

December 31, 2009

Rod Swope, Manager  
City and Borough of Juneau  
155 So. Seward  
Juneau, AK 99801

Dear Mr. Swope:

As you know, in 2007-2009 the CBJ allowed the Downtown Business Association to use \$56,350 in passenger proceeds money to begin a downtown ambassador program. We contracted with Goldbelt Security to have 2 uniformed officers patrolling on foot, with one officer on duty at a time, when there is at least one cruise ship in the harbor. The current contract will expire in June 2010.

Our feedback on this trial program has been quite positive. The personnel employed by Goldbelt were very professional and well received. They provided assistance to visitors and an improved sense of security to all by reducing some of the chronic problems we have with loitering, panhandling, public intoxication and other similar nuisances.

We would like to continue this program, and are requesting that the Passenger Proceeds Committee again set aside \$56,350 of funds to complete the 2010 season through July 1, 2011.

Thank you,



Larry Spencer, President  
Downtown Business Association

Ex. 032, p. 1

CBJ03912

# Bartlett Regional Hospital

3260 Hospital Drive • Juneau, Alaska 99801 • Telephone: 907-796-8900

December 29, 2009

Rod Swope  
City Manager  
City and Borough of Juneau  
155 South Seward Street  
Juneau, AK 99801  
Fax: 907 586-5385

Re: Passenger Fee Proceeds Fund Proposal

Dear Mr. Swope:

We would like to participate in the Passenger Fee Proceeds Fund as we provide medical services to cruise ship passengers from April to October each year. We are requesting \$114,650 from the fund to offset the direct impact of the increase in patient load caused by the cruise ship industry to hospital staffing requirements and revenue shortfalls.

These funds will enable us to continue to maintain excellent care of our summer visitors in 2010.

Happy New Year!

Sincerely,



Shawn D. Morrow, CEO

Attachment:

# Bartlett Regional Hospital

3260 Hospital Drive • Juneau, Alaska 99801 • Telephone: 907-796-8900

## Passenger Fee Proceeds Fund Proposal

**Purpose:** To cover costs associated with providing timely medical care to cruise ship passengers.

### Description of Need:

Bartlett Regional Hospital addresses the safety and accessibility of cruise ship passengers by providing timely medical care to passengers with serious illness, injury, or needing medical diagnosis or hospitalization. From May to September each year, cruise ship passengers increase the patient load by 11% in the emergency department and inpatient units by 13%. While every department is affected, the greatest impact is experienced by our emergency, case management, and billing departments.

The emergency department is the initial point of entry for injured or ill cruise ship passengers. Each summer our emergency department experiences a significant increase in patient load due to cruise passenger visits. In summer 2009, cruise ship passengers accounted for 589 emergency department visits (11% of all ED visits May through September). To meet this increase, certified nursing staff is contracted on a temporary basis at a cost of \$50,000 (\$10,000 per month for five months). Juneau does not have an adequate skilled labor pool from which to draw certified nurses so they must be hired from out of town.

Passengers who were admitted as inpatients accounted for 13% of inpatients in the summer 2009. The case management department spent 616 hours from May to September assisting these patients with insurance and financial issues, arranging transportation and air ambulance services, obtaining medical equipment, and facilitating out-of-home placements care. The case management staff handles discharge planning and care coordination with the patient's family and physician. Discharge planning for cruise ship passengers, who come from all over the world, it is complicated and therefore more time consuming than for Juneau based patients. The cost of this passenger care was \$35,018 (616 hours at \$38.54 average staff hourly wage plus benefits).

With the downturn in the national economy, a greater number of our cruise ship passenger patients weren't able to pay their bills, a 29.6% increase over 2008. This lessens our ability to absorb the costs associated with servicing the cruise ship passenger.

