership landscape.

Sincerely yours,



Sandro Lane
4800 Thane Road
Juneau, AK 99801

A carbon free Tourism Industry may not be possible, but that is what we can aim for.

In 2022, Juneau lost two marine dealerships. Both Tanners' marine, and Willies Marine closures will create hurtful effects on Juneau's marine industry.

Starting a new marine dealership my need the help of the community.

I am seeking a dealership from Evoy, <https://www.evoy.no/>, who is a Norwegian company which manufactures electric boat motors. (Both inboard and outboard.

Here is an article on Norway's electric ferry:

“The World’s Largest Electric Ferry

- [Pim Van Hemmen](#)
- Oct 29, 2021



If you thought large vessels couldn't go electric, think again.

In Norway they have been using electric ferries for more than five years, but earlier this year the government put the largest electric ferry in the world into service.

The 457-foot-long *Bastø Electric* can make 20 to 24 crossings of the 5.67-mile Oslo Fjord per day. With a top speed of 13 knots, it can carry 200 cars and 600 people. The ferry gets supercharged overnight with a cable that is as thick as a human being.”

The purpose of the article is to show the technology is currently being used, and there is no size restriction to conversion.

Juneau needs a marine dealership that converts Gas and Diesel whale watching vessels to electric, or hybrid diesel/electric...

Tourist won't directly see this proposal, and that's the point. Tourist won't see fuel trucks, diesel exhaust, but the environment will directly see effects.

I am seeking \$500,000 for trial conversion of two vessels to electric. A smaller 30ft 6 pack size vessel to electric, then a 30 plus passenger whale watch vessel. Estimated costs of trial conversion to include actual conversion equipment, installation labor, Coast Guard COI requirements, trial operating study.

Current phase of starting a new electric marine dealership is purchasing 40x130 ft building to be constructed, and trial conversion of two vessels. Commercial loans are not available at this stage in development.

Regards,

Peter Dukowitz

January 1, 2023

RE: Marine Passenger Fee Program proposal

I hereby submit a proposal for using the Marine Passenger Fee to improve the current slow speed (aka "5-knot") zone buoys outside Statter Harbor and conduct a study to investigate the impacts of cruise ship passenger-associated traffic on wave height.

Currently, there are only one or two small spar buoys that mark the slow speed zone in the summer. These are not positioned where most boaters are aware of them, and it leads to many summertime transient boaters (including tour operators) operating vessels above the 5-knot speed in this area. The resulting traffic and wake within this zone is impacting all user groups. This impact increases as whale watching, charter fishing, and tourist-focused adventures grow in abundance.

For example, kayakers are put in danger of high-speed whale watching vessels (both of which are often tours sold to cruise ship passengers). Fishing vessels who use the area are being put at risk of unpredictable waves when tied to the breakwater. The fact is that this is an issue which has surfaced over the years by many concerned citizens. History has shown that the current self-regulation by the tourism industry is not sufficient.

I propose increasing the size of the slow speed zone spar buoys to at least 5 feet above water and at least 16" in diameter. It is proposed to increase the number of slow speed buoys to at least three across the entrance of Statter Harbor.

I also propose creating a study to investigate the impacts of summertime traffic on wave height in Statter Harbor. This would be performed by measuring wave height around the harbor's entrance using an ocean data buoy such as the Sofar Ocean Spotter Buoy. This would be attached to one of the slow speed zone spar buoys.

By comparing wave height data on days with cruise ships in port to days without ships in port, the impact of cruise ship passengers on Auke Bay wave activity could be measured to determine if the slow speed zone needs to be modified or expanded during the cruise ship season. At the very least, this project could be used to track how use over time is impacting Statter Harbor and provide data to inform tour operator best practices or future breakwater design.

I am requesting CBJ allocate \$60,000 to purchase the 3 new spar buoys, ocean data buoy, and associated anchor rigging to strengthen the visibility and information surrounding the Statter Harbor slow speed zone. Thank you and please let me know if you request additional information for this proposal.

Regards,

Michael Riederer

December 19, 2022

Alexandra Pierce
Tourism Manager, City & Borough of Juneau
155 S Seward St
Juneau, AK 99801

Dear Ms. Pierce,

Travel Juneau requests funding from Marine Passenger Fees to continue these cruise passenger and community service programs in FY24:

1) Crossing Guard Program - \$294,206: Only staffing costs up to \$255,831 plus applicable CBJ sales tax (approximately \$12,792) will be invoiced against the passenger fee request; Travel Juneau will retain a 10% fee (\$25,583) to administer the program on behalf of CBJ. The request is based upon the estimated number of staff hours to accommodate the ship schedules for the fiscal, and billed at \$37.80/hr. The Crossing Guard Program encourages cruise passenger safety by addressing vehicular and pedestrian congestion along South Franklin Street and the Marine Park Plaza area; primary crossing areas at the Cruise Ship Terminal, People's Wharf, Marine Park, and at the Goldbelt/Mt. Roberts Tram staging area.

Goldbelt Security's FY23 estimates are based upon the 2022 and preliminary 2023 cruise calendars. Considering the expected rebound in the number of cruise passengers for these seasons, Goldbelt Security conservatively estimates that a minimum of 9,392 hours will be required for this program for FY23, with their billing rate set at \$36.18 per staff hour.

Goldbelt Security will continue to employ supervisors to closely monitor needs and activity at the designated crosswalks. Further, the company will update Travel Juneau regarding the program and is aware of the need to keep costs within the grant amount.

2) Travel Juneau Visitor Information Services Program - \$165,180: The Visitor Information Services (VIS) program assists cruise passengers by providing directions, excursion referrals, and information about medical resources, community services and local activities. During the season, two dockside visitor information services centers are staffed with volunteers and two paid seasonal staff.

During FY22, which saw the late and limited restart of the cruise industry during July-October, 2021, Travel Juneau's VIS assisted 52,283 visitors during 1,632 volunteer service hours. Travel Juneau anticipates that FY23 will end much higher, and that FY24 will see a near-full resurgence of the cruise industry, with approximately 100 volunteers assisting more than 195,000 visitors over more than 5,000 volunteer hours. The requested funding will support:

- 60% of base salary for 2 full-time TJ staff to recruit, train, and supervise 150+ Juneau volunteers, manage all visitor centers, as well as develop and maintain inventories of up-to-date visitor and volunteer informational materials. Includes regular communications to volunteers.
- 100 % of two seasonal staff for the Cruise Ship Terminal Visitor Center (CST) and Marine Park Kiosk.
- volunteer recruiting efforts, including ad placement
- required full-group training and additional small group trainings – costs include materials and venues
- volunteer recognition events and gifts to keep volunteers engaged and retained
- visitor materials, including informational handouts and approximately 75,000 walking maps and for distribution primarily at the dock visitor information centers
- supplies for the visitor centers
- subscription to online volunteer scheduling calendar

The program will see inflation-driven increases to payroll, supplies, and printing costs.

3) Tourism Best Management Practices (TBMP) - \$25,950: During FY23, TBMP was brought fully under the administrative oversight of Travel Juneau, which hired a part-time administrator for the program. This request supports:

- HR costs for the administrator
- maintenance of the database module for the program
- maintenance of the program's microsite and URL
- program communications and PR
- modest community event support
- member collateral

Please refer to the attached documents for estimated expense details on these three programs.

Travel Juneau is proud to be associated with these safety and service programs for our cruise visitors and residents, and we appreciate the CBJ's support of these efforts to make Juneau a safe and hospitable visitor destination. If you need further information about these programs, please don't hesitate to contact me.

Sincerely,

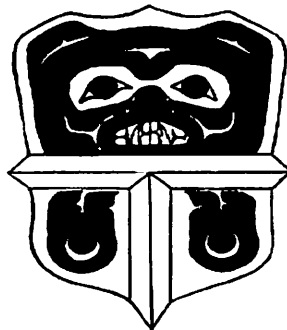


Liz Perry

President/CEO

Travel Juneau

cc: Jeff Rogers, Director of Finance, CBJ
Elizabeth Arnett, Administrator, Tourism Best Management Practices (TBMP)



Goldbelt Security LLC

3025 Clinton Dr.

Juneau, Alaska 99801

December 14, 2022

Liz Perry

President and CEO

Travel Juneau

800 Glacier Ave. Suite 201

Juneau, Alaska 99801

Dear Ms. Perry

I have completed the projected funding for the 2024 Crossing guard program administered by Travel Juneau.

Costs for the first half of Fiscal 2024: July, August and September 2023. Anticipated billable hours 4,144-man hours, billing rate of \$37.80 per hour

\$156,643.20.

April, May and June 2024 estimated hours are 2,624 hours is \$99,187.20 The total estimate for fiscal 2024 is,

\$255,830.40

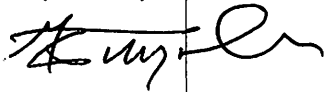
The proposed hours include a total of crossing guards working during ship arrivals starting at approximately, with two officers starting as early as 8:00 am. It is anticipated that the morning officers will be augmented with two or three more officers at approximately 10:00 am and additional officers will augment staff at between 11:00 am ending near 7:00 pm no later than 8:30 pm, depending on the number of ships calling to port each day.

The minimum number of officers assigned will be two with a relief officer working two hours to allow officers to take meal breaks.

During large number of visitor arrivals there will be approximately 6 officers at the most available to help visitors cross Juneau's busy streets during peak travel hours. Obviously, the officers' schedule will coincide with ship arrivals and departures. We at Goldbelt are striving to ensure we have the trained and properly equipped staff for this important Function Travel Juneau provides for the visitors to Juneau.

Please do not hesitate to call email me should you have any questions regarding this price quote.

Respectfully;



Michael G. Tagaban

Operations Manager

Goldbelt Security LLC

3025 Clinton Dr.

Juneau, Alaska 99801

(907) 790-1436 office

(907) 321-8800 Cell

Passenger Fee Public Comments

The CBJ Code requires the Manager to forward all public comments on the proposed uses of passenger fee funds to the Assembly for consideration. The Assembly is not required to take individual action on these comments.

Per Title 69, Chapter 20.120(b)(3):

The manager shall forward all submittals, cruise line industry comments, board comments, public comments, and the manager's final recommendations to the Assembly Finance Committee for consideration. The Finance Committee will forward the final list of marine passenger fee proceeds' projects to the Assembly for consideration during its deliberations on the annual City and Borough budget.

Hello Heather,

Thank you for taking time to submit comments on the Marine Passenger Fees. Glacier Highway is controlled by DOT. We will pass along your concerns about the turn for Allen Marine.

We have received many comments about using passenger fees at the landfill. We are pretty encumbered in how we can use these funds and we signed an MOA with the cruise industry in 2022 stating that they will discontinue offloading garbage in Juneau. That said, all MPF comments will be provided to the Assembly and I'm sure the volume of feedback about the landfill will catch their attention.

Thanks,

Alexandra Pierce | Tourism Manager
City & Borough of Juneau, AK
Location: 155 South Seward Street
Cell: 907.500.8677

-----Original Message-----

From: Rorie Watt <Rorie.Watt@juneau.gov>
Sent: Thursday, February 23, 2023 3:36 PM
To: Alexandra Pierce <Alexandra.Pierce@juneau.gov>
Subject: FW: Ideas on how to spend marine passenger fee funds

Public comment, FYI.

-----Original Message-----

From: Heather <hssikes@gci.net>
Sent: Saturday, February 18, 2023 2:38 PM
To: Rorie Watt <Rorie.Watt@juneau.gov>
Subject: Ideas on how to spend marine passenger fee funds

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Hello,

Hope you are doing well.

Two ideas on how to spend marine passenger fees in Juneau are:

1) Put in a turn lane for the Allen Marine dock by the Auke Bay ferry terminal. The traffic consistently is backed up by tourist buses. I live out the road and it is a problem every summer.

2) Help with fixing our landfill problem. If ships are dumping garbage in Juneau they can help contribute towards a solution.

Thank you,
Heather Sikes
907-789-1703

Thanks Ken, we have spent MPF funds on heavily used trails before and I will forward your comments to the Assembly.

From: Ken Post <ken.annepost@gmail.com>
Sent: Tuesday, February 21, 2023 9:46 AM
To: Alexandra Pierce <Alexandra.Pierce@juneau.gov>
Subject: Marine Passenger Fees

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Hi Alix, I'm hoping that some of the fees can be devoted to maintaining the Mt. Roberts Trail. Every time I use it, I run into cruise ship passengers hiking from Basin Road to the tram. The trail would really benefit from maintenance and hardening.

Thanks,

Ken Post

To: Members of the Assembly
Rorie Watt, City Manager

February 20, 2023

I am requesting that you appropriate funds from the cruises ship head tax fund to deck over the open area surrounded by the Seawalk located on the seaward side of People's Wharf (Tracy Crab Shack and Cariloha), Effy Jewelers and Diamonds International.

This enhancement was in the plan before the covid epidemic.

With the significant growth in the cruise ship passengers embarking in Juneau this year and into the future, we need this improvement to the Seawalk to reduce congestion and improve foot traffic, resulting in more room for locals and tourists to enjoy the waterfront, especially now with the increasing number of cruise passengers.



Respectfully,

William Heumann, Owner People's Wharf

Received. Thank you, Rod.

> On Feb 19, 2023, at 2:56 PM, Rod Swope <tenakeeswope@gmail.com> wrote:

>

> EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

>

> _____

>

> Use marine passenger fees to partially fund relocation of the city museum.

>

> Sent from my iPad

Hi Sara.

Thank you for submitting your comments! I agree it's important to supplement our city services but I meet the demands of the visitor industry. I will pass your comments along to the Assembly.

Alix

On Feb 20, 2023, at 5:10 AM, Sara Caldwell <skcaldwell@alaska.edu> wrote:

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

I would support increased staffing for the hospital, street cleaning and more housing. The emergency room especially I hear gets slammed with patients when a ship comes in. (And they hope to all get treated in time for their departure!)

Sincerely

Sara C., Douglas

Thank you Wayne,

I will forward your suggestions to the Assembly. I appreciate you taking the time to submit your suggestions.

Alix

On Feb 19, 2023, at 8:16 AM, wayne fleek <juneauguy@rocketmail.com> wrote:

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Suggestions:

- 1] More Port-a-potties along the downtown harbor wharves, Auke Bay, North Douglas, boat launches, Basin Road parking lot, one at the Treadwell Office Historical building, and at ALL trailheads (Douglas Is. AND mainland Juneau trails) along with funds to maintain them DAILY;
- 2] control and clean-up crews weekly along Thane Road between Miners Cove and the "Rock Dump" where cruise passengers walk to/from ships;
- 3] repairs to the Basin Road trestle where damaged by rockslide this winter.

Thank you!

On Feb 20, 2023, at 5:02 PM, Ian and Linda Cryan <idcryan@gci.net> wrote:

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Another idea.

In Oregon on a trip years ago I noticed that all the roundabouts had a piece of art on it.

This would be great for Juneau as long as the art did not impact visual aspect for drivers.

In Whitby, they also have a brochure that lists all the art around Oak Harbor, location, history etc.

Could include info on all the art work around the city walk, etc.

Given some residents feel about whale, it needs to be emphasized where funds are coming from

Linda Cryan

From: Alexandra Pierce

Sent: Friday, February 17, 2023 9:43 AM

To: Ian and Linda Cryan

Subject: RE: passenger fees

Thank you Linda,

What a lovely idea! I'll pass your suggestion along to the Assembly. I visited a sculpture park in New Orleans last year and it was fantastic. I'm actually attending a wedding on Whidby this summer and I'll be sure to visit that park.

Alix

From: Ian and Linda Cryan <idcryan@gci.net>
Sent: Thursday, February 16, 2023 6:18 PM
To: Alexandra Pierce <Alexandra.Pierce@juneau.gov>
Subject: passenger fees

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

I would like to recommend that the City designate a few acres of city property (near already affected tourist traffic) as a Juneau sculpture park.

This would be a walk(handicap accessible) park with a short route and a long route with Juneau/Alaskan made sculptures along the path.

Last year I visited one on Whidby Island and it was wonderful.

This would provide another tourist attraction with a low footprint.

Would also be an attraction/walk for locals.

Should also be in area not frequent with bears and no dogs allowed.

Linda Cryan

Thank you Britten, and thank you for submitting comments on the Marine Passenger Fee program.

We're limited in how we can spend Marine Passenger Fees, however last year, we signed a Memorandum of Agreement with the cruise industry that included no longer offloading trash in Juneau. I agree that the landfill is a major issue for our community and we need to pursue creative funding sources to fix the problem. I'll pass your comments along to the Assembly.

Alix

From: Britten Niemi <snuzyouluz@yahoo.com>
Sent: Friday, February 17, 2023 2:38 PM
To: Alexandra Pierce <Alexandra.Pierce@juneau.gov>
Subject: CS Passenger Fees - comments

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Hello Alexandra -

In reviewing the list of projects to spend the \$21.5 million collected in FY24 Cruiseship Passsenger Fees, I noticed that taking care of the stinky garbage dump wasn't on the list. While I think Capital projects are fantastic and we are quite lucky to live in such a beautiful capital city, it is worth mentioning that with an eye sore/nose irritant such as the garbage dump (or Mt. Garbage as I call it), doesn't really strike me as the image we want to convey to anyone about our city. They can cover up the stink in the summer for the tourists but remember you can perfume a turd but it's still a turd, no matter how much you perfume you put on it. Lastly, pretty soon, CBJ is going to have to take down the claim "most scenic capital city in the U.S." - the "mountain" is getting higher and stinkier so my outdoorsy enthusiasm is facing the constant whiff of garbage. CBJ needs to perhaps deal with this turd and stop trying to pretty it up - it's still going to be a turd.

ABOUT OUR TOWN

Did Juneau?

Juneau is many things: a mountain town, a coastal community and the most scenic capital city in the U.S. A natural wonder, wildlife hotspot and cultural jewel, Juneau is rich in history, art, music and Native heritage. It's an outdoor enthusiast's paradise, a shopper's trove and a food lover's dream - not just the state capital, but the beating heart of Southeast Alaska.

Niemi's 3651 Tongass Boulevard Juneau, AK 99801 907-723-7714 cellular

Thank you Mary,

I will pass your comments along to the Assembly. I appreciate your comment, and I live and walk my dog downtown as well so I'm sympathetic.

Alix

From: Mary McEwen <marykmcewen@gmail.com>
Sent: Friday, February 17, 2023 4:30 PM
To: Alexandra Pierce <Alexandra.Pierce@juneau.gov>
Subject: Comments for cruise passenger fees

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Hello!

I just read the KTOO article that says you are accepting comments for ways to spend the cruise ship passenger fees.

I'd like to propose one pretty modest thing - an extra garbage can on Franklin Street somewhere between 2nd and 5th. Currently, this stretch doesn't have a can -- there's one near the Baranof (across from Spice) and then going up Franklin you don't hit another can until Capital School park, and even that's on the top, near 6th.

This may seem like reasonable trash can distance, but because there are two grassy/gravelly spots along that stretch of road that are very popular dog-walking (pooping) areas, we could really benefit from an extra can. Lots of us in the neighborhood have dogs (the Mendenhall Towers in particular has a LOT of dog owners in it) and... well... that stretch of road can get pretty funky. And it's on a pretty popular walking route from the downtown core up to the Orthodox church and toward Basin Road.

I too live and walk my dog in that corner of town. Sometimes we have to walk extra and go out of our way to reach a trash can. Not everyone does. Can we make it easier?

Thank you very much!

Mary McEwen

(907)723-6563

Thank you Ilsa, and thank you for submitting comments on the Marine Passenger Fee program.

We're limited in how we can spend Marine Passenger Fees, however last year, we signed a Memorandum of Agreement with the cruise industry that included no longer offloading trash in Juneau. I agree that the landfill is a major issue for our community and we need to pursue creative funding sources to fix the problem. I'll pass your comments along to the Assembly.

Alix

From: Ilsa Lund <Ilsa.Lund@juneau.gov>
Sent: Friday, February 17, 2023 12:24 PM
To: Alexandra Pierce <Alexandra.Pierce@juneau.gov>
Cc: Cheer <grieserdm@gmail.com>
Subject: RE: City seeks comments on

Good afternoon,

The received public comment is being forwarded to Alexandra Pierce as per the instructions on the Public Information Release.