The hospital's bad debt percentage of net patient revenue has increased from 5.5% in FY 02 to 7.5% in FY10 (projected). We expect this trend to continue. According to the Advisory Board Company (a membership based research/consulting firm to hospitals and health systems) increased uncompensated care will be one of the likely impacts of the economic downturn. The American Hospital Association survey indicates that the nations not for profit hospitals experienced a trend in increasing bad debt percentage from 6.0% in 2005 to 6.6% in 2007, a



Bartlett Regional Hospital — A City and Borough of Juneau Enterprise Fund

Ex. 032, p. 3

CBJ03914



nations not for profit hospitals experienced a trend in increasing bad debt percentage from 6.0% in 2005 to 6.6% in 2007, a trend noted prior to the 2008 economic downturn. Unfortunately, Bartlett follows this bad debt trend. For the past three fiscal years, cruise ship passengers have accounted for an **annual average 4.5%** of all Bartlett Regional hospital patients (inpatients and outpatients).

**Funding request:**

Our proposed project is the continuance of our cruise passenger services for 2009 based on 2009 impact figures. We are requesting **\$114,650** from the Passenger Fee Proceeds Fund to offset the cost of this impact for 2009.

Cruise Ship Passenger Bad Debt	\$ 29,632
Summer months ED contract nursing staff	\$50,000
Case Management Inpatient Care	<u>\$ 35,018</u>
TOTAL	\$114,650

**Description of impacts:**

Bad Debt Impact

For the past three fiscal years, cruise ship passengers have accounted for annual average 4.5% of all hospital patients (inpatients and outpatients). The hospital bad debt incurred through cruise ship passengers for 2009 is \$29,632.

Emergency Department Impact

For the past three summers (May through September), cruise ship passengers have accounted for an average of 11% increase in patient visits to the emergency department, the initial point of entry for inpatients and outpatients seen at Bartlett. In 2009, to meet this increased patient load, the hospital incurred skilled labor contract costs of \$50,000.

Case Management Impact

Cruise ship passengers accounted for 13% of inpatients from May through September in 2009. The case management department spent 616 hours providing services to these patients. The cost of staff time incurred by the hospital is \$35,018.

**Benefit of this proposal:**

The benefit is to offset the direct impact of the increase in patient load caused by the cruise ship industry to hospital staffing requirements and revenue shortfalls.



December 17, 2009

Rod Swope  
City Manager  
City & Borough of Juneau  
155 South Seward Street  
Juneau, Alaska 99801

Subject: Passenger Fee Proceeds Fund Project Request

Dear Mr. Swope,

The Mount Roberts Tramway is requesting a 2010 allocation from the Passenger Fee Proceeds Fund to offset a portion of the costs of operating the public restrooms at 490 South Franklin Street.

The restrooms were constructed and have been operated as part of the 1995 lease agreement between the Tramway and the City. At that time nobody could foresee the level of activity that would eventually represent a normal summer day along this section of the waterfront. One of the primary user groups of our facilities are the employees of the several dozen sales vendors operating under the auspices of the city. Add to that the drivers of commercial vehicles using Cruise Ship Terminal and Tramway staging/parking lots, crossing guards, CVB volunteers, crew from boats moored at the Intermediate Float, Juneau's homeless, etc. and you can appreciate that our bathrooms are packed before we even add tourists to the mix.

These are the largest facilities in the downtown area; the men's restroom offers three stalls, three urinals and three sinks while the women's restroom has 6 stalls and three sinks. The facilities are ADA compliant and worn fixtures, tiles and counters have been replaced on a regular basis. Between early May and late September these restrooms are open to the public over 85 hours a week.

During the 2009 season labor costs to clean and maintain the base bathrooms cost \$8500 (this does not include taxes, worker comp, OT or supervisory costs), \$6312 for paper products and \$2713 in cleaning supplies. Additionally, during the season we paid more than \$5500 to the City in water and sewage fees for the building and incurred expense

CBJ03916 Office

DEC 10 2009

Ex. 032, p. 5

CBJ03916

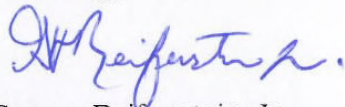




for added security patrols to address issues arising from indigents using the facilities in ways that were offensive to the general public.