Thank you,

 **Ilsa Lund** | Administrative Assistant

Community Development Department | City & Borough of Juneau, AK

Location: 230 S. Franklin Street, 4th Floor Marine View Building

Office: 907.586.0715 ext. 4120

****Note: my email has changed to ilsa.lund@juneau.GOV on 12/5/22****



Fostering excellence in development for this generation and the next.

From: Cheer <grieserdm@gmail.com>
Sent: Friday, February 17, 2023 9:28 AM
To: PC_Comments <PC_Comments@juneau.org>
Subject: City seeks comments on

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

In re: Juneau Empire headline "City seeks comments on how to spend projected \$21.5M marine passenger fee funds"

As cruise vessels utilize the Juneau dump, I propose the city purchase incinerators to address garbage dump / landfill issues. This action would have alleviated Juneau's landfill / garbage issues years ago when the old ones needed upgrading. Or, we could continue with the current plan of growing our eagle / tourist attraction: stinky Mount Juneau.

D.Grieser

Thank you Rebecca,

I'm hoping we can make a big push on Seawalk construction over the next few years. We have been challenged by private property issues, but it looks like we have an agreement for the South end of the Seawalk and with proposed developments at the Subport and the Coast Guard property, I'm hopeful we can make progress on the north end as well. I agree it is a huge community benefit.

The North Douglas Boat Launch ramp is outside the scope of the Marine Passenger Fee program, but I believe CBJ Docks & Harbors has plans for improvements. I can request more information on those plans if you're interested.

Alix

From: Rebecca Nesheim <nesheim99801@yahoo.com>

Sent: Friday, February 17, 2023 7:38 AM

To: Alexandra Pierce <Alexandra.Pierce@juneau.gov>

Subject: Marine Passenger Fee Funds

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Good Day!

I read the news article about the marine passenger fee funds and would like to add a comment or two on things that I think would benefit Juneau.

First, I support expanding the seawalk. After visiting Mexico and many Caribbean islands, most communities have a seawalk (malecon) or something similar. They are popular with the locals and the tourists as they provide a safe place to walk and enjoy the views of the water. Juneau has a nice start to its seawalk but it needs to be linked so that it is one cohesive walkway.

Second, I support improving (design and construction) to the N. Douglas boat launch. Improvements here would ease the congestion that exists in Auke Bay. It would provide more accessibility to whale-watching boats. (By the way, Gastineau Guiding frequently uses the beach next to the boat launch already to load and unload passengers.) Improvements here would also provide more accessibility to charter fishermen who don't have a slip in Auke Bay or Fishermen's Bend but do rely on visitors from the cruise industry.

In my humble opinion, these are the only two projects that could really benefit from the marine passenger fee funds. Thanks for your consideration (and the Assembly's).

All the best,

Neil Nesheim

Juneau, Alaska

Thank you Pat,

I'm hoping we can make a big push on Seawalk construction over the next few years. We have been challenged by private property issues, but it looks like we have an agreement for the South end of the Seawalk and with proposed developments at the Subport and the Coast Guard property, I'm hopeful we can make progress on the north end as well. I agree it is a huge community benefit.

Thanks,

Alix

From: pat monagle <ptmonagle@gmail.com>
Sent: Friday, February 17, 2023 7:46 AM
To: Alexandra Pierce <Alexandra.Pierce@juneau.gov>
Subject: Marine Passenger Fees

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Read in today's paper you are taking comments on how to spend the Marine Passenger Fee funds.

I would wholeheartedly support any and all funds going towards to Sea Walk! Whether it be during the summer or even now in winter, I'm constantly seeing people using the existing Sea Walk and it is not complete. There is no easy or pleasant, way from walking from S Franklin to the Whale fountain by the bridge. Having the Sea Walk gives residents and tourists a beautiful option of traversing the waterfront in a safe manner as well.

Pat Monagle

Thank you David,

We're limited in how we can use Marine Passenger Fees, but I agree we have a major landfill problem and the cruise industry has contributed significantly over the years. Last year, we signed an agreement with the cruise industry to stop using our landfill and help prolong its lifespan, a step we should have taken years ago. I appreciate your suggestion and I will pass your comments along to the Assembly.

Alix

From: David Tallmon <david.tallmon@gmail.com>
Sent: Thursday, February 16, 2023 9:06 PM
To: Alexandra Pierce <Alexandra.Pierce@juneau.gov>
Subject: marine passenger fee program

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Dear Ms. Pierce-

I would propose the use of a significant portion of the Marine Passenger Fee Proceeds to determine how to alleviate our trash problem. Our problem is that we have limited landfill space and high rates of trash accumulation at the landfill. We will soon run out of space and we are already seeing an increase in odors from the landfill in neighboring parts of town. Cruise ship trash contributes substantially to our trash volume, so it is justifiable to use the available funds to address the issue of a long term trash solution for Juneau and its cruise ship visitors.

Thanks,
David Tallmon

Thank you Dave,

I appreciate you taking the time to submit comments. We are constrained in how we can spend these particular funds, but I definitely agree that we need to maintain our existing infrastructure. I'll make sure your comments are provided to the Assembly.

Alix

From: dave miller <millerdavem@gmail.com>
Sent: Thursday, February 16, 2023 11:50 AM
To: Alexandra Pierce <Alexandra.Pierce@juneau.gov>
Subject: Passenger Fee spending by cbj

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

According to a KTOO news article, the city is willing to accept opinions from its residents on how passenger fees should be spent this coming year.

Might I suggest spending the money on current infrastructure as opposed to new projects. Juneau's aging infrastructure including roads, water and sewer utilities, aging public transportation, and the lack of a landfill are just some of the projects in desperate need of attention.

Funding new projects would be a great thing but not at the expense of current city services.

Thank you for the opportunity to provide my input.

Dave

Hello Noah,

Your comments have been received and will be forwarded to the Assembly for consideration. Thank you for your input!

Alix

-----Original Message-----

From: Noah Jenkins <noah.jenkins.iaff@gmail.com>
Sent: Thursday, February 16, 2023 8:41 AM
To: Alexandra Pierce <Alexandra.Pierce@juneau.gov>
Subject: Marine head tax

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Alexandra,

(I am dictating this email so please forgive any typos) I think a wise use of head tax funds would be to increase the funding for the seasonal ambulance to allow it to be in service for 24 hours About eight years ago when the seasonal ambulance was first conceived cruise ships tended to arrive right around 8 AM intended to leave by 8 PM. This no longer is true as cruise ships arrive much earlier and often don't depart until near midnight. Also, it is very common for cruise ship passengers from outline communities to be transported via airplane or helicopter to Juneau after 8 PM and prior to 8 AM.

Not only would 24 hour service for that seasonal ambulance better serve the tourist it would have the added benefit of keeping the way two main ambulances in service more often.

Thank you for considering this proposal and feel free to reach out if you have questions or need further details.

Noah Jenkins
209-4722

Hello Laura,

Your comments have been received and will be provided to the Assembly for consideration. Thank you for taking the time to share your thoughts.

Alix

From: Laura Powers <lpowers@protonmail.com>
Sent: Thursday, February 16, 2023 5:13 AM
To: Alexandra Pierce <Alexandra.Pierce@juneau.gov>
Subject: Cruise ship fees

EXTERNAL E-MAIL: BE CAUTIOUS WHEN OPENING FILES OR FOLLOWING LINKS

Funding for Seawalk expansion

Improvements to Marine and Homestead Parks

Improvements to wastewater infrastructure

Funding to be put toward the Capital Civic Center

The above proposed projects are of interest to the Juneau community. I wanted to express my sincere consideration of the importance to allocate funds to unpopular infrastructure (wastewater) projects. Many of the other projects have been proposed to the local community and have not been popular for many reasons. I urge you to fund wastewater to insure projects that keep our environment pristine. I am not supportive of the Capital Civic Center or the Seawalk. These are very expensive projects that take years to development and complete. Improvements to Marine/Homestead Parks would be a good second project to fund as it could be completed quickly and the community can take advantage with the least inconvenience or controversy.

Best,

Laura Powers

2185 Fritz Cove Rd.

MEMORANDUM



DATE: April 26, 2023

TO: Assembly Finance Committee

FROM: Adrien Speegle, Budget Manager

THROUGH: Jeff Rogers, Finance Director

SUBJECT: **FY2024 Hotel Bed Tax & Funded Services**

155 Municipal Way
Juneau, AK 99801
Phone: (907) 586-5215
Fax: (907) 586-0358

Introduction

Significant outperformance of the budget forecast in the first quarter of FY2023 gives confidence to a more bullish FY2024 forecast. The Proposed FY2024 Budget forecasts \$3.42 million of hotel bed tax revenue.

A series of resolutions from the 1980’s established the disposition of Juneau’s hotel bed tax receipts. A 1993 memo from the City Clerk memorializes the historic 4%/3% split of the then 7% bed tax, with 4% funding tourism promotion (via the Juneau Convention and Visitors Bureau, now Travel Juneau) and 3% funding the operations of Centennial Hall. That split remained generally unchanged until January 1, 2020 when the community increased the hotel bed tax from 7% to 9% with the intent for the additional 2% to assist in funding future capital improvements to Centennial Hall.

So, considering the current forecast of hotel bed taxes and the historically agreed-upon distribution of those receipts, funding in FY2024 is available to be distributed as follows.

Purpose	Organization	%	Bed Tax Available
Tourism Promotion	Travel Juneau	4%	\$1,520,000
Centennial Hall Operations	CBJ (via JAHC)	3%	\$1,140,000
Centennial Hall Improvements	CBJ	2%	\$760,000
Total Hotel Bed Tax		9%	\$3,420,000

Discussion – Centennial Hall Operations

Since July 2018, the Juneau Arts and Humanities Council (JAHC) has managed Centennial Hall under a Management Agreement that states the following purpose: “Centennial Hall is owned by the CBJ... The CBJ and JAHC enter into this management agreement of Centennial Hall in order to increase use and facilitate greater coordination of event scheduling between Centennial Hall and the JAHC and to maximize operational efficiencies. These goals are intended to lead to greater utilization of and a stabilization or reduction in public subsidies to Centennial Hall.” Renegotiation of the Management Agreement with the JAHC in FY2023 resulted in a 10% one-time increase to the management fee paid to the JAHC in FY2024, followed by scheduled 3% annual increases in future fiscal years. The fee to operate Centennial Hall was also renegotiated to include a 3% annual inflationary increase through FY2025. Expenditures and recommended funding for Centennial Hall Operations are as follows in FY2022, FY2023, and FY2024:

	FY2022	FY2023	FY2024
CBJ Maintenance and Allocated Costs	\$179,800	\$229,100	\$243,400
PERS Indebtedness	\$50,000	\$50,000	\$50,000
Centennial Hall Operations (paid to JAHG)	\$270,000	\$270,000	\$278,100
Management Fee (paid to JAHG)	\$90,000	\$90,000	\$99,000
Necessary Expenditures for Centennial Hall Operations	\$589,800	\$639,100	\$670,500
Hotel Bed Tax Funding Available	\$416,700	\$696,700	\$1,140,000
Surplus Retained by HBT Fund / (Deficit funded by GF)	(\$173,100)	\$57,600	\$469,500

In addition to the amount funded by CBJ for operations and maintenance, Centennial Hall collects revenue for rentals of space and equipment. From those rental revenues and the funds from hotel bed tax, Centennial Hall must pay all of the operational costs of the facility, including personnel and utilities, but excluding building maintenance (which is paid through the portion reserved for allocable CBJ costs). Because the amount of funding for Centennial Hall is determined by the Management Agreement, total funding required may be less than the 3% of 9%, which leaves an amount of funding reserved in the Hotel Bed Tax fund balance for future use. In FY2024, this amount is anticipated to be fairly substantial at \$469,500 as a result of higher forecast hotel bed tax receipts.

Discussion – Travel Juneau

Since the early 1980's, CBJ has funded tourism marketing by granting available hotel bed tax funds to Travel Juneau (formerly the Juneau Convention and Visitors Bureau). CBJ funding is not the sole source of revenue for Travel Juneau, but it is the largest portion of the organization's annual budget (approximately 80%). Various over time CBJ has been a greater or smaller part of Travel Juneau's budget, depending on the amount invested directly by organizational members and the amount of other funds raised.

Travel Juneau's FY2024 funding request is 4% of 9% of the forecast \$3.42 million Hotel Bed Tax, yielding a proposed grant in the amount of \$1,520,000. This is an increase of \$497,800 (49%) over FY2023. This grant amount follows Assembly intent, but the Assembly Finance Committee may wish to consider whether this significant increase in funding is warranted.

Discussion – Centennial Hall Improvements

The public voted affirmatively in October 2019 on a \$7 million general obligation bond to make improvements to Centennial Hall. Additionally, the community voted to increase the hotel bed tax from 7% to 9% effective January 1, 2020 with the intent that the additional receipts would fund planned capital improvements to the facility. Prior to the COVID crisis, it was forecast that this increase would have generated approximately \$400,000 per year.

\$760,000 is expected to be received in FY2024 resulting from the 2% of 9% of Hotel Bed Tax. The FY2024 Manager's Budget proposes to transfer a portion of this funding to the Debt Service Fund to pay the debt service costs associated with the \$7 million general obligation bond sold in 2021 for the improvements to Centennial Hall. Debt service in FY2024 on this \$7 million bond is expected to be \$229,200. The Manager's Budget proposes that the additional \$530,800 of 2% hotel bed tax in excess of the required FY2024 debt service remain in the Hotel Bed Tax fund balance for future use.

Discussion – Short-Term Rental Data Collection

In FY2023, CBJ contracted with Harmari, a third-party consultant that specializes in short-term rental identification, monitoring, and compliance, to collect and analyze short-term rental data in Juneau. The results of this analysis were presented to the Assembly Finance Committee during the March 1, 2023 meeting, at which the Committee directed staff to draft an ordinance establishing a short-term rental registration program. As the

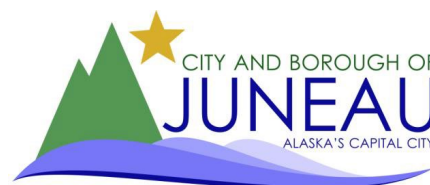
Assembly considers short-term rental regulation, Harmari's services will continue to add valuable insight into understanding Juneau's short-term rental market. \$20,000 is included in the FY2024 proposed budget for this purpose, funded by hotel-bed tax receipts.

Conclusion

FY2024 funding allocation from Hotel Bed Tax is as follows:

Purpose	Organization	%	Expenditure	Revenue	Balance
Tourism Promotion	Travel Juneau	4%	\$1,520,000	\$1,520,000	\$0
Centennial Hall Operations	CBJ (via JAHC)	3%	\$670,500	\$1,140,000	\$469,500
Centennial Hall Improvements	CBJ	2%	\$229,200	\$760,000	\$530,800
Interdepartmental Charges	Sales Tax Office	<i>n/a</i>	\$58,800	\$0	(\$58,800)
Short-Term Rental Data Collection	Sales Tax Office	<i>n/a</i>	\$20,000	\$0	(\$20,000)
Total		9%	\$2,498,500	\$3,420,000	\$921,500

MEMORANDUM



DATE: September 7, 2022

TO: Assembly Finance Committee

FROM: Jeff Rogers, Finance Director

105 Municipal Way
Juneau, AK 99801
Phone: (907) 586-5215
Fax: (907) 586-0358

SUBJECT: Reallocation of Short Term Rental Bed Tax to Affordable Housing Fund

With the rise of short-term rentals over the last decade, there is a perceived impact on the affordability and availability of long-term rentals for Juneau residents. At the same time, those short-term rentals are producing significant hotel-bed tax receipts, approximately \$340,000 in FY2022. The Assembly may wish to consider using hotel-bed taxes received from short-term rentals to mitigate the impact of short-term rentals on local housing availability by allocating those receipts to the Affordable Housing Fund.


Mechanically, the Assembly could accomplish this in two ways, either by:

- A. Transferring the amount of hotel-bed taxes received from short-term rentals to the Affordable Housing Fund by applying the historic percentage split only to the taxes received from typical hotels. Taxes received from short-term rentals would instead be transferred directly to the Affordable Housing fund.
- B. Redesigning the historical percentage split of all hotel-bed tax receipts in recognition of the overall impact of short-term rentals. For example, instead of a 4%/3%/2% split, the Assembly could choose a 3%/2%/2% split and then direct 2% to the Affordable Housing Fund.

Both methods would be subject to the uncertainty of budget forecasting. For the purpose of the calculation below, I have presumed at \$2.6 million in hotel-bed tax receipts in FY2024.

					FY2024 Options					
					Option A	Option B				
					STR to AHF	Alt Percentages				
Revenues										
Hotels	87%	\$	2,244,100	\$	1,815,361.90	\$	2,258,300	\$	2,258,300	
Non-Hotels (STRs)	13%	\$	339,500	\$	274,638.10	\$	341,700	\$	341,700	
Total		\$	2,583,600	\$	2,090,000	\$	2,600,000	\$	2,600,000	
Expenditures									Alt	
Tourism Promotion	4%	\$	555,600	\$	928,900	\$	1,003,700	\$	866,700	3%
Centennial Hall Operations	3%	\$	416,700	\$	639,100	\$	752,800	\$	577,800	2%
Centennial Hall Imprvmnts	2%	\$	277,700	\$	464,400	\$	501,800	\$	577,800	2%
Downtown Business Assoc	n/a	\$	-	\$	75,000	\$	-	\$	-	n/a
Interdepartmental Charges	n/a	\$	26,600	\$	37,000	\$	37,000	\$	37,000	n/a
Affordable Housing Fund	n/a	\$	-	\$	-	\$	341,700	\$	577,800	2%
Total	9%	\$	1,276,600	\$	2,144,400	\$	2,637,000	\$	2,637,100	

A series of resolutions from the 1980's established Juneau's disposition of hotel bed tax receipts. A 1993 memo from the City Clerk memorializes the current split. If the Assembly wishes to make a change, it should direct staff to prepare a new resolution modifying the future disposition of hotel bed tax receipts. Also, as a result of higher than expected revenue, the Hotel-Bed Tax fund has a balance exceeding \$1 million at the end of FY2022. The Assembly could consider transferring these funds to the Affordable Housing Fund in the concept that they potentially represent bed tax receipts from short-term rentals prior to FY2022.

TO: Ms. Carole Triem
Chair – Assembly Finance Committee, City & Borough of Juneau
FROM: Liz Perry 
President & CEO, Travel Juneau
DATE: April 18, 2023

Chair Triem,

On behalf of our board of directors, thank you and the Assembly Finance Committee for the opportunity to present Travel Juneau's proposed FY24 budget. Accompanying the budget and associated documents is our FY2022 Annual Report.

The FY24 budget includes our annual request of Hotel Bed Tax based upon projections from CBJ Finance. The requested grants of Marine Passenger Fees support Visitor Information Services as well as the Crossing Guard and TBMP programs. This budget reflects salary adjustments and inflation-driven cost increases.

Travel Juneau continues to rebuild momentum as the industry recovers post-pandemic. Highlights for last 12 months include:


- securing, planning, and delivering a successful IRONMAN Alaska Triathlon; this exercise generated opportunities to grow and support existing and new home-grown athletic and other events
- increased participation at consumer and industry trade shows and events
- increased website traffic – virtually worldwide
- renewed interest in Juneau as a meeting destination

McHugh Pierre, Travel Juneau board chair, will also be present and available to answer questions.