I would suggest that using Passenger fee proceeds to offset a portion of the cost of maintaining and operating the public restrooms at 490 South Franklin Street would be an appropriate use of that revenue source. Thank you for your consideration of this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "G. Reifenstein Jr.", is positioned above the typed name.

George Reifenstein Jr.  
General Manager

cc: Robert Martin, Vice President of Operations, Goldbelt Incorporated

# AIRLIFT: NORTHWEST.

December 16, 2009

6987 Perimeter Rd S., Suite 110  
Seattle, WA 98108  
Admin. Office 206/521-1599  
FAX 206/521-1885  
<http://www.airliftnw.org>

**24-Hour Dispatch**  
1-800-426-2430 (US/Canada)  
(206) 329-2569 (Seattle)

**Founding Member Hospitals**  
■ Children's Hospital  
and Regional Medical Center  
■ Harborview Medical Center  
■ University of Washington  
Medical Center

**Associate Member Hospitals**  
■ St. Joseph Hospital  
■ Virginia Mason Medical Center  
■ Bartlett Regional Hospital

Mr. Rod Swope  
City & Borough Manger's Office  
155 S. Seward St.  
Juneau, AK 99801

Dear Mr. Swope,

Airlift Northwest has greatly appreciated the past support from the Marine Passenger Fee Proceeds and would like to request a portion of this again.

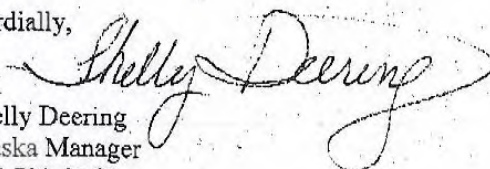
This year we transported 17 cruise ship passengers from Juneau when they became ill or injured. As of December 14<sup>th</sup> we have not recovered \$114,833.00 in billing costs for these transports. This does not include our contractual allowances for Medicare and insurances. This is reflective of the economic times where an increasing number of people don't have health care insurance or have limited health care insurance.

As a non-profit our mission is to provide critical access for patients in rural communities. We have provided \$282,000.00 in charity care for Alaska as of November 2009. Overall we are anticipating ~3.8 million in charity care for the entire Airlift program.

The support from the Marine Passenger Fee Proceeds will assist Airlift Northwest in their continued commitment to providing safe, efficient air ambulance transport service to cruise ship passengers and the Juneau community. We would like to request \$75,000.00 to offset unrecoverable costs incurred by transporting cruise ship passengers and crew.

Thank you for your consideration of this request. Please call or email me if you have any questions or I can provide you with additional information.

Cordially,

  
Shelly Deering  
Alaska Manager  
907-723-0168  
[shelly.deering@airliftnw.org](mailto:shelly.deering@airliftnw.org)

Ex. 032, p. 7





Date: December 19, 2009  
To: Rod Swope, City Manager  
From: JCVB Board of Directors  
Re: JCVB Visitor Information request

Dear Mr. Swope:

The JCVB requests FY11 passenger fee funding for the following programs:

- 1) TBMP Crossing Guard services- \$110,250.00 (estimated for the FY11 program year). This figure reflects a reduction in expenses due to 2010 ship redeployments resulting in reduced crossing guard staffing requirements. JCVB administers this program on behalf of the TBMP.
  
- 2) JCVB Visitor Information services - \$115,000 – This request provides resources to support a portion of the expenses associated with providing visitor information services for cruise passengers. Expenses include staff time to provide supervision and training for the JCVB volunteer program and resource materials for volunteers and cruise visitors. In addition, we hire a seasonal visitor information aide to supplement the summer program to cover absences in the volunteer schedule to maintain consistent hours at the cruise ship terminal and the Marine Park kiosk. Last year, this seasonal position also manned an information desk at the Mt. Roberts terminal building to expand service to cruise passengers. It is our intention to provide that service again for the summer of 2010.