Sincerely,

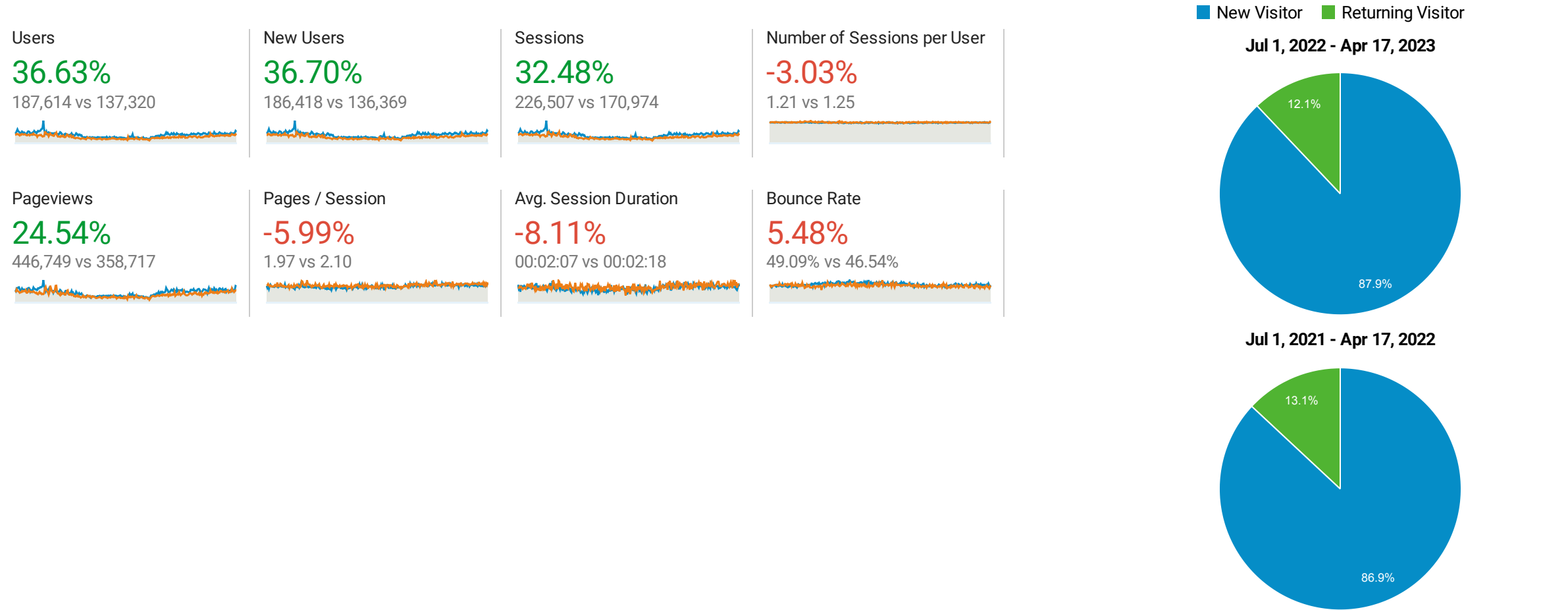
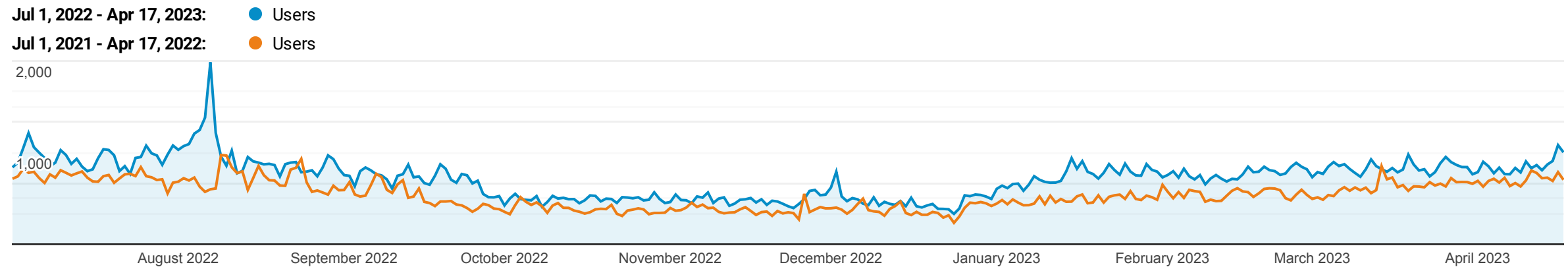
Liz Perry
President & CEO
Travel Juneau

Audience Overview

 All Users
+0.00% Users

Jul 1, 2022 - Apr 17, 2023
Compare to: Jul 1, 2021 - Apr 17, 2022

Overview



Language		Users	% Users
1.	en-us		
Jul 1, 2022 - Apr 17, 2023		162,694	<div></div> 87.24%
Jul 1, 2021 - Apr 17, 2022		122,219	<div></div> 88.74%
% Change		33.12%	-1.69%
2.	en-gb		
Jul 1, 2022 - Apr 17, 2023		7,393	<div></div> 3.96%
Jul 1, 2021 - Apr 17, 2022		4,208	<div></div> 3.06%
% Change		75.69%	29.75%
3.	en-ca		
Jul 1, 2022 - Apr 17, 2023		5,781	<div></div> 3.10%
Jul 1, 2021 - Apr 17, 2022		2,483	<div></div> 1.80%
% Change		132.82%	71.95%
4.	en-au		
Jul 1, 2022 - Apr 17, 2023		1,985	<div></div> 1.06%
Jul 1, 2021 - Apr 17, 2022		931	<div></div> 0.68%
% Change		113.21%	57.47%
5.	en		
Jul 1, 2022 - Apr 17, 2023		1,133	<div></div> 0.61%
Jul 1, 2021 - Apr 17, 2022		1,900	<div></div> 1.38%
% Change		-40.37%	-55.96%
6.	de-de		
Jul 1, 2022 - Apr 17, 2023		780	<div></div> 0.42%
Jul 1, 2021 - Apr 17, 2022		378	<div></div> 0.27%
% Change		106.35%	52.40%
7.	fr-fr		

7. fr-fr			
Jul 1, 2022 - Apr 17, 2023	532	0.29%	Section D, Item 5.
Jul 1, 2021 - Apr 17, 2022	332	0.24%	
% Change	60.24%	18.35%	
8. zh-cn			
Jul 1, 2022 - Apr 17, 2023	475	0.25%	
Jul 1, 2021 - Apr 17, 2022	313	0.23%	
% Change	51.76%	12.08%	
9. fr-ca			
Jul 1, 2022 - Apr 17, 2023	427	0.23%	
Jul 1, 2021 - Apr 17, 2022	267	0.19%	
% Change	59.93%	18.11%	
10. de			
Jul 1, 2022 - Apr 17, 2023	368	0.20%	
Jul 1, 2021 - Apr 17, 2022	217	0.16%	
% Change	69.59%	25.25%	

Demographics: Overview

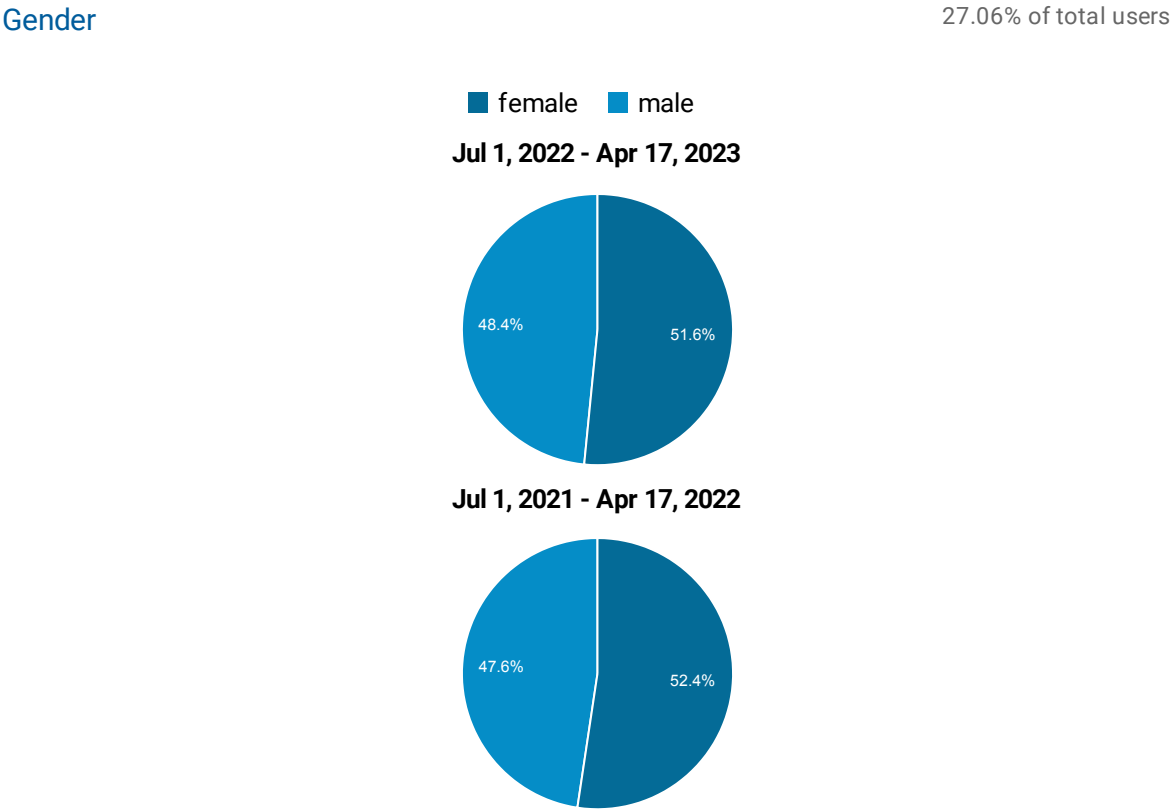
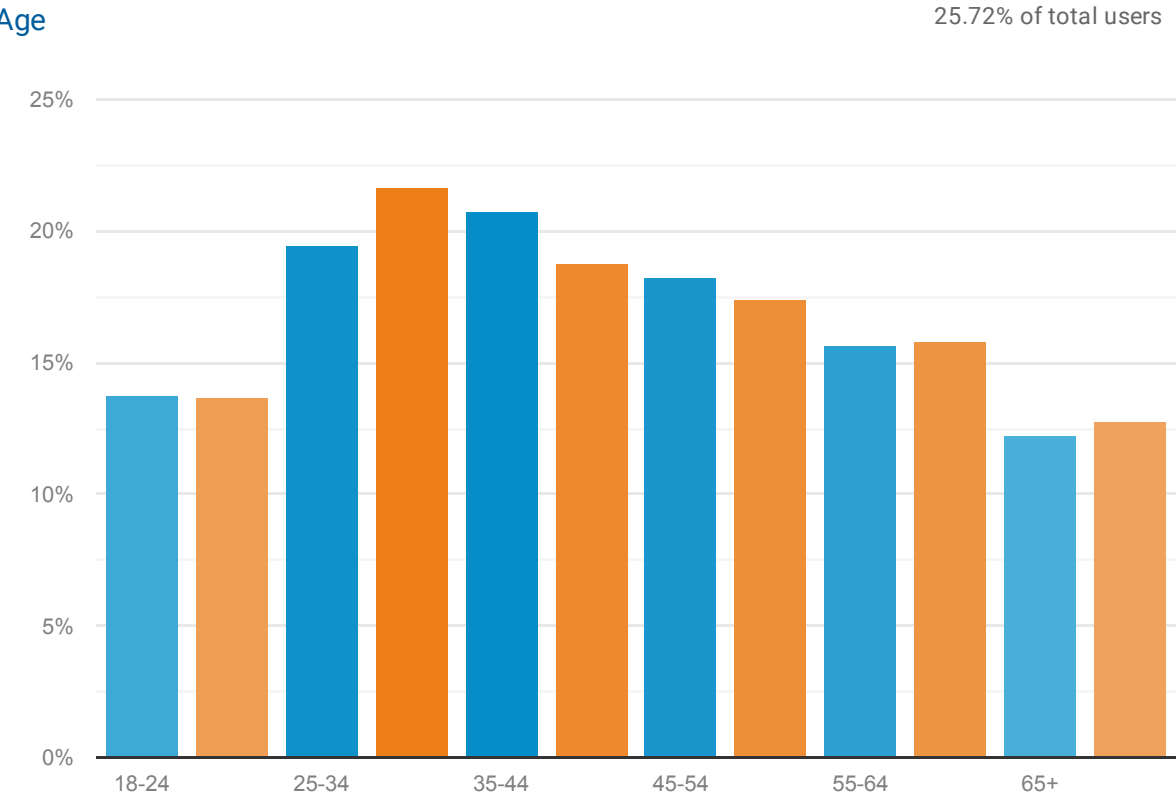
All Users

+0.00% Users

Jul 1, 2022 - Apr 17, 2023

Compare to: Jul 1, 2021 - Apr 17, 2022

Key Metric:



Location

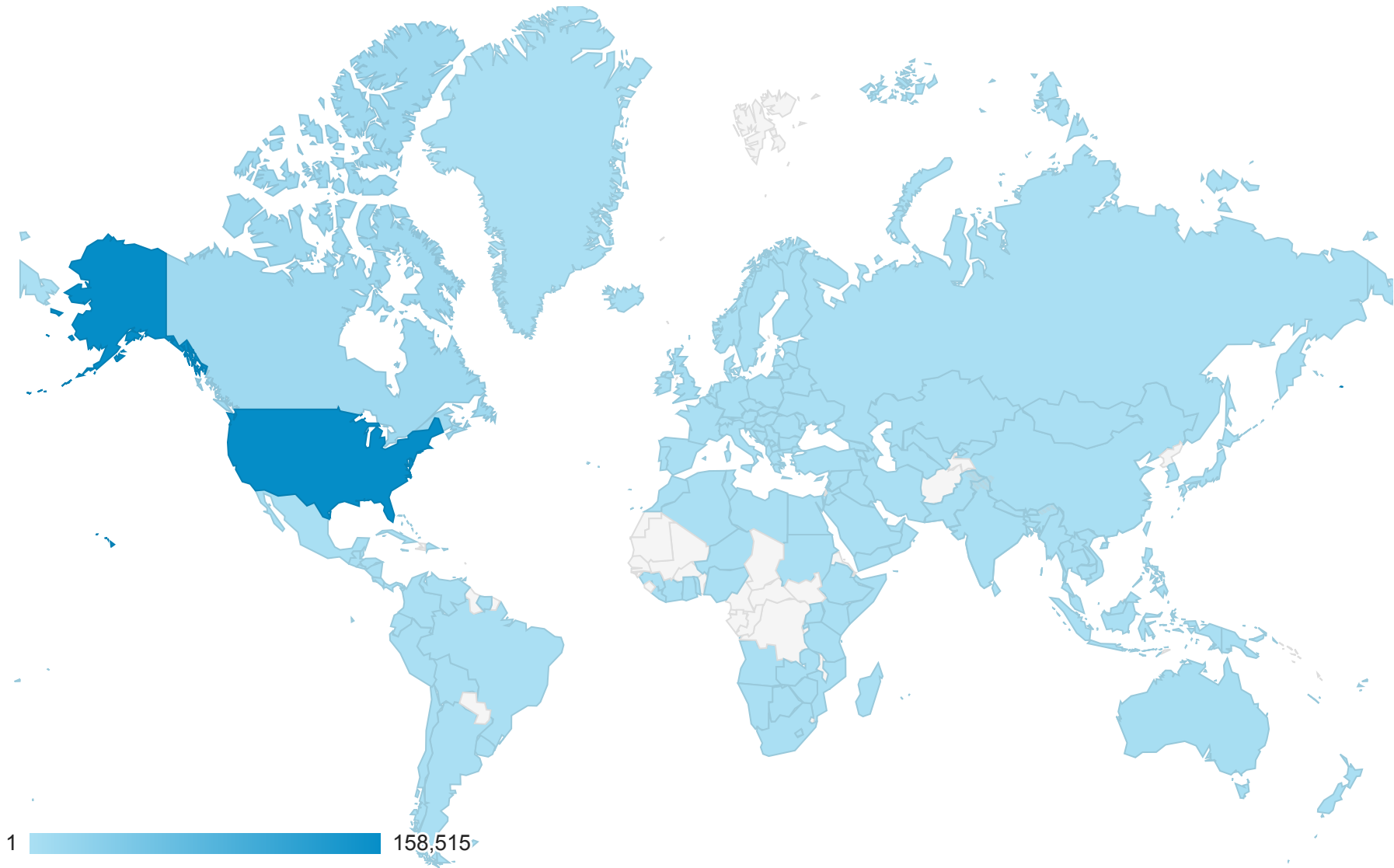
All Users











100.00% Users

Jul 1, 2022 - Apr 17, 2023

Map Overlay

Summary



Country	Acquisition			Behavior			Conversions	Goal 1: Partner Profile View ▾	
	Users ↓	New Users	Sessions	Bounce Rate	Pages / Session	Avg. Session Duration	Partner Profile View (Goal 1 Conversion Rate)	Partner Profile View (Goal 1 Completions)	Partner Profile View (Goal 1 Value)
	187,614 % of Total: 100.00% (187,614)	186,418 % of Total: 100.00% (186,418)	226,507 % of Total: 100.00% (226,507)	49.09% Avg for View: 49.09% (0.00%)	1.97 Avg for View: 1.97 (0.00%)	00:02:07 Avg for View: 00:02:07 (0.00%)	0.01% Avg for View: 0.01% (0.00%)	24 % of Total: 100.00% (24)	\$12.00 % of Total: 100.00% (\$12.00)
1.  United States	158,515 (84.51%)	157,600 (84.54%)	192,596 (85.03%)	48.41%	1.96	00:02:07	<0.01%	11 (45.83%)	\$5.50 (45.83%)
2.  Canada	10,721 (5.72%)	10,636 (5.71%)	12,756 (5.63%)	45.81%	2.24	00:02:18	0.00%	0 (0.00%)	\$0.00 (0.00%)
3.  United Kingdom	3,812 (2.03%)	3,793 (2.03%)	4,363 (1.93%)	51.98%	1.94	00:01:55	0.00%	0 (0.00%)	\$0.00 (0.00%)
4.  Australia	2,483 (1.32%)	2,475 (1.33%)	2,966 (1.31%)	48.72%	2.05	00:02:21	0.00%	0 (0.00%)	\$0.00 (0.00%)
5.  China	960 (0.51%)	959 (0.51%)	975 (0.43%)	96.62%	1.05	00:00:10	0.00%	0 (0.00%)	\$0.00 (0.00%)
6.  Germany	873 (0.47%)	866 (0.46%)	1,041 (0.46%)	49.18%	2.08	00:02:16	0.00%	0 (0.00%)	\$0.00 (0.00%)
7.  India	796 (0.42%)	792 (0.42%)	937 (0.41%)	67.24%	1.52	00:01:36	1.39%	13 (54.17%)	\$6.50 (54.17%)
8.  Mexico	617 (0.33%)	604 (0.32%)	722 (0.32%)	49.31%	1.96	00:02:17	0.00%	0 (0.00%)	\$0.00 (0.00%)
9.  Netherlands	530 (0.28%)	515 (0.28%)	603 (0.27%)	57.55%	1.86	00:01:52	0.00%	0 (0.00%)	\$0.00 (0.00%)
10.  New Zealand	451 (0.24%)	449 (0.24%)	532 (0.23%)	46.62%	2.07	00:02:27	0.00%	0 (0.00%)	\$0.00 (0.00%)

Rows 1 - 10 of 179

	DRAFT FY24 BUDGET	Description & Notes	EGS	DM	VIS	PS	Admin	Spec Projects 6 - Crossing Guard	Special Projects 7 - TBMP	Special Projects 8 - Grants	DRAFT FY24	Approved FY23 Total
Line	REVENUES & INCOME											
4000	Hotel Bed Tax - CBJ Grant	General funding across classes	330,095	541,905	154,038	4,000	269,962				1,300,000	928,900
4001	Partnership Sales	Partnership Tiers base - 200@\$400				80,000					80,000	80,000
4010											0	0
4025											0	0
											0	0
											0	0
4100	Ad Sales & Media Expense Recovery			95,000	152	32,848	7,000				135,000	124,625
4200	Website Add'l Listings					3,500					3,500	3,500
4201	Residual Tier Revenue					10,000					10,000	10,000
4250	Travel Planner Add'l Listings					3,000					3,000	3,000
4350	Travel Fair Vendors					5,000					5,000	5,000
4400	Annual Mtg					350					350	350
4450	Marketing Momentum					1,000	0				1,000	1,000
											0	0
4500	Booth Share			4,500							4,500	4,500
											0	0
4550	Mtg Planner Event Vendors										0	0
	JNU MP events										0	0
	ANC MP events										0	0
											0	0
4600	Interest										0	0
4650	MPFs for Visitor Services				165,180						165,180	148,000
											0	
4700	Other revenue & income										0	
	Cruise Ship calendars				100						100	100
4750	Pass-through and Special Projects - Class 6										0	
	Crossing Guard Program - Admin	10% Admin					25,583	268,623			294,206	373,783
	TBMP	No admin fee							25,950		25,950	24,675
	Carry-over - MPFs for Visitor Services										0	0
4770	Carry-over from previous fiscal										0	0
	TJ reserves										0	106,500
4800	Other Grants										0	0
	TOTAL REVENUES		330,095	641,405	319,470	139,698	302,545	268,623	25,950		2,027,786	1,813,933

	DRAFT FY24 BUDGET	Description & Notes	EGS	DM	VIS	PS	Admin	Spec Projects 6 - Crossing Guard	Special Projects 7 - TBMP	Special Projects 8 - Grants	DRAFT FY24	Approved FY23 Total
	EXPENSES											
5000	Personnel Expenses		94,110	99,136	154,471	87,000	215,613				650,330	509,988
6000	Staff Training & Conferences		4,500	13,500	3,500	7,000	20,294				48,794	25,850
6010	Staff Incentives						2,970				2,970	1,500
6025	Mileage		165	600	900	185	150				2,000	1,200
6030	Telephone & Internet		1,200	1,200	2,400	1,200	2,400				8,400	13,555
6040	Technology & Connectivity		6,498	9,177	10,318	6,497	15,250				47,740	35,750
6050	Equipment - Purchase & Maintenance		250	250	400	250	8,500				9,650	1,028
6070	Postage		250	250	2,500	250	250				3,500	5,000
6080	Supplies		250	250	500	250	500				1,750	1,110
6090	Copying/Printing		214	428	428	214	216				1,500	1,500
6100	Dues/Partnerships		1,515	14,995	720	720	1,370				19,320	18,099
6200	Subscriptions		3,500	18,145	2,220	720	690				25,275	21,720
6300	Community Relations						1,300				1,300	1,080
6400	Shows		35,000	80,800	7,500						123,300	83,843
6430	FAM - Prospects		7,500	10,000							17,500	18,000
6450	Incentives & Premiums		2,000	2,272							4,272	3,500
	CONVENTION SALES/MARKETING											
6500	Meeting support		65,000								65,000	50,000
6505	Local event support		54,950								54,950	100,000
6510	Meeting Services Dev & Printing		1,500								1,500	500
6515	Conv Sales Site Visits - MPs		6,000								6,000	10,000
6520	Bid in Person & registration promotion		6,500								6,500	5,000
6530	Convention Advertising & Ad/Video Dev		20,000								20,000	15,000
6550	Meeting Planner Events		5,000								5,000	0
6575	Sales Missions		4,950								4,950	0
	DESTINATION MARKETING											
6600	Travel Writer Expenses/PR			42,500							42,500	44,400
6710	Destination Print Advertising			13,000							13,000	13,000
6720	Destination Digital Advertising			109,417							109,417	46,070
6725	Destination Photos, Video, & Graphic Design			30,000							30,000	56,700
6730	Destination Social Media			15,000							15,000	15,000
6740	Destination Giveaway Promos & Trips			7,500							7,500	
6740	Travel Guide Production & Distribution			95,000							95,000	80,000
6750	Website Hosting & Maintenance			66,960							66,960	66,960

	DRAFT FY24 BUDGET	Description & Notes	EGS	DM	VIS	PS	Admin	Spec Projects 6 - Crossing Guard	Special Projects 7 - TBMP	Special Projects 8 - Grants	DRAFT FY24	Approved FY23 Total
	VISITOR SERVICES											
6810	AKA Fulfillment (bulk mail)				24,000						24,000	22,000
6815	Storage				3,000						3,000	2,850
6820	Volunteer - Training				5,500						5,500	5,500
6825	Volunteer Recognition				6,000						6,000	6,000
6830	Summer Assistants	2 seasonal FTE			47,000						47,000	47,000
6840	Parking - Seasonal				825						825	650
6845	Travel Guide Dist - Interior				2,800						2,800	2,800
6850	Visitor Site Supplies				2,000						2,000	2,000
6852	Copy/Printing - Dept Specific				1,500						1,500	1,500
6855	DT Walking Map				22,000						22,000	22,000
6860	Visitor Retention											
6865	Cruise Calendar Prod				500						500	500
	PARTNER SERVICES											
6910	Travel Fair					10,000					10,000	8,623
6925	Partnership Education					4,218					4,218	2,000
6945	Annual Meeting & Annual Rpt					5,000					5,000	3,000
6950	New Partner Recruitment					250					250	250
6965	Decals					500					500	0
6975	Dining Guides					1,200					1,200	0
6980	Unrecoverable debt					5,000					5,000	10,000
	ADMIN											
7010	Rent		7,142	7,143	14,286	7,143	14,286				50,000	50,000
7015	Property Insurance		228	228	458	228	458				1,600	1,452
7020	Liability Insurance		385	771	771	385	388				2,700	2,700
7025	Employee Dishonesty Insurance		94	94	184	94	184				650	475
7026	ERISA Bond		180	360	360	180	170				1,250	1,250
7030	Fees & Taxes						5,800				5,800	5,800
7035	Board of Directors Ins Policy						1,075				1,075	0
7050	Board of Directors						1,467				1,467	650
7070	Accounting		1,214	2,429	2,429	1,214	1,214				8,500	8,500
7081	ATIA board director expenses FY24						8,000				8,000	0
	TOTAL EXPENSES - Regular budget		330,095	641,405	319,470	139,698	302,545				1,733,213	1,452,853
	% of total budget		0	0	0	0	0					
			19.0%	37.0%	18.4%	8.1%	17.5%					
8100	SPECIAL PROJECTS - CLASS 6											
	Crossing Guard Program (MPF)											
		Goldbelt Security						268,623			268,623	336,405
8125	SPECIAL PROJECTS - CLASS 7											
	TBMP administration								25,950		25,950	24,675
											2,027,786	1,813,933



2022 ANNUAL REPORT

PREPARED BY
TRAVEL JUNEAU

www.traveljuneau.com
907.586.2201

MEET THE TEAM



LIZ PERRY
JOINED DECEMBER 2012
PRESIDENT & CEO



ALICIA LEAMER
JOINED NOVEMBER 2018
OPERATIONS MANAGER



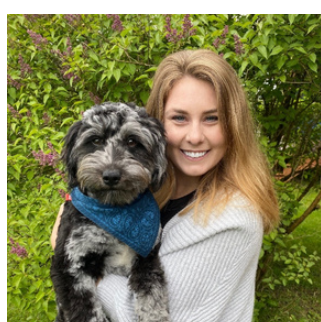
KARA TETLEY
JOINED APRIL 2014
DESTINATION MARKETING MANAGER



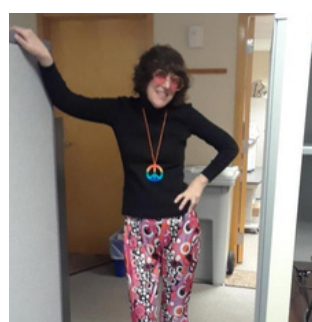
VICKI LOGAN
JOINED OCTOBER 2017
CONVENTION SALES MANAGER



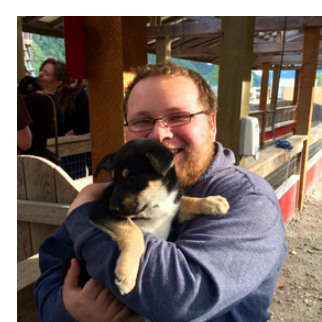
BEN RUBENSTEIN
JOINED NOVEMBER 2019
PARTNERSHIP SERVICES MANAGER



SARAH LANDEN
JOINED MARCH 2022
VISITOR SERVICES MANAGER



THERESA SULLIVAN
JOINED JUNE 2006
DIRECTOR OF FINANCE



TIM SISLO
JOINED OCTOBER 2022
VISITOR SERVICES COORDINATOR

FROM THE BOARD CHAIR

Dear Travel Juneau Partners,

On behalf of your Board of Directors and the Travel Juneau staff, it is my pleasure to present the annual report for the fiscal year 2022 and spotlight some of the organization's achievements.

By the end of FY22, an easing of travel restrictions and increased level of traveler confidence boosted the number of visitors. Partners reported a brisk pace for bookings for the end of the 2021 season and first two of 2022. By late May, because of a number of factors, most of our accommodations reported full occupancy for the last half of the season. The biggest hurdle partners continue to face remains staffing. Travel Juneau is teaming up with the Juneau Economic Development Council and Alaska Travel Industry Association for solutions in workforce development, with the understanding that the lack of staffing and staff housing will remain challenges for the near term.

I am happy to report that Travel Juneau has developed a solid working relationship with CBJ's new Tourism Manager, who also facilitated the negotiation of a new Memorandum of Agreement (MOA) with the city. This was implemented July 1 of this year, and provides a path toward an even stronger relationship with the CBJ Assembly to enable Travel Juneau to fulfill its mission.

Travel Juneau hosted an in-person Travel Fair in April, the first since 2019. An estimated 750 community members attended the Saturday event, taking advantage of locals' specials. Two new events that have terrific potential to bring more visitors to Juneau for our arts scene also received modest support: Aak'w Rock and Alaska Fashion Week. Both of these events saw growth from FY22 and anticipate growth next year and beyond.

Although it technically took place in FY23, Travel Juneau hosted the first of three IRONMAN Alaska races, and it was an immense success for the community as athletes from all over the globe marveled at Juneau's scenery and hospitality. Travel Juneau is proud to be able to bring this marquee event to our city and fund it from our operating budget. The level of promotional value with independent travelers for Juneau is incalculable. During FY22, Travel Juneau was at the forefront of planning and communications, assisting the organizers with referrals, and delivering nearly two volunteers for every athlete. I'm happy to report that IRONMAN organizers were able to source more than 85% of their vendors locally or regionally from referrals provided through Travel Juneau. As a result of our, Juneau benefited from increased sales and hotel bed tax revenue, as well as recognition on an international scale.

It appears that 2023 will be another banner year in the industry. I've been honored to serve as the Chair of Travel Juneau's board, and now hand the gavel to McHugh Pierre. Thank you again for your partnership, which supports the visitor industry in Alaska's capital city.

Richard Burns

Chair, Travel Juneau Board of Directors

BALANCE SHEET FY22

	FY22	FY21
CURRENT ASSETS	\$762,545	\$1,167,748
WEBSITE & OTHER CAPITAL ASSETS	\$7,155	\$ 22,579
TOTAL ASSETS	\$769,700	\$1,190,327
 CURRENT LIABILITIES	 \$321,672	 \$ 520,098
NET ASSETS	\$448,028	\$ 670,229
TOTAL LIABILITIES & NET ASSETS	\$769,700	\$1,190,327

FY22 INCOME

44.38%	CBJ Hotel Bed Tax and MPFs	\$625,000
4.40%	Partner fees	\$62,001
9.80%	Ad & Event Income	\$138,016
6.28%	TBMP (pass-through)	\$88,429
1.22%	Crossing Guard Program (pass-through)	\$17,223
33.89%	COVID grant funding, incl PPP	\$477,203
-	CARES Act	\$2,000
-	Other	\$301

TOTAL INCOME

\$1,408,173

FY21 EXPENSES

29.68%	Destination Marketing	\$385,072
11.85%	Administration	\$208,203
12.04%	Visitor Information Services	\$202,441
0.00%	Crossing Guard (pass-through)	\$52,087
7.18%	Convention Sales	\$186,806
6.30%	Partnership Services	\$103,511
0.30%	TBMP (pass-through)	\$17,223
32.64%	Special projects - COVID grant programs	\$475,204

TOTAL EXPENSES

\$1,630,547

FY22 ARRIVALS

July 1, 2021 – June 30, 2022

797,152

LARGE CRUISESHIP

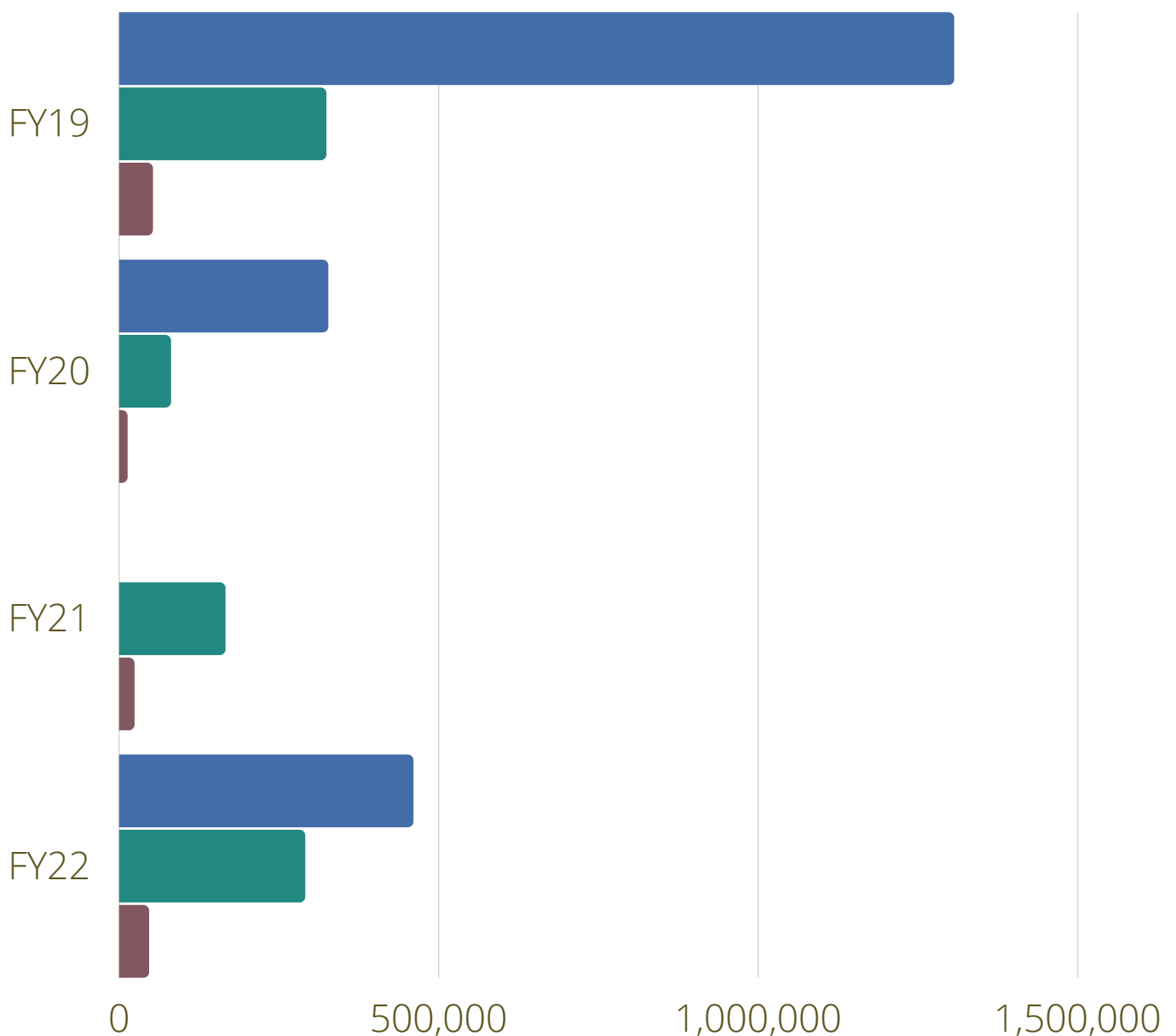
459,613

AIR ARRIVALS

290,646

ALASKA MARINE HIGHWAY

46,893





**\$28.15 FOR EVERY
\$1 INVESTED IN
CONVENTION SALES IN FY22**

	FY22	FUTURE MEETINGS
ROOM NIGHTS	6,986	24,862
EEI (ESTIMATED ECONOMIC IMPACT)	\$6.52M	\$19.94M

DESTINATION MARKETING

TRAVELJUNEAU.COM STATS

252K

PAGEVIEWS

201K

SESSIONS

2:14

AVG SESSION
DURATION

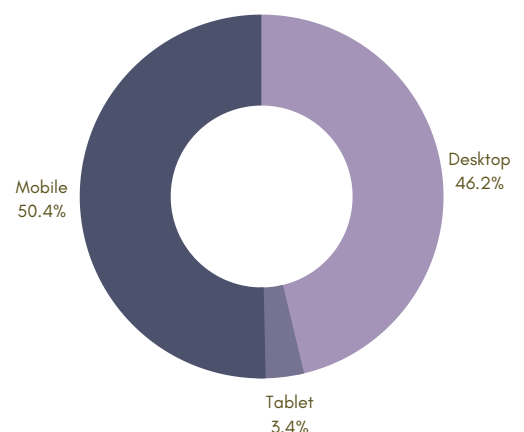
1.25

PAGES/SESSION

TOP 5 LANDING PAGES

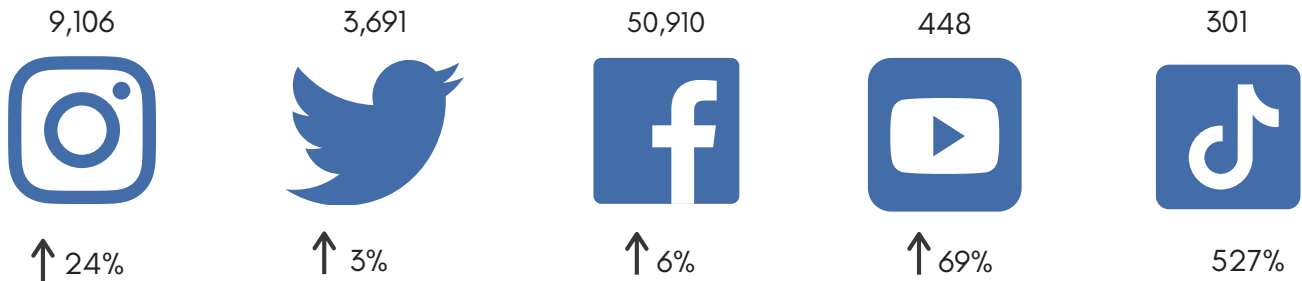
1. [traveljuneau.com](#)
2. [traveljuneau.com/plan-your-trip/getting-here-and-around/travel-to-juneau-by-ferry](#)
3. [traveljuneau.com/things-to-do/glacier-sightseeing/mendenhall-glacier/](#)
4. [traveljuneau.com/things-to-do/whale-watching-wildlife-viewing](#)
5. [traveljuneau.com/events/](#)