On behalf of the board of directors of the Juneau Convention & Visitors Bureau, we appreciate your consideration and support of our ongoing efforts to position Juneau as a warm and welcoming community.

If you need further information or would like to discuss the requests in more detail, please don't hesitate to contact me.

Sincerely,

Lorene Palmer  
President, CEO  
Juneau Convention & Visitors Bureau





November 24, 2009

To: Rod Swope, City Manager

Fm: S. Kirby Day, III  
Director of Shore Operations – Princess Cruises

Tourism Best Management Practices (TBMP), begun in 1997, continues to operate as a grassroots awareness program involving 60+ companies and over 1,400 employees. Our local businesses and employees take great pride in working in Juneau's visitor industry and because we understand the importance of operating in harmony with our neighborhoods, have made TBMP an integral part of our seasonal tourism operations and our training programs.

The most significant aspect of TBMP is that it is a continuing results-oriented work in progress. Every year since its inception, operators conduct a thorough critique of the previous season's operations. We study the prior season's tourism hotline comments, the letters to the editor and anecdotal comments from various meetings. We continuously fine-tune our guidelines in order to proactively minimize impacts in the community.

TBMP's approach involves every single employee who directly interacts with both visitors and residents, giving employees ownership of the program and true accountability for their actions in carrying out tour operations each season.

We would ask for your continued support of this program through the allocation of \$12,000 in marine passenger fees. This allows us to hold public meetings and to support the monitoring of the Tourism Hotline which assists greatly in our being able to manage impacts. The funding allows us to honor our commitment to the Assembly to find more effective ways to promote the program and create public outreach throughout our community. We continue to try to update our website annually. ([www.TBMP.info](http://www.TBMP.info))

TBMP participants are very proud of our efforts over the years, and look forward to beginning the 14th season of Tourism Best Management Practices. The program received national recognition in 2004, and continues to create interest from Ketchikan, Anchorage, and Sitka. Victoria, B.C. successfully launched a local version of our TBMP program in 2007 and Skagway followed with their program in 2009.

I hope you will agree that TBMP produces results and that the dollars spent on this program certainly meet the intent of the passenger fee ordinance in helping to "address impacts caused by the marine passenger ships and marine passengers".

I thank you for your considering our request.

Ex. 032, p. 9

CBJ03920

**Angela Hull**

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**From:** Brent Fischer  
**Sent:** Thursday, December 31, 2009 2:51 PM  
**To:** Angela Hull  
**Subject:** RE: passenger fee stuff-realllly important!

Can't dial out. Yes, I need the money. 65k. thank you.

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**From:** Angela Hull  
**Sent:** Thursday, December 31, 2009 2:27 PM  
**To:** Brent Fischer  
**Subject:** passenger fee stuff-realllly important!  
**Importance:** High

do you still want/need passenger fee funds for downtown restroom maintenance in the summer??? today is the last day for submittal - this last year you needed \$65,000 - same for next year?

**Angela Hull**

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**From:** Mike Scott  
**Sent:** Thursday, December 31, 2009 3:39 PM  
**To:** Angela Hull; Joe Buck  
**Cc:** Rod Swope  
**Subject:** RE: Marine Passenger Fee Requests FY2011

\$98,800 is the total for FY11 which includes \$16,000 for garbage cans (the bear proof one) and \$1,500 for butt receptacles.

Mike Scott

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**From:** Angela Hull  
**Sent:** Thursday, December 31, 2009 3:08 PM  
**To:** Mike Scott; Joe Buck  
**Cc:** Rod Swope  
**Subject:** RE: Marine Passenger Fee Requests FY2011

can you get me the amounts today?