DEVICE





SOCIAL MEDIA FOLLOWERS



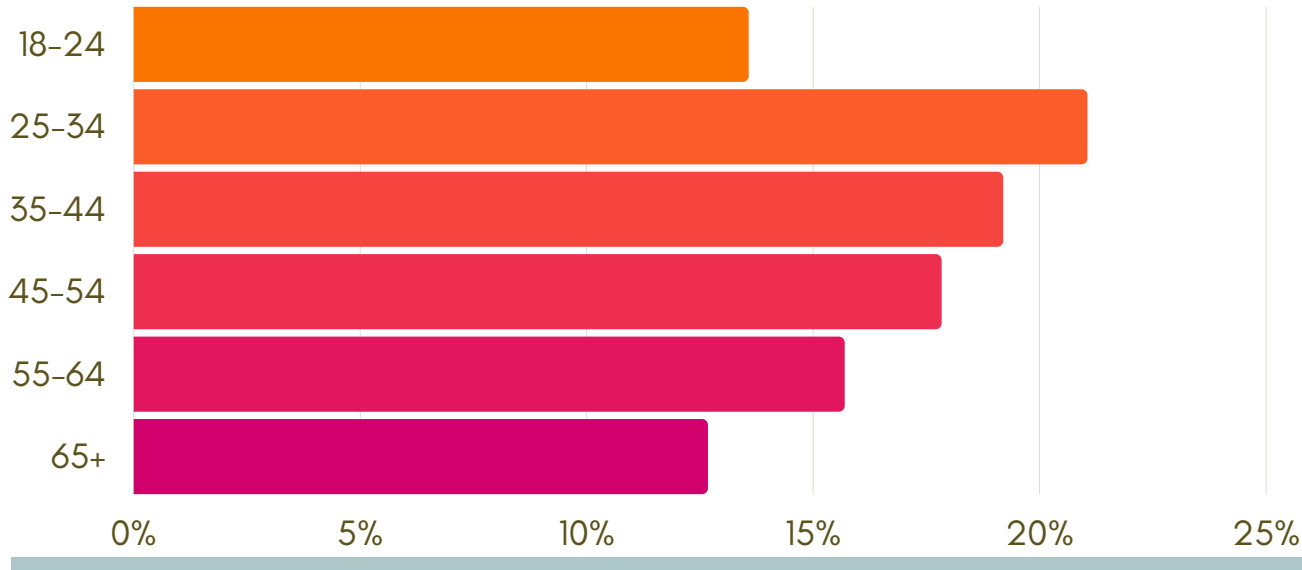
TOP 5 SEARCH TERMS

1. **TRAM**
2. **WHALE WATCHING**
3. **COVID**
4. **TRACY ARM**
5. **FISHING**

TOP 5 STATES

1. **ALASKA**
2. **CALIFORNIA**
3. **WASHINGTON**
4. **TEXAS**
5. **ILLINIOS**

AGE DEMOGRAPHICS



VISITOR SERVICES

161

VOLUNTEERS

1,632

**VOLUNTEER
HOURS**

52,283

**VISITORS
SERVED**

30,528

**GUIDES
DISTRIBUTED**

BOARD OF DIRECTORS

CHAIR

McHugh Pierre
Goldbelt, Inc

Secretary

Kirby Day
Holland America Group

Tom Sullivan

First National Bank Alaska

VICE-CHAIR

Dan Blanchard
UnCruise Adventures

Past Chair/Ex Officio

Richard Burns
ABC Superstations

Reecia Wilson
Juneau Waterfront Restaurants

CBJ Staff liaison

Alexandra (Alix) Pierce
Tourism Manager

TREASURER

John McConnochie
Cycle Alaska

Andy Kline
Alaska Seaplanes

CBJ Assembly Liaison

Greg Smith
CBJ Assembly

CURRENT ASSOCIATE PARTNERS

TIER 1



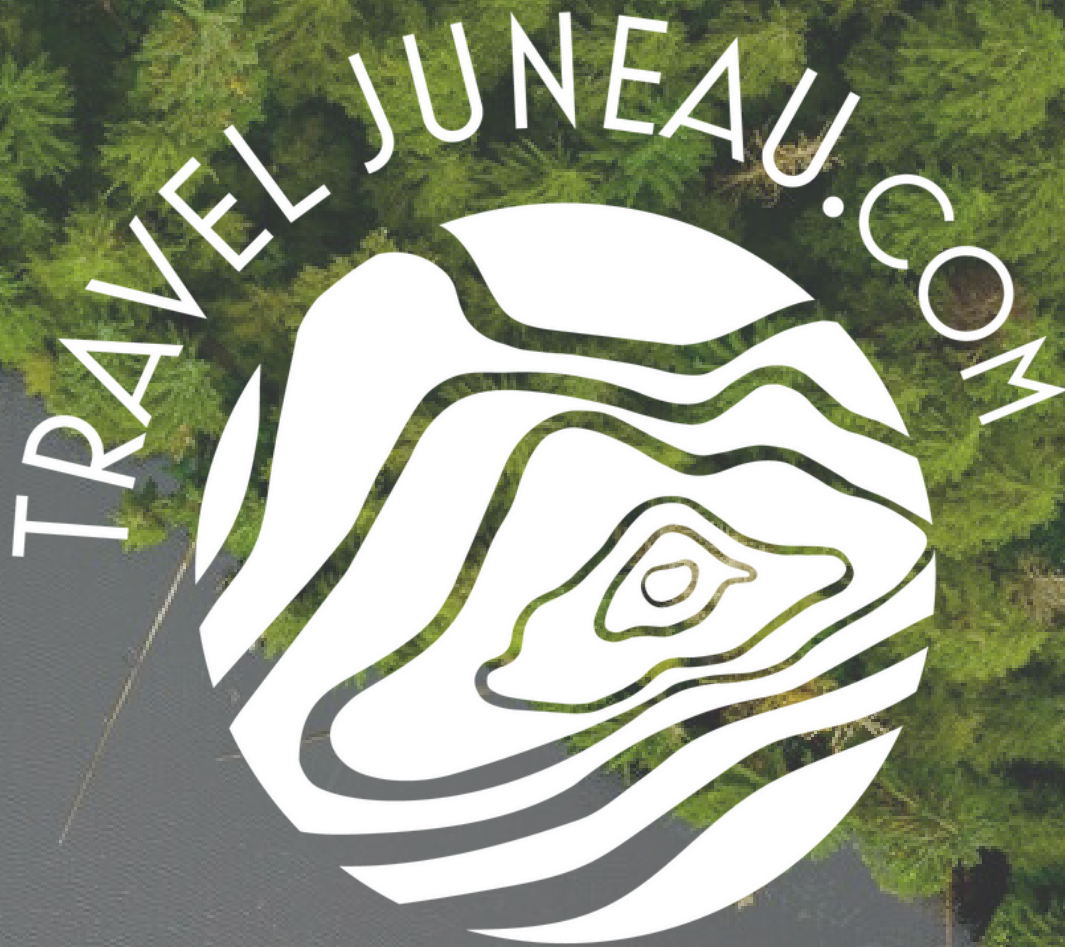
TIER 2

Alaska Litho

TIER 3

Alaska Broadcast Communications, Inc.
Alaska Electric Light & Power Company
Coeur Alaska – Kensington Mine
Cruise Lines International Assn. of Alaska
Elgee Rehfeld, LLC
First National Bank Alaska

Holland America Group – Princess Cruises
McKinley Research Group, LLC
Northrim Bank
Printing Trade Company
Royal Caribbean Group
True North Federal Credit Union



FY22-FY24 Budget Summary and Impact on Fund Balances
4/20/2023

Section D, Item 6.

		Revenues	Expenditures	Surplus (Deficit)	Fund Balance
62	FY2022				
102	Manager Proposed Budget	\$ 158,632,100	\$ (166,440,700)	\$ (7,808,600)	\$ 20,771,800
103					
123	Assembly Adopted Budget	\$ 162,239,300	\$ (167,608,800)	\$ (5,369,500)	\$ 23,210,900
124					
166	Final Year-End	\$ 182,016,259	\$ (200,553,759)	\$ (18,537,500)	\$ 10,042,900
167					
168	FY2023				
193	Manager Proposed Budget	\$ 166,599,600	\$ (170,042,200)	\$ (3,442,600)	\$ 6,600,300
194					
195	Fire - Expanded MIH Program (partially grant funded)	\$ 43,500	\$ (540,700)		
196	Increase Sales Tax Support to CIPs (Amendments)		\$ (375,000)		
197	Increase to JCF Social Service Block Grant		\$ (264,600)		
198	School District Outside the Cap		\$ (157,700)		
199	Alaska Heat Smart Operations Grant		\$ (142,000)		
200	AEYC - Parents as Teachers (conditioned)		\$ (141,000)		
201	Clerk's Office Increments (1.5 FTE) - Technical Adj.		\$ (116,700)		
202	Shéiyi Xaat Hit Youth Development Leader FTEs		\$ (102,200)		
203	AEYC - Operations		\$ (102,000)		
204	Increased GF Support to Eaglecrest		\$ (55,000)		
205	Warming Shelter Contract Increase		\$ (30,000)		
206	Juneau Festival Committee Increase		\$ (6,200)		
207	Juneau Human Right Commission - Community Engagement		\$ (5,000)		
208	Total Assembly Adopted Changes	\$ 43,500	\$ (2,038,100)	\$ (1,994,600)	
209					
210	Reduction of Mill Rate to 10.56 Mills	\$ (575,800)			
211	Revenue Forecast Changes	\$ (575,800)	\$ -	\$ (575,800)	
212					
213	Assembly Adopted Budget	\$ 166,067,300	\$ (172,080,300)	\$ (6,013,000)	\$ 4,029,900
214					
215	Wage and Health Benefit Costs		\$ (3,093,600)		
216	JSD Additional FY23 Funding Request		\$ (2,320,737)		
217	Capital Civic Center		\$ (2,500,000)		
218	River Road Junk Vehicle Cleanup		\$ (250,000)		
219	Telephone Hill Redevelopment		\$ (100,000)		
220	Removing Sales Tax on Food Juneau Voter Survey		\$ (40,000)		
221	Medical Respite (offset by portion covered by HEC Grant)		\$ (15,319)		
222	Supplemental Appropriations	\$ -	\$ (8,319,656)		
223					
224	State Reimbursement of Previously Unreimbursed School Bond Debt	\$ 16,035,000			
225	ARPA Funds Received in FY23	\$ 3,869,519			
226	Sales Tax Revenue Above/(Below) Forecast	\$ 6,900,000			
227	FY20 and FY21 SEMT Payments (amount over budget)	\$ 1,345,127			
228	Local Assistance and Tribal Consistency Fund (LATCF) FY23 Allocation	\$ 1,321,493			
229	Transit CRRSAA Grant Award	\$ 1,026,200			
230	Community Assistance Program Award Above Estimates	\$ 770,821			
231	Federal PILT Revenue Above Estimates	\$ 150,400			
232	Property Tax Certified Roll True-Up	\$ (88,178)			
233	Anticipated Lapse		\$ 1,000,000		
234	Anticipated Variances	\$ 31,330,382	\$ 1,000,000		
235					
236	Final Year-End (projected)	\$ 197,397,682	\$ (179,399,956)	\$ 17,997,727	\$ 28,040,627

FY22-FY24 Budget Summary and Impact on Fund Balances
4/20/2023

Section D, Item 6.

238 **FY2024**

		Revenues	Expenditures	Surplus (Deficit)	Fund Balance
239	Prior Year Adopted Budget	\$ 166,067,300	\$ (172,080,300)		
240	FY23 (post adoption) Wage and Health Benefit Costs		\$ (3,093,600)		
241	FY24 Wage and Health Benefit Costs		\$ (1,560,346)		
242	Merit Increases and Other Personnel Actions (and associated benefits)		\$ (1,006,254)		
243	Increase to 1% Voter-Approved Projects		\$ (900,000)		
244	Increase to General Sales Tax Projects		\$ (425,000)		
245	FY23 One-Time Expenditures/Revenue		\$ 390,000		
246	Sales Tax Growth over FY23 Adopted Budget	\$ 9,700,000			
247	Property Tax Growth over FY23 Adopted Budget	\$ 5,028,255		@ 10.28 mills	
248	Investment Income over FY23 Adopted Budget	\$ 1,607,400			
249	Tobacco Tax - MIH	\$ 663,700			
250	Departmental Revenue Growth	\$ 532,200			
251	Liquor Tax Growth over FY23 Adopted Budget	\$ 230,000			
252	Marijuana Tax Growth over FY23 Adopted Budget	\$ 80,000			
253	Adjusted Base	\$ 183,908,855	\$ (178,675,500)	\$ 5,233,355	
254					
255	JSD Additional Up-to-the-Cap Instructional Funding		\$ (2,284,600)		
256	Professional Services Inflation		\$ (562,000)		
257	Fleet Replacement		\$ (527,900)		
258	IT: O365, MFA, Cyber Security, Adobe Licensing		\$ (513,500)		
259	Dependent Care Assistance		\$ (379,800)		
260	General Supplies Inflation (Fuel, Chemicals, etc.)		\$ (324,000)		
261	457 Deferred Compensation Employer Match		\$ (315,900)		
262	Public Defenders Increase		\$ (230,000)		
263	Utilities (Electricity, Heating Oil)		\$ (203,100)		
264	Travel and Training		\$ (188,900)		
265	Facilities Maintenance		\$ (154,800)		
266	IT Business Analyst (1.0 FTE)		\$ (133,500)		
267	Commercial Appraiser (1.0 FTE)		\$ (119,000)		
268	Insurance		\$ (108,200)		
269	Warming Shelter Increase		\$ (100,000)		
270	Other Commodities and Services Inflation		\$ (114,693)		
271	Lease, Parking Increases		\$ (86,400)		
272	ZGYC Recreation Coordinator (1.0 FTE) (offset by registration fee revenue)	\$ 8,000	\$ (75,200)		
273	Assembly Grant: AEYC Operations		\$ (75,000)		
274	HR Consultant (0.5 FTE)		\$ (69,500)		
275	HR Technician (0.5 FTE)		\$ (64,000)		
276	Aquatic Instructor (0.6 FTE)		\$ (24,000)		
277	Treadwell Recreation Coordinator (0.16 FTE)		\$ (15,000)		
278	Full Cost/Engineering Indirect Allocation Increase		\$ 418,200		
279	Adjusted Base + Recurring Revenues/Expenditures Changes	\$ 183,916,855	\$ (184,926,293)	\$ (1,009,438)	
280					
281	<u>Non-Recurring Revenues/Expenditures</u>				
282	LATCF FY24 Allocation	\$ 1,321,493			
283	SEMT (prior-year catchup)	\$ 400,000			
284	New City Hall		\$ (10,000,000)		
285	Contribution to Restricted Budget Reserve		\$ (4,000,000)		
286	JPD Radio System Upgrade		\$ (2,000,000)		
287	New City Hall Advocacy		\$ (50,000)		
288	Manager Proposed Budget	\$ 185,638,348	\$ (200,976,293)	\$ (15,337,945)	\$ 12,702,682
289					
290					
291					
292	Assembly Adopted Recurring Revenues/Expenditures Changes	\$ -	\$ -	\$ -	
293					
294	<u>Non-Recurring Revenues/Expenditures</u>				
295	GF Support to Hospital		\$ (2,500,000)		
296	Increased GF Support to Eaglecrest		\$ (125,500)		
297	Total Assembly Adopted Changes	\$ -	\$ (2,625,500)	\$ (2,625,500)	
298					
299					
300	Revenue Forecast Changes	\$ -	\$ -	\$ -	
301					
302	Assembly Adopted Budget	\$ 185,638,348	\$ (203,601,793)	\$ (17,963,445)	\$ 10,077,182

AFC's Decision List - FY24 Proposed Budget Process
As of April 26, 2023
Note: Material Page Number References are from Online Meeting Packets

										Materials					Budget Book
#	Expenditure Description	Proposed in Manager's Budget	Request	GF Request Over FY23	GF Request Over Manager's	Approved Amount	Mill Rate Equivalent	Status	Decision Date	One-Time or Ongoing	Meeting Date & Packet Page	Meeting Date & Packet Page	Meeting Date & Packet Page	Meeting Date & Packet Page	
1	Hospital GF Support for Operations	-	518,000	518,000	518,000		0.08			Ongoing	4/18/2023 AFC Packet Pages 19-29				Page 171
2	Hospital GF Support for Operations	-	1,982,000	1,982,000	1,982,000		0.30			One-Time	4/18/2023 AFC Packet Pages 19-29				Page 171
3	Hospital GF Support for Operations	-	2,500,000	2,500,000	2,500,000	2,500,000	0.38	Approved	4/19/2023	One-Time	4/18/2023 AFC Packet Pages 19-29				Page 171
4	Eaglecrest FY24 Increment Request	930,000	1,088,800	158,800	158,800	125,500	0.02	Approved	4/12/2023	One-Time	4/12/2023 AFC Packet Pages 46-64				Page 98

Total Requests		5,158,800	2,625,500	0.79
Assembly Approved FY2024 Actions				
HBT		-	-	
AHF		-	-	
GF - One-Time		2,625,500	0.40	
GF - Ongoing		-	0.00	
Total		2,625,500	0.40	

City and Borough of Juneau

Section D, Item 7.

Assembly Finance Committee (AFC)

FY24 Revised Budget Calendar and Key Dates – as of April 26, 2023

April 5th – 5:30 pm – Special Assembly (Intro)

- A. CBJ Budget Ordinance 2023-14
- B. School District Budget Ordinance 2023-15
- C. Mill Levy Ordinance 2023-16
- D. CIP Resolution 3016

April 5th – 5:30 pm – AFC Meeting #1

- A. Summary of FY2024 Revised Budget
- B. Overview of Major Revenues
- C. Assessors Valuation Report
- D. Overview of Debt Service
- E. Proposed Mill Rate
- F. Cost Allocation Overview

April 12th – 5:30 pm – AFC Meeting #2

- A. Juneau School District
- B. Eaglecrest
- C. Capital Improvement Plan – For Review
 - a. 1% Sales Tax Allocation – For Review

April 19th – 5:30 pm – AFC Meeting #3

- A. Juneau International Airport
- B. Bartlett Regional Hospital

April 26th – 5:30 pm – Special Assembly (Hearing)

- A. CBJ Budget Ordinance 2023-14
- B. School District Budget Ordinance 2023-15
- C. CIP Resolution 3016
- D. Mill Levy Ordinance 2023-16
- E. Motion to Establish Local Funding for School District Operations

April 26th – 5:30 pm – AFC Meeting #4

- A. Docks & Harbors
- B. Passenger Fee Plan – For Review
- C. Hotel-Bed Tax Funding
 - a. Allocation to Affordable Housing Fund
- D. Travel Juneau

May 3rd – 5:30 pm – AFC Meeting #5

- A. Assembly Grants & Community Requests
- B. Manager's Proposed Increments
- C. Fare Free Transit
- D. Parental Leave
- E. Capital Improvement Plan Amendments
 - a. 1% Sales Tax Allocation Amendments
- F. School District Budget – For Action

May 8th – 7:00 pm – Regular Assembly

- A. Adoption of the School District's Budget Ordinance 2023-15

May 10th – 5:30 pm – AFC Meeting #6

- A. Capital Improvement Plan – For Action
 - a. 1% Sales Tax Allocation – For Action
- B. Passenger Fee Plan – For Action
- C. Decision List

May 17th – 5:30 pm – AFC Meeting #7

- A. Decision List – For Final Action
- B. Set Mill Rates – For Final Action
- C. Final FY24 Revised Budget Decisions
 - a. CIP Resolution 3016
 - b. Mill Levy Ordinance 2023-16
 - c. CBJ Budget Ordinance 2023-14

June 7th – 6:00 pm – Regular Business AFC

- A. TBD

June 12th – 7:00 pm – Regular Assembly (Adoption)

- A. CBJ Budget Ordinance 2023-14
- B. Mill Levy Ordinance 2023-16
- C. CIP Resolution 3016

Public hearings on the budget must be completed by May 1, per Charter Section 9.6

Assembly must determine school district instructional funding and notify district within 30 days of receipt of district budget (Charter Section 13.6(b))

Assembly must appropriate school district funding by May 31 (Chart Section 13.6(b))

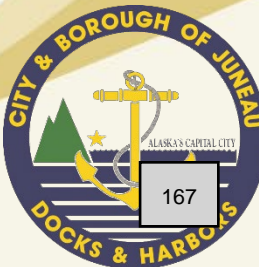
Assembly must adopt Operating Budget, Mill Levy, and Capital Improvement Plan by June 15th or the manager's proposal is deemed adopted (Charter Section 9.7 & 9.8)

Assembly Finance Committee

Docks & Harbors Enterprise - FY23 & FY24 Budget

April 26th, 2023

Section E, Item 8.



FY23 & FY24 SUMMARY

Docks & Harbors is very appreciative of Assembly financial support:

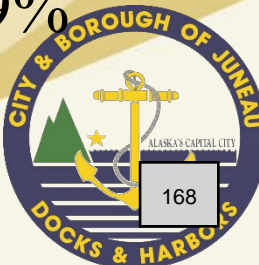
- \$2.5M for the Marine Park Deckover Project (completed April 14th, 2023)
- \$1.5M for Statter Harbor Bathrooms (completion May 19th, 2023)
- \$300K of MPF for unfunded USCG Security mandates
- \$6.5M of 1% Sales Tax (Aurora Harbor, Taku Harbor, Wayside Float)

Docks Enterprise will complete FY23 adding revenue to the Dock Fund Balance after two years of drawing from cash reserves;

Demand for Harbor Enterprise usage remains strong;

Marine construction escalation costs will challenge our ability to recapitalize facilities;

Docks & Harbors is embarking on a public outreach process to raise rates 9% across both enterprises.

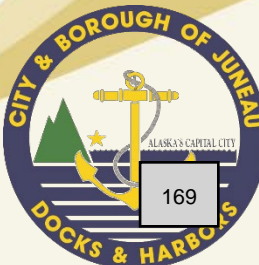


Docks & Harbors - Docks

OVERVIEW

Section E, Item 8.

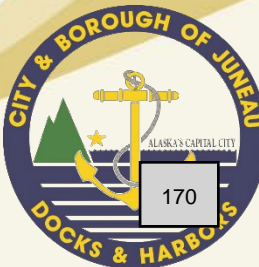
	FY22 Actuals	FY23		FY24	
		Amended Budget	Projected Actuals	Approved Budget	Revised Budget
EXPENDITURES					
Personnel Services	\$ 1,061,900	1,383,700	1,359,500	1,313,000	1,447,500
Commodities and Services	710,800	994,300	1,032,500	976,800	1,074,100
Capital Outlay	-	-	-	-	-
Support to:					
Marine Passenger Fee	-	-	-	-	-
Capital Projects	-	-	-	-	-
Total Expenditures	1,772,700	2,378,000	2,392,000	2,289,800	2,521,600
FUNDING SOURCES					
Interdepartmental Charges	15,100	15,100	15,100	15,100	40,200
Charges for Services	1,177,600	1,730,000	1,780,000	1,760,000	1,800,000
Licenses, Permits, and Fees	-	-	-	-	-
Rentals and Leases	1,500	-	-	-	-
Investment and Interest Income/(Loss)	(39,400)	21,300	24,300	21,300	67,100
Support from:					
Pandemic Response	-	-	-	-	-
Marine Passenger Fees	448,500	717,000	717,000	717,000	717,000
Port Development Fees	-	-	-	-	-
State Marine Passenger Fees	-	-	-	-	-
Capital Projects	-	-	-	-	-
Total Funding Sources	1,603,300	2,483,400	2,536,400	2,513,400	2,624,300
FUND BALANCE					
Beginning of Period	1,819,200	1,649,800	1,649,800	1,794,200	1,794,200
Increase (Decrease) in Fund Balance	(169,400)	105,400	144,400	223,600	102,700
End of Period Fund Balance	\$ 1,649,800	1,755,200	1,794,200	2,017,800	1,896,900
STAFFING	13.74	19.20	19.20	19.20	19.24



Docks Enterprise (Cruise Ships)

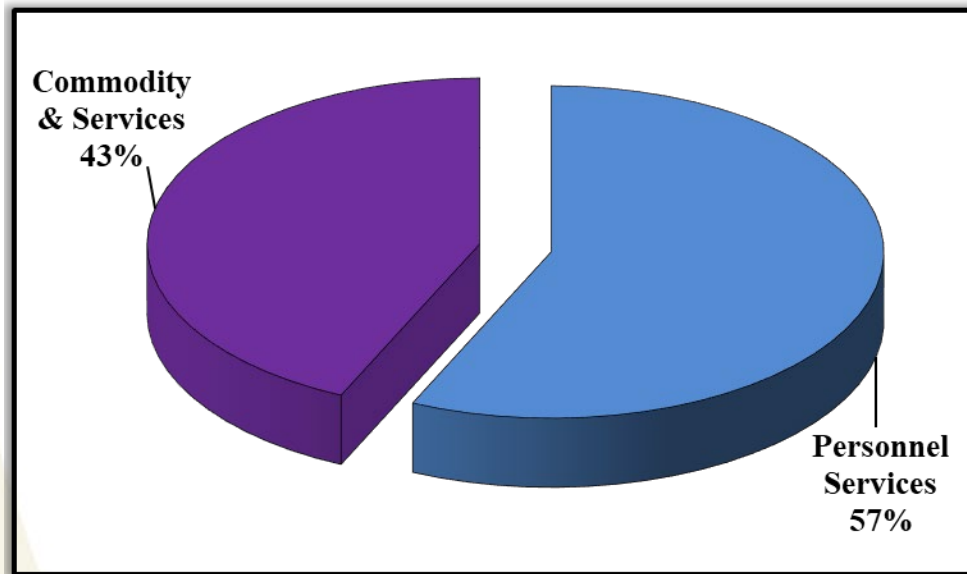
FY23 & FY24 Take Aways

- FY23 Projected Revenues expected to exceed Expenditures by \$144K
 - Primarily due to \$300K MPF increase for personnel
- FY24 Budget largely unchanged from FY23
- Docks Fund Balance anticipated to be \$1.8M at the end of FY23
- CY2023 Revenue Update – CPI Adjustment 8.1% effective April 1st
 - Dockage Charges - \$3.24/LF for Cruise Passenger Ships
 - Port Maintenance Fee - \$0.059/net registered ton for Cruise Passenger Ships
 - First change to these fees since 2008

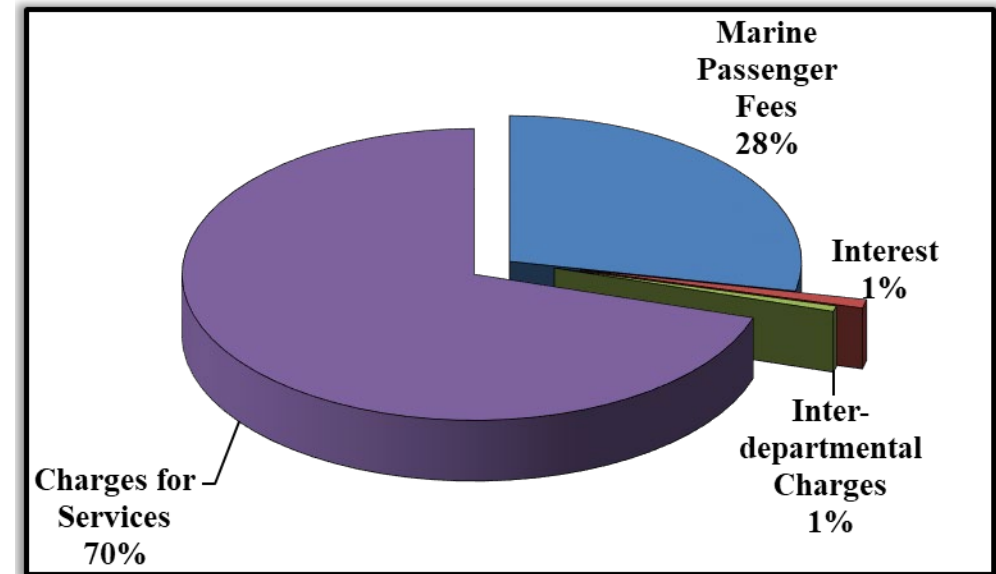


Docks Budget FY23 \$2.4M

Docks Expenditures

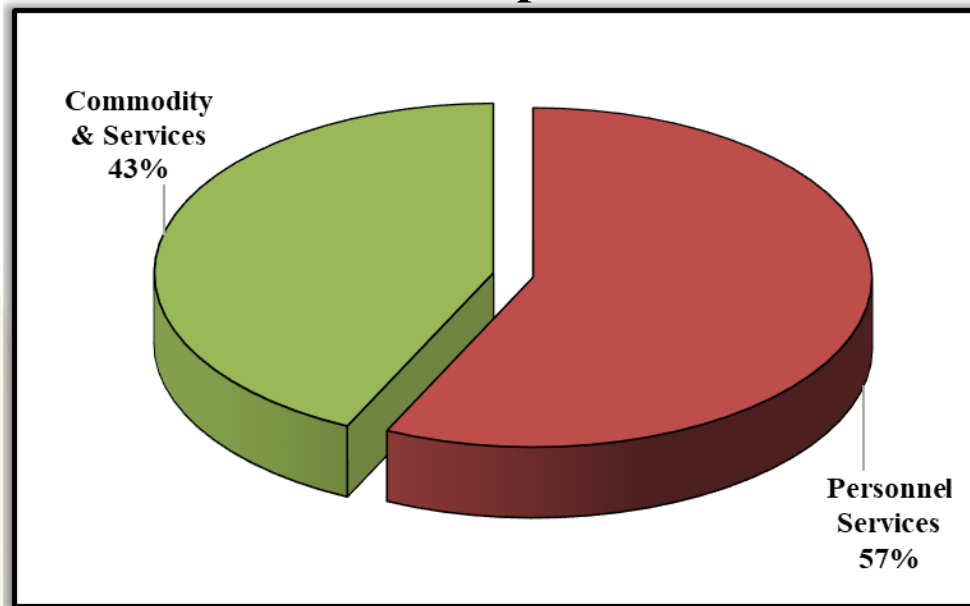


Docks Revenue

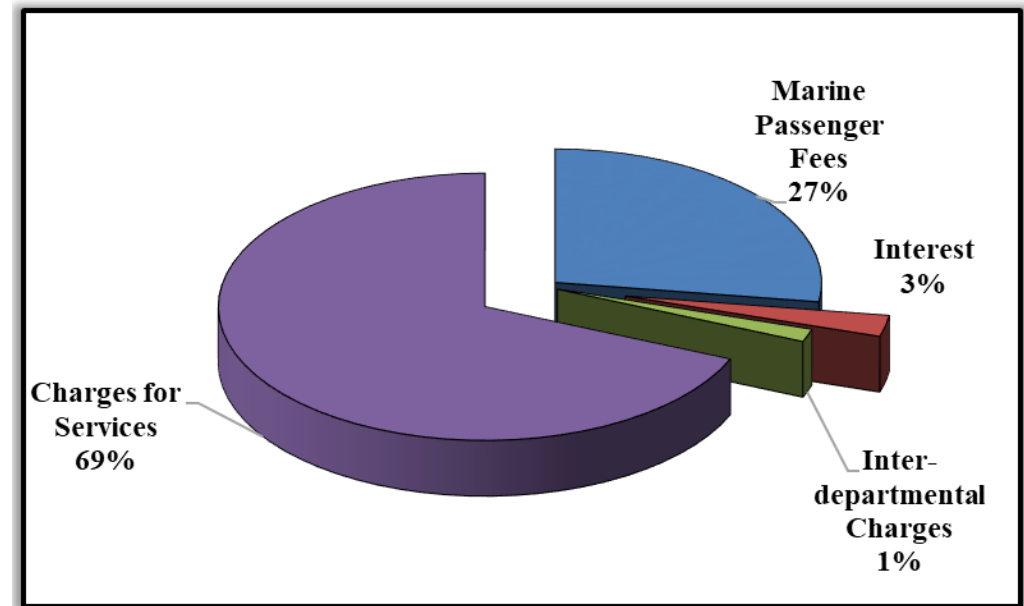


Docks Budget FY24 \$2.5M

Docks Expenditures



Docks Revenue



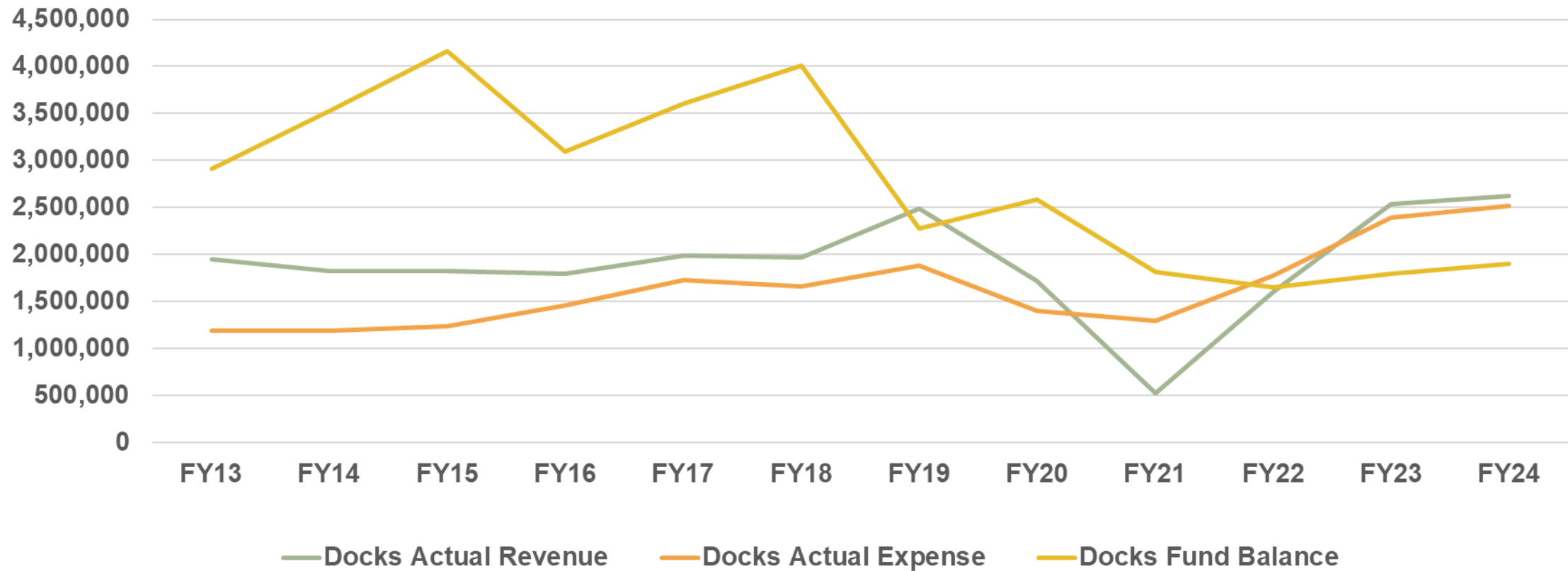
Docks Expenditures – Cliff Notes

- FY23 Top 3 expenditures \$1,876,800– Make up 74% of the Budget
 - Salaries - \$1,359,500
 - Property Insurance \$311,100
 - Full cost allocation - \$206,200
- Next 5 top expenditures add \$298K - 86% of the Budget
 - Water Service - \$85K (billed back to cruise ships)
 - Rents – \$63K
 - Landscaping - \$44K
 - Repairs - \$56K
 - Contractual Services - \$50K



Docks Overview

Section E, Item 8.



	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Docks Actual Revenue	1,946,900	1,820,000	1,828,400	1,792,800	1,983,100	1,964,484	2,485,900	1,718,800	526,000	1,603,300	2,536,400	2,624,300
Docks Actual Expense	1,189,800	1,188,500	1,238,600	1,454,100	1,727,600	1,663,167	1,881,100	1,399,100	1,297,800	1,772,700	2,392,000	2,521,600
Docks Fund Balance	2,907,240	3,531,061	4,159,525	3,098,254	3,609,037	4,009,076	2,279,623	2,586,600	1,818,000	1,649,800	1,794,200	1,896,900

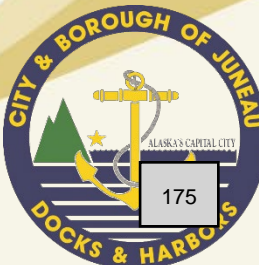


Docks & Harbors - Harbors

OVERVIEW

Section E, Item 8.

		FY23		FY24	
	FY22 Actuals	Amended Budget	Projected Actuals	Approved Budget	Revised Budget
EXPENDITURES					
Personnel Services	\$ 1,774,400	2,001,200	2,023,300	1,909,200	2,132,900
Commodities and Services	1,560,300	2,076,000	2,198,400	2,061,900	2,311,500
Capital Outlay	-	-	-	-	-
Debt Service	665,900	740,900	686,600	741,700	683,600
Support to:					
Capital Projects	-	-	-	-	-
Total Expenditures	4,000,600	4,818,100	4,908,300	4,712,800	5,128,000
FUNDING SOURCES					
Charges for Services	3,262,800	3,415,000	3,425,000	3,425,000	3,705,000
Licenses, Permits, and Fees	308,000	350,000	310,000	350,000	360,000
Rentals and Leases	898,700	860,000	900,000	870,000	900,000
State Shared Revenue	292,900	350,000	463,300	350,000	350,000
Federal Revenue	23,800	-	-	-	-
Fines and Forfeitures	11,300	10,000	10,000	10,000	10,000
Investment and Interest Income/(Loss)	(131,000)	27,600	46,300	27,600	107,700
Support from:					
Pandemic Response	116,500	-	-	-	-
Capital Projects	-	-	-	-	-
Total Funding Sources	4,783,000	5,012,600	5,154,600	5,032,600	5,432,700
FUND BALANCE					
Debt Reserve					
Beginning Reserve Balance	791,900	791,900	791,900	791,900	791,900
Increase (Decrease) in Reserve	-	-	-	-	-
End of Period Reserve	\$ 791,900	791,900	791,900	791,900	791,900
Available Fund Balance					
Beginning of Period	1,051,400	1,833,800	1,833,800	2,080,100	2,080,100
Increase (Decrease) in Fund Balance	782,400	194,500	246,300	319,800	304,700
End of Period Available	\$ 1,833,800	2,028,300	2,080,100	2,399,900	2,384,800
STAFFING	16.33	16.83	16.83	16.83	17.45



Harbors Enterprise

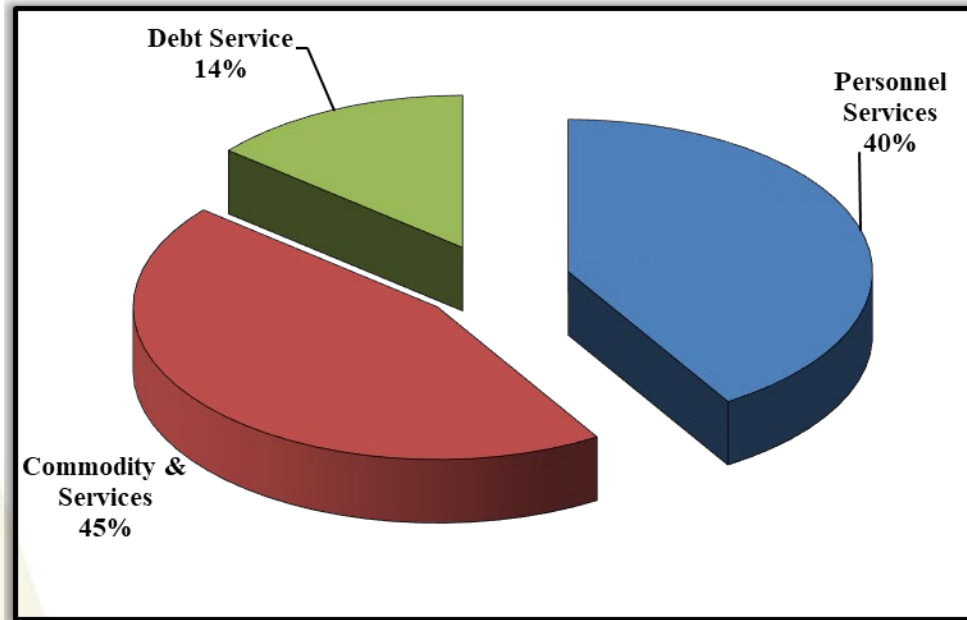
FY23 & FY24 Take Aways

- FY23 Projected Revenues expected to exceed Expenditures by \$246K
- FY24 Budget largely unchanged from FY23
- Fund Balance anticipated to be \$1.25M at the end of FY23
 - Two transfers totaling \$750K needed for Aurora Harbors Phase III Award
- Still budgeting for \$240K/year for new lease rent with University of Alaska – lease negotiations ongoing
- FY24 Added 0.62 FTE for Administration Staff
- CY2022 CPI adjustment 8.1% effective July 1st, 2023 for most Harbor charges