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**From:** Mike Scott  
**Sent:** Thursday, December 31, 2009 2:54 PM  
**To:** Joe Buck; Angela Hull  
**Cc:** Rod Swope; John Kern  
**Subject:** RE: Marine Passenger Fee Requests FY2011

I was actually planning to ask for more in FY11 for one time purchases of new garbage cans and cigarette butt receptacles as most are "Trashed" and need to be replaced.

Mike Scott

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**From:** Joe Buck  
**Sent:** Thursday, December 31, 2009 11:13 AM  
**To:** Angela Hull  
**Cc:** Rod Swope; Mike Scott; John Kern  
**Subject:** Marine Passenger Fee Requests FY2011  
**Importance:** High

Angela,

The Public Works Department requests continued Marine Passenger Fee support for its Street Maintenance and Capital Transit operations in the same amount as FY2010.

These funds are necessary for the department to continue to provide the current level of service to the public.

Joe Buck, PE  
Public Works Director



**Angela Hull**

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**From:** Rich Etheridge  
**Sent:** Thursday, December 31, 2009 2:47 PM  
**To:** Angela Hull  
**Subject:** RE: 2009-03-02 Passenger Fee Proceed List Final.doc  
**Attachments:** 2008-2009 Incident Summary from Fire 11-23-09.xls

For the Seasonal BLS EMS Summer Transport program CCFR is requesting \$132,000.00

The increase is due to the costs of the employees are now permanent seasonal which will have slight increases. We have also not been recovering the cost of the EMS supplies that have been used on these cruise ship related calls. An audit of the incidents handled by the fire department show that this program covers 12.7% of the call volume.

Attached is a cost break down of the BLS Seasonal Program.

The Medevac Program funding will maintain status quo at \$27,000.00

**Rich Etheridge**  
Division Chief  
Capital City Fire Rescue  
(907)586-5322  
820 Glacier Ave  
Juneau, Alaska 99801

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**From:** Angela Hull  
**Sent:** Thursday, December 31, 2009 10:23 AM  
**To:** Rich Etheridge  
**Subject:** 2009-03-02 Passenger Fee Proceed List Final.doc

**Angela Hull**

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**From:** Greg Browning [GBrowning@juneaupolice.com]  
**Sent:** Thursday, December 31, 2009 10:01 AM  
**To:** Angela Hull  
**Cc:** Cindee A. Brown-Mills  
**Subject:** Request for Marine Passenger Fee funding.

Angela,

The Police Department requests \$67,000 of the Marine Passenger Fee funds in order to provide additional foot and bike patrol presence in the downtown area during the summer. This presence is important to ensure the safety of visitors, provide assistance and direction, and mitigate problems that can occur between some of the regular downtown locals and summertime visitors. These officers are regular police officers that volunteer for this duty during their off-duty hours. In addition, we use retired police officers, as seasonal employees, to patrol the downtown area during the summer.

Thank you,

Chief Browning



## Juneau International Airport

1873 Shell Simmons Drive, Suite 200 • Juneau, Alaska 99801 • (907) 789-7821 • FAX: (907) 789-1227

December 30, 2009

Rod Swope  
City Manager  
City and Borough of Juneau  
155 S. Seward Street  
Juneau, AK 99801

Dear Mr. Swope:

Re: Passenger Fee Proceeds for Juneau International Airport

Again this year, the Airport is submitting a request for a proportionate share of the cruise ship passenger fee to offset impacts to the Airport for services provided to the cruise ship industry and for support to cruise ship passengers. Impacts by the cruise industry and support to the industry are evident at the Airport and the request fits squarely with the purpose and intent of the passenger fee program.

The Airport appreciates the support provided by the Assembly in past years. This current request conforms to the same formula that was used for the past two years. The formula was based on the method the Assembly adopted to compute general fund offsets when the fee was first implemented. The method compares the number of passengers to the overall enplanement count and multiplies that share by a proportional ratio of the budget.