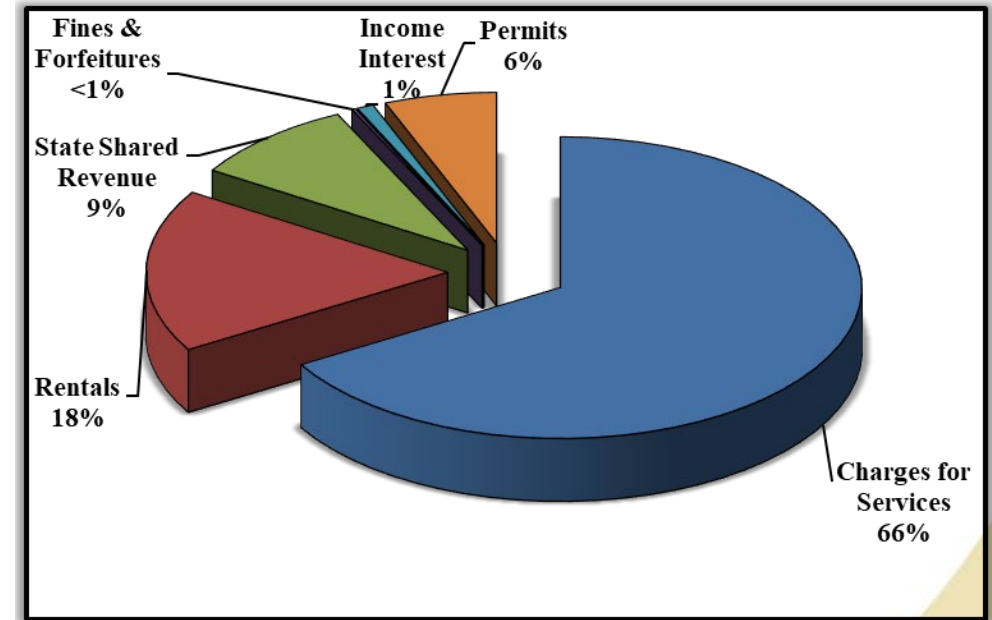


Harbor Budget FY23 \$4.9M

Harbors Expenditures

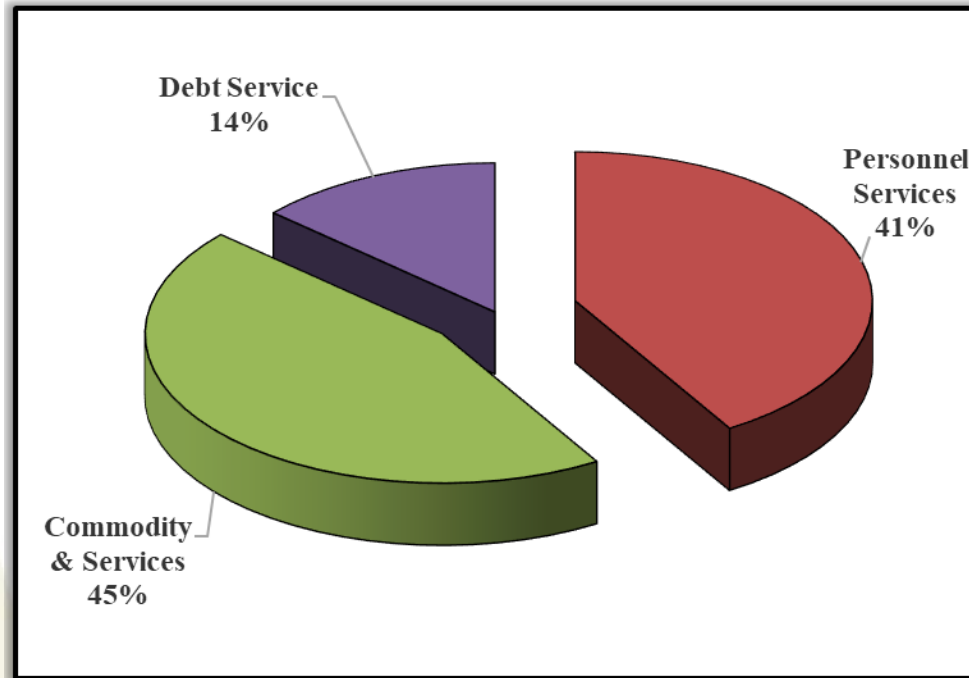


Harbors Revenue

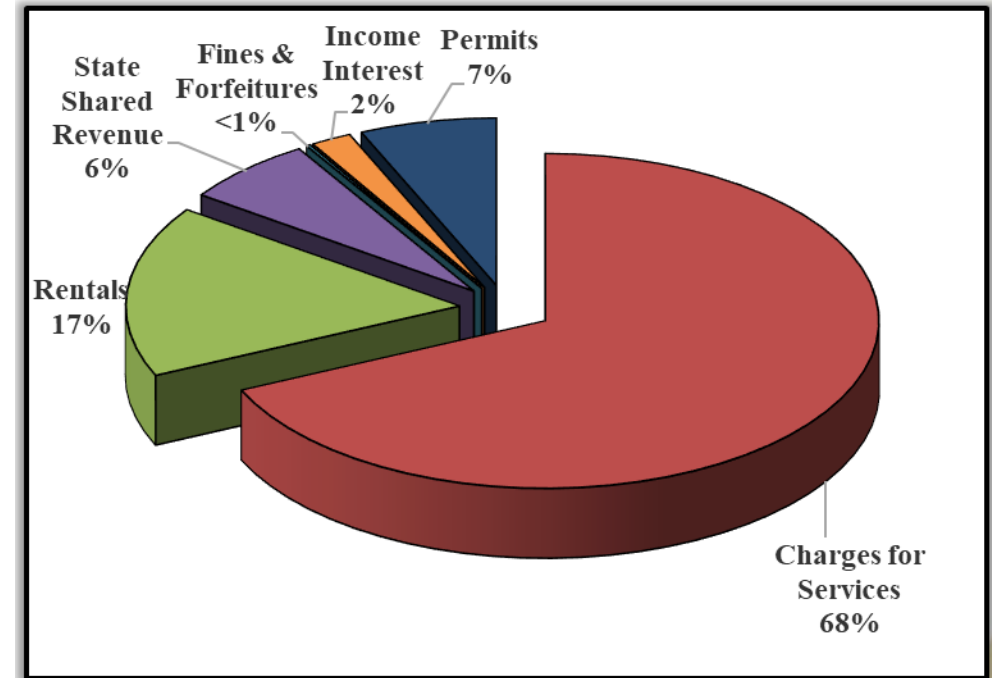


Harbor Budget FY24 \$5.1M

Harbors Expenditures



Harbors Revenue



Harbor Expenditure – Cliff Notes

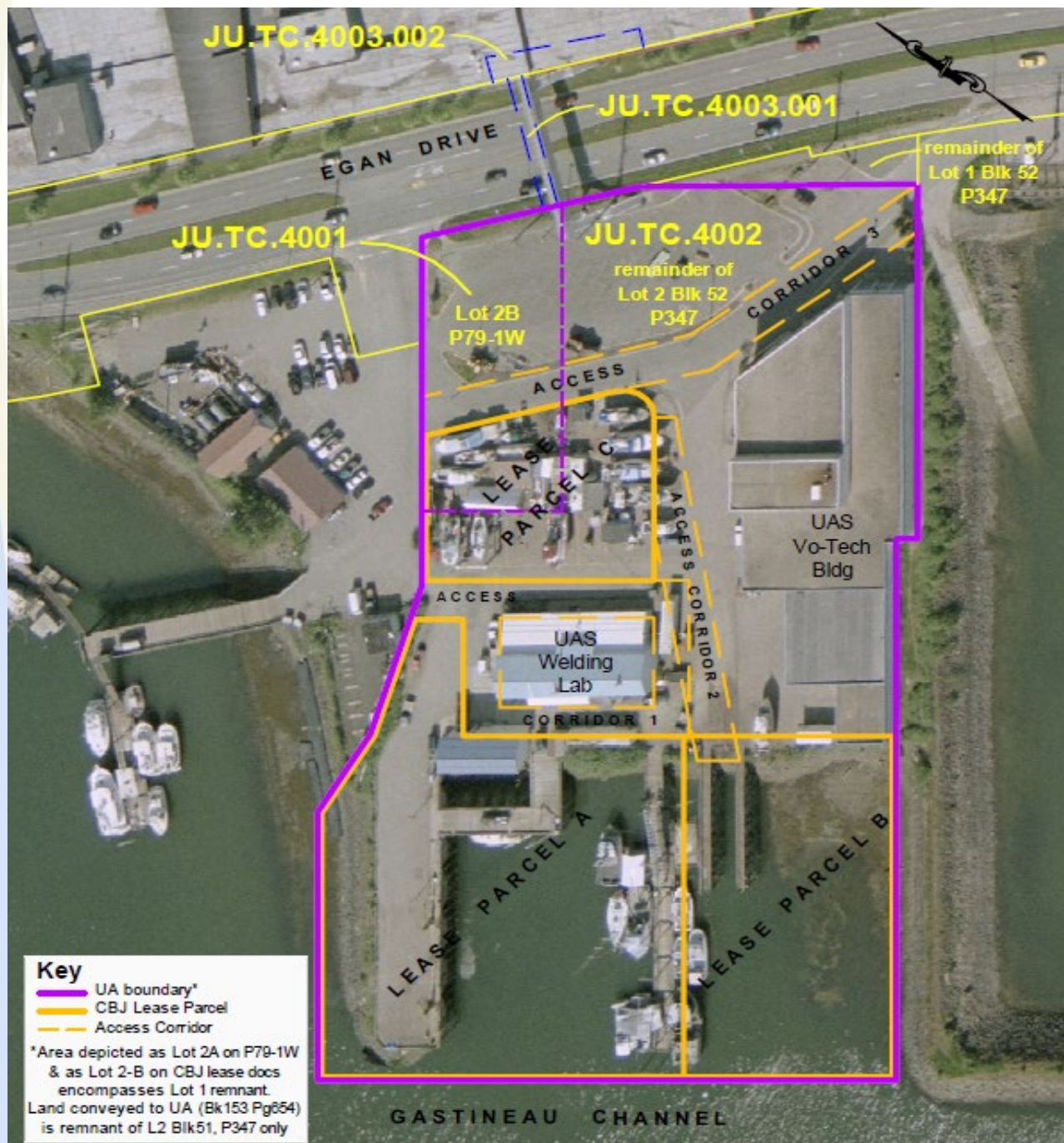
- FY23 Top 7 expenditures: \$3,898,100 – Make up 75% of the Budget
 - Salaries - \$2,023,300
 - Bond Debt - \$686,600
 - Contractual Services - \$300,000
 - UAS Property - \$240,000
 - Property Insurance \$226,000
 - Full cost allocation - \$206,200
 - Refuse - \$216,000
- Next 6 top expenditures add \$687K - 89% of the Budget
 - Repairs (\$200K); Electricity (\$145K); Bank Card Fees (\$130K); CBJ Fleet Maintenance (\$75K); CBJ Building Maintenance (\$57K); Materials & Commodities (\$80K)
- Contractual Services:
 - Use of Term Contractors (Port-a-potties, Boat Demolition, Electricians, Appraisal, etc)
 - Professional Services (Surveys for property conveyance, grant writing, etc)



UAS Property Lease

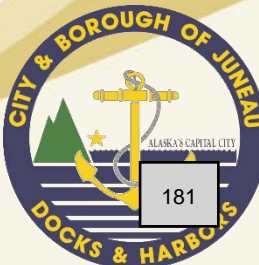
Section E, Item 8.

- Juneau Fisheries Terminal considered critical for commercial fishermen & boatyard activity;
- Since 1988, CBJ has enjoyed favorable lease rent with UA at ~\$12K/year;
- Lease expires May 5th, 2023
- UA willing to enter into new 4 year lease at \$100K/year
- Fair Market Value of leased property is \$230,400/year



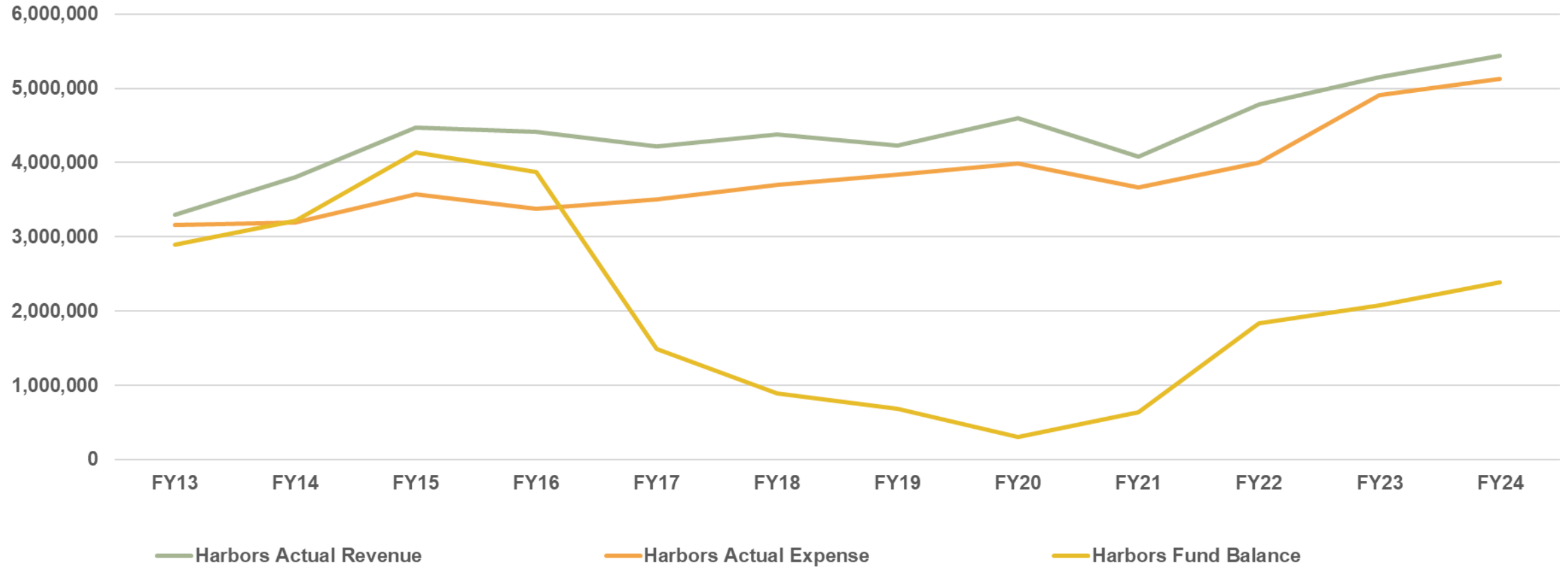
Proposed CBJ Educational Benefit To Discount Fair Market Lease Rent

- Docks & Harbors agrees to:
 - Not fewer than 3 paid UAS student maritime internships
 - Kayak storage & launch services at Statter Harbor
 - Engaged relationship with UAS/USCG CSPI program
 - Snow removal for UAS at downtown VoTech facility
- Eaglecrest
 - Free lift tickets and 50% gear rental to UAS students
 - Offer internship opportunity to Outdoor Recreation degree students
- CBJ Public Works - Transit
 - Provide no cost bus passes to UAS students
- CBJ Parks & Recreation
 - No cost access -Treadwell Rink, Pools & Dimond Park Fieldhouse



Harbors Overview

Section E, Item 8.

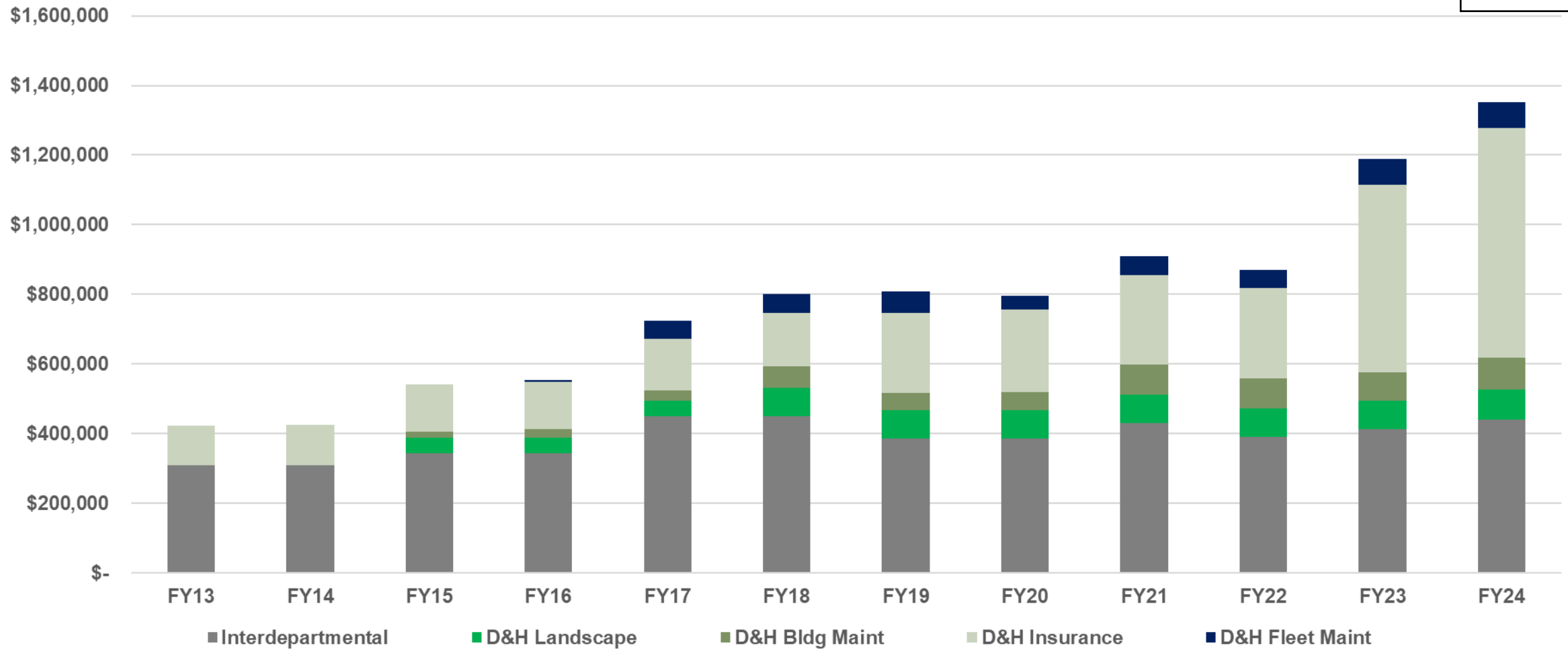


	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Harbors Actual Revenue	3,301,200	3,800,400	4,466,300	4,418,400	4,213,000	4,374,735	4,227,700	4,597,600	4,076,700	4,783,000	5,154,600	5,432,700
Harbors Actual Expense	3,163,500	3,195,000	3,574,700	3,380,634	3,507,112	3,702,155	3,834,900	3,983,100	3,661,100	4,000,600	4,908,300	5,128,000
Harbors Fund Balance	2,893,416	3,210,757	4,133,190	3,874,843	1,485,483	895,149	682,000	305,000	642,500	1,833,800	2,080,100	2,384,800



CBJ INTERDEPARTMENTAL & OTHER FEES

Section E, Item 8.



	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
Interdepartmental	\$ 309,600	\$ 309,600	\$ 343,800	\$ 343,800	\$ 450,400	\$ 450,400	\$ 386,400	\$ 386,400	\$ 430,800	\$ 391,600	\$ 412,400	\$ 441,000
D&H Landscape	\$ -	\$ -	\$ 45,000	\$ 45,000	\$ 45,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 85,600
D&H Bldg Maint	\$ -	\$ -	\$ 15,807	\$ 24,318	\$ 28,322	\$ 60,836	\$ 48,527	\$ 51,300	\$ 85,900	\$ 86,400	\$ 81,900	\$ 90,800
D&H Insurance	\$ 114,200	\$ 114,566	\$ 136,400	\$ 136,400	\$ 149,324	\$ 154,680	\$ 231,674	\$ 236,384	\$ 257,706	\$ 258,452	\$ 538,600	\$ 661,000
D&H Fleet Maint	\$ -	\$ -	\$ 0	\$ 3,660	\$ 51,661	\$ 54,391	\$ 60,547	\$ 41,000	\$ 53,000	\$ 52,000	\$ 74,700	\$ 72,700
Total	\$ 309,600	\$ 309,600	\$ 404,607	\$ 416,778	\$ 575,383	\$ 646,627	\$ 576,474	\$ 559,700	\$ 650,700	\$ 610,600	\$ 1,188,600	\$ 1,351,100

FY23 & FY24

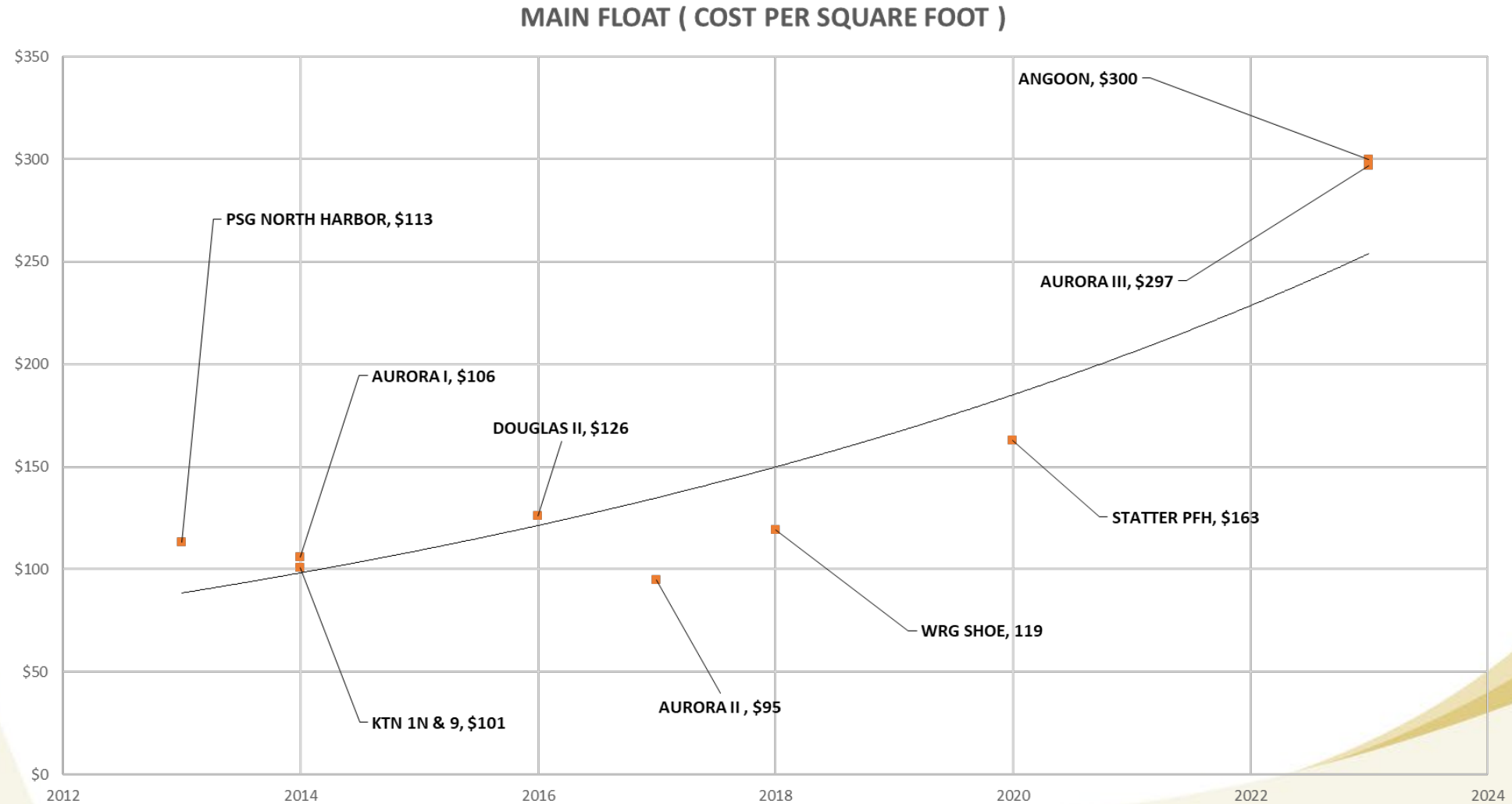
Docks & Harbors Fees to CBJ

- \$1.3M (16% of All Docks & Harbors Expenditures) goes to CBJ
- Property Insurance
 - FY22 - \$258,452
 - FY24 - \$661,000 (increase of 256% since FY22)
 - FY16-FY21 Docks & Harbor has claims totaling \$8100
 - FY22 claim for storm damage to Statter Harbor \$300K
- Premium Consideration
 - Docks & Harbors property value (\$147M) account for 14% of total CBJ
 - Only Juneau School District (34%) & Public Works/Waste Water (14%) have higher premiums than Docks & Harbors



Construction Cost Escalation

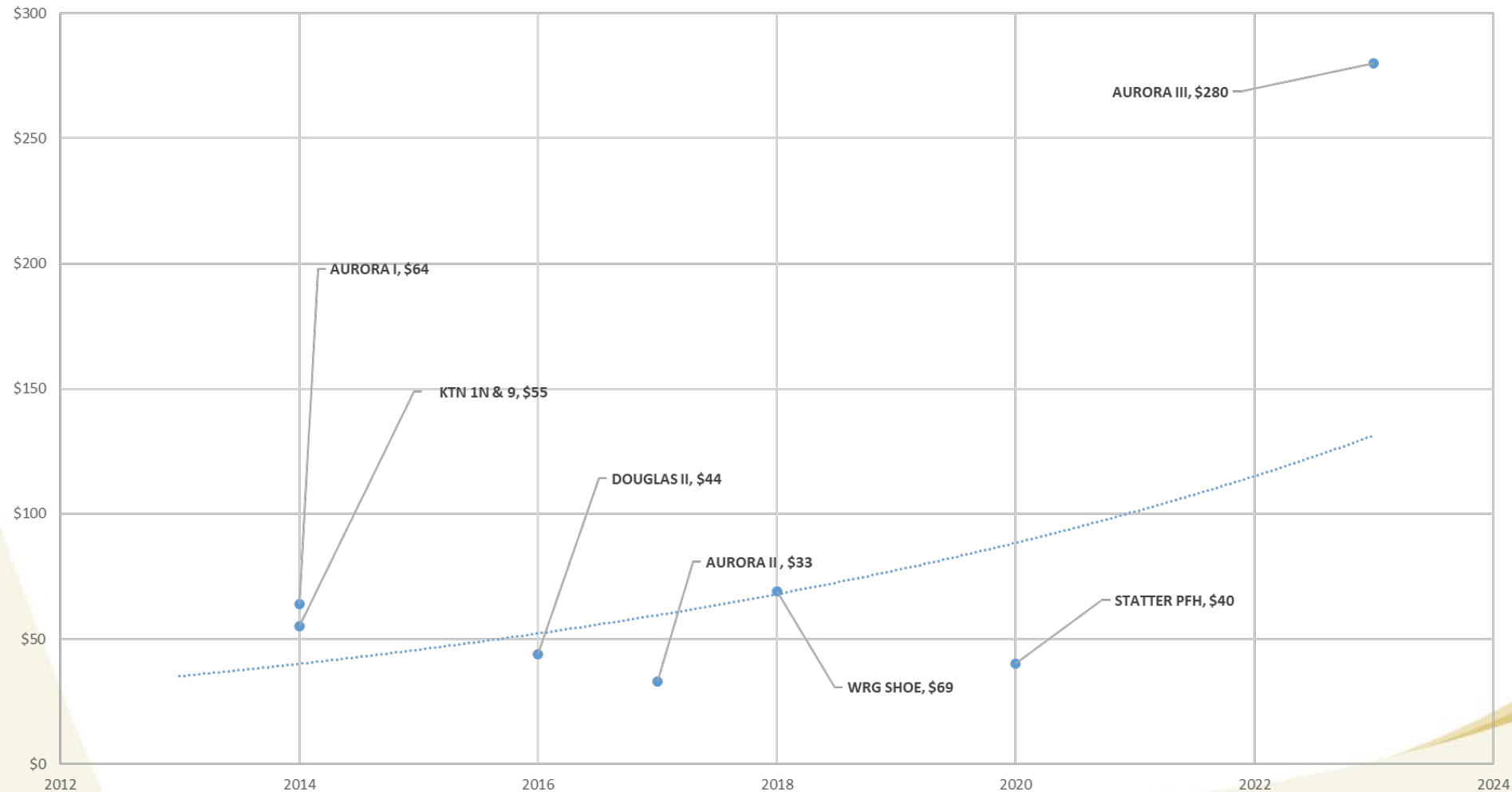
Floats have nearly doubled since 2020



Construction Cost Escalation – Electrical

Section E, Item 8.

ELECTRICAL SYSTEM (COST PER SQUARE FOOT)



Questions?



ASSEMBLY FINANCE COMMITTEE MINUTES - DRAFT**APRIL 19, 2023, AT 5:30 PM****ASSEMBLY CHAMBERS/ZOOM WEBINAR**

<https://juneau.zoom.us/j/93917915176> or 1-253-215-8782 Webinar ID: 939 1791 5176

A. CALL TO ORDER

This meeting was called to order at 5:35 pm by Chair Triem.

B. ROLL CALL

Committee Members Present: Carole Triem, Chair; Mayor Beth Weldon; Maria Gladziszewski (joined at 5:42 pm); Michelle Bonnet-Hale; Greg Smith; Alicia Hughes-Skandijs; Wade Bryson

Committee Members Present Virtually: Christine Woll

Committee Members Absent: Wáahlaal Gíidaak

Staff Members Present: Rorie Watt, City Manager; Robert Barr, Deputy City Manager; Jeff Rogers, Finance Director; Adrien Speegle, Budget Manager; Patty Wahto, Airport Manager; David Keith, Bartlett Regional Hospital CEO; Sam Muse, Bartlett Regional Hospital CFO

Others Present: Deborah Johnston, Bartlett Regional Hospital Board Vice President

C. APPROVAL OF MINUTES**1. April 12, 2023**

The April 12, 2023, minutes were approved as presented.

D. AGENDA TOPICS**2. Juneau International Airport FY24 Budget Presentation**

Patty Wahto, Airport Manager, presented the Airport's FY24 budget found on packet pages 9-18. She reviewed changes that are expected for the FY23 adopted and projected budgets. She reviewed the rise in projected revenues for the Airport in FY24 due to increases in rent and fees that the Airport will be charging tenants in FY24 in addition to increases in passenger counts.

Ms. Wahto detailed the items that are contributing to a rise in expenditures in FY24, which total \$791,600, due to a rise in commodities and contractual expenditures. FY24 revenue is anticipated to increase by over \$2 million in FY24 due to increased landing, fuel flowage, and security screening fees, rents, and anticipated rise in passenger counts. Ms. Wahto noted that tenants will continue to receive \$1.25M in rent relief from Airport federal CARES Act funding in FY23 and FY24. She also stated that the Airport's central service full cost allocation is decreasing in FY24.

Ms. Wahto answered Committee questions.

Ms. Wahto reviewed the use of CARES funding to cover FY23 and FY24 operating deficits, found on page 16 of the packet.

Ms. Wahto went over the major projects that the Airport has planned in FY24 to be funded by CARES funding. These projects include a new outbound bag conveyor, parking lot refurbishment, gate replacement, and new terminal furniture. Ms. Wahto stressed the importance of these projects being done now because the funding from the CARES Act sunsets in April 2024, leaving only one construction season to finalize these projects, otherwise any remaining grant funds will be lost by the Airport.

Ms. Wahto answered further questions for the committee regarding Airport fund balance, as detailed on page 162 of the budget book.

Motion: by Mayor Weldon to accept the Airport budget as presented and asked for unanimous consent.

Motion passed by unanimous consent.

Jeff Rogers, Finance Director, discussed the changes that were made in Treasury's cost allocation in FY24, stating that the major change related to updating the methodology to be based on transaction count instead of transaction dollar value. Mr. Rogers stated that the burden of processing transactions is mostly the same for a \$10 million transaction and a \$10 transaction. This change led to a significant shift in costs to the Water and Wastewater utilities to more accurately reflect the burden placed on the Treasury Division for services rendered relating to monthly utility billing.

3. Bartlett Regional Hospital FY24 Budget Presentation

Deborah Johnston, Bartlett Regional Hospital (BRH) Board Vice President, acknowledged the Hospital's current challenges, but expressed her confidence in the budget that is being presented to the Committee.

Sam Muse, BRH CFO, introduced the Hospital's FY24 budget and the challenges that factored into the development of the FY24 budget. He stressed for the Committee the impact that COVID has had upon operations for the past several years, stating that beginning in 2020, elective services had to shut down for a significant part of the year.

Mr. Muse stated the impact of the significant loss of revenue this had and stressed that the numbers have not rebounded to pre-pandemic figures. There is a rising trend in healthcare shifting away from inpatient hospital services and more to outpatient services. This trend had been rising over the last decade; however, pandemic culture shifts have catalyzed this change.

Mr. Muse stressed that these challenges are not just faced by BRH but by many hospitals throughout the nation. Employee burnout during COVID years has resulted in massive departures of nursing and other hospital staff. This has resulted in the forced hiring of traveling clinical staff which have significantly higher costs. Currently, the Hospital is losing \$1 million every month.

Mr. Muse stated that BRH leadership has been working in a phased plan to reduce spending. Currently, leadership is in the process of implementing Phase 3 of their plan, part of which is streamlining senior leadership in addition to the postponement of capital improvement projects. The goal of BRH senior leadership is to end FY24 without an operational deficit.

Mr. Muse reviewed the key areas of focus for BRH in calendar year 2023 found on page 26 of the packet. He spent time reviewing the service line expansions of home health and hospice, the Wildflower Court acquisition, Aurora Behavior Health Center, and the rental of a Da Vinci surgery robot. The goal of the Davinci Robot is expanding the surgical capabilities at the Hospital and be a recruitment tool for attracting new physicians in Juneau. These services are planned to be running by the end of FY23.

Mr. Muse stated that the one largest challenge that BRH and other healthcare facilities in Juneau face is staffing shortages. He stated that the Hospital must invest in workforce development in Juneau, or they will not be able to continue operations in the long term for the community.

Mr. Muse presented the FY24 proposed budget for the Committee, beginning in FY22 and moving forward. In FY22 the decrease in fund balance for BRH was just over \$6 million. For FY23 that number is expected to be roughly the same and would have been more if the Hospital funds that were set aside for the Crisis Stabilization project were not pulled back into fund balance and replaced with bond proceeds that were previously appropriated to the Emergency Department Addition project, which is now being put on hold.

Mr. Muse answered committee questions regarding how bond funds have been reallocated.

Mr. Muse reviewed the items in the FY24 expenditures, stating that the acquisition of Wildflower Court is not included in the budget presented, but that BRH will be requesting supplemental authority from the Assembly once the acquisition is complete. In FY24, personnel costs are set to rise due to the creation of additional service lines.

Mr. Muse answered committee questions regarding the changes in staffing presented for FY24. David Keith, BRH CEO, stressed that streamlining of staffing will start at the top, in the executive suite.

Mr. Muse reviewed the funding sources and stated that the Hospital is requesting that the reallocation of the Tobacco Excise Tax from BRH to the Fire Department's Mobile Integrated Health Program be restored in the amount of \$518,000. Additionally, BRH is requesting \$4,482,000 in general fund support, with these two amounts totaling \$5 million.

In response to Assemblymember Hale's questions regarding General Fund balance post adoption of the Juneau School District's FY23 supplemental funding request of \$2.3 million, Mr. Rogers directed the Assembly to the FY24 Budget Summary document in the Supplemental Materials section of the agenda. He stated that the fund balance reflected at the bottom of this document already factors in this appropriation. Mr. Rogers stated to the Committee that if they chose to grant the request to the Hospital for \$5 million, it would result in the fund balance for CBJ's General Fund being reduced to \$7.7 million for FY24.

Assemblymember Gladyszewski asked why the city should contribute to the Hospital's fund balance when it is higher than CBJ's fund balance. Mr. Keith responded by affirming that the funds that are set aside in BRH's fund balance are being reserved for strategic moves to be made in forthcoming fiscal years, as well as the need to maintain a minimum operating reserve.

Mr. Muse clarified that the current \$40 million in the fund balance does seem like a lot, however compared to other hospitals it is approaching a dangerously low figure. Many hospitals aim to have equal to six or seven months of operational expenditures in their fund balance, however, BRH has less than three months. Mr. Keith expounded to the Committee the importance of the \$5 million dollar request in meeting the needs of the community in the future. BRH faces significant competition for healthcare services not only in Juneau, but also in Anchorage and Seattle, and with the rise in desire for outpatient and primary care services, BRH must change its approach. Mr. Keith stated that to continue to meet the needs of the community there are strategic moves that need to be made and this will require the support of CBJ.

The Committee discussed the change that was made for FY24 in removing the Tobacco Tax revenue from the Hospital. Mr. Rogers clarified that the Assembly decided to reallocate the Tobacco Tax funding for FY24 in the FY23 budget process.

Assemblymember Hughes-Skandijs asked regarding the state of PCR testing for the city that is done at the Hospital. Mr. Keith clarified that the equipment purchased to handle COVID testing needs for the community is no longer needed and the cost of maintaining the equipment for potential future use is not advisable. It is an expensive piece of equipment that should be sold, any money generated would be a positive.

The Committee recessed at 7:18 pm.

The Committee reconvened at 7:30 pm.

Motion: by Assemblymember Hale to approve the BRH budget as presented, with an amendment to fund the \$5 million request for support from general funds and not Tobacco and Liquor Excise Tax.

Objection: by Assemblymember Gladyszewski for the purpose of deferring the decision until all other requests have been heard.

Amendment: by Assemblymember Bryson that the Committee approve \$2.5 million tonight and move the remaining \$2.5 million request to the pending list and asked for unanimous consent.

Amendment passed by unanimous consent.

Objection to Amended Motion: by Assemblymember Woll.

Roll Call Vote on Amended Motion

Ayes: Chair Triem, Mayor Weldon, Smith, Gladyszewski, Hale, Hughes-Skandijs, Bryson

Nays: Woll

Motion passed. Seven (7) Ayes, One (1) Nay.

4. Info Only: FY24 Community Requests

Chair Triem proposed addressing the community funding requests listed on packet page 30 at the next committee meeting. She stated that the process will allow Assemblymembers to vote on which requests to move to the Pending List for funding consideration. The requests that are moved to the Pending List will have presentations during the May 3rd committee meeting.

Motion: by Mayor Weldon to clarify that the Eaglecrest FY24 approved increment should be one-time funding instead of an ongoing.

Mr. Rogers clarified for the Committee that finance staff assume that when funding is added for operational support that the funding is ongoing unless stated otherwise.

Objection: by Assemblymember Smith that the funding should be ongoing due to higher operational costs for Eaglecrest.

Objection: by Assemblymember Hughes-Skandijs to clarify the nature of funding increases for departments.

Rorie Watt, City Manager, clarified that because Eaglecrest is an enterprise fund, it is up to them to make requests for additional funding and is not up to the discretion of the City Manager.

Objection removed by Assemblymember Hughes-Skandijs

Roll Call Vote

Ayes: Chair Triem, Mayor Weldon, Woll, Hughes-Skandijs, Bryson

Nays: Hale, Gladziszewski, Smith

Motion passed. Five (5) Ayes, Three (3) Nays.

The Committee clarified that the \$2.5 million approved request for BRH is one-time funding.

E. SUPPLEMENTAL MATERIALS

5. FY24 Budget Summary

This supplemental item was added to provide context for the current standing of decisions made by the Committee on the FY24 proposed budget.

6. FY24 Decision List

This supplemental item was added to show decisions made by the Assembly during the FY24 budget process.

F. NEXT MEETING

7. April 12, 2023

G. ADJOURNMENT

The meeting was adjourned at 8:00 pm.