Passengers and crew in 2009:	11,985 <sup>1</sup>
Total enplanements last CY (2008):	378,741
Percentage cruise ship passengers and crew to overall:	3.16%
FY10 adopted budget:	<u>\$5,190,400</u>
3.16% of proposed budget is this year's request of:	<u>\$ 164,000</u>

Last year, the Assembly approved our request of \$271,000. The Airport continues to welcome and support cruise ship passengers, related tour buses and flightseeing operations based at the Airport. Additionally, the Airport supports the additional Airlift Northwest operations that occur during the season.

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<sup>1</sup>McDowell Group estimates 8,985 passengers. Passenger numbers declined in 2009 due to Cruise West pulling ships from roster. Crew numbers are still estimated at 3,000 per McDowell Group.

Ex. 032, p. 14

CBJ03925



Rod Swope  
City Manager  
December 30, 2009  
Page 2

Phase I of the Passenger Terminal Expansion is currently underway. Many of the design modifications and enhancements have been designed to assist group travelers and luggage handling. The Airport continues to look for ways to enhance service to these groups.

Please contact me if you need further information.

Sincerely,

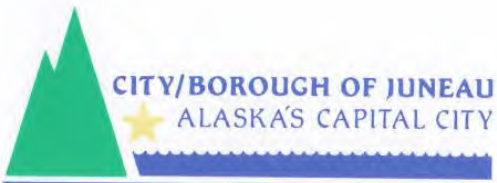


Patricia A. deLaBruere  
Deputy Airport Manager


copy: Airport Board  
Merrill Sanford, CBJ Assembly  
Kirby Day, Princess Tours

Ex. 032, p. 15

CBJ03926



To: Rod Swope, City Manager  
Kim Kiefer, Deputy City Manager

From: Marc Matsil, Director, Parks & Recreation 

Subject: FY11 Marine Passenger Proceeds Recommendations

Date: December 24, 2009

**Emergency Generator for Centennial Hall:**

As Juneau's primary Emergency Shelter for local and regional emergencies, Centennial Hall has served in this capacity for a number of cruise ship and other incidents. Centennial Hall is an invaluable resource for Juneau's visitors. These include the 2008 grounding of the Empress of the North where Centennial Hall provided emergency shelter services (medical, food, and counseling) to the dozens of visitors engaged in the emergency evacuation.

Other cruise ship incidents where Centennial Hall was utilized as an Emergency Shelter—or was on emergency shelter stand-by include the 1996 Universal Explorer incident, 1995 Star Princess grounding, and Spirit of Glacier Bay grounding. Aside from providing support to Juneau's numerous visitors during emergency situations, Centennial Hall also supports the greater community during emergency incidents. These include fires, the recent mudslide on Gastineau Avenue and others. The Juneau Convention & Visitors Bureau also staffs a visitor's center at Centennial Hall.

This proposal would fund an emergency back-up generator to support emergency shelter operations during power outages. During the November 15, 2009 Gastineau Avenue mudslide, Centennial Hall served as the Emergency Shelter for 80 displaced residents. The mudslide resulted in a two-hour power outage of the Juneau downtown, including Centennial Hall. Power was thankfully restored prior to major dips in heat of the facility.

The proposed 650 KW diesel emergency generator and fuel tanks would provide 60+ hours of continuous electricity generation for Centennial Hall, with supplementary electrical service to the JACC.

**Project Cost: \$1,200,000** (based on preliminary cost estimate by Haight Electrical Engineers and CBJ Engineering—attached).

**Centennial Hall- EMERGENCY GENERATOR INSTALLATION**  
 PRELIMINARY COST ESTIMATE- March 3, 2009  
 CBJ-Engineering R.Ritter, S. Tada

Est'd Cost

**GENERATOR**

650 kW Diesel Emergency Generator  
 Oil fired - propane fired are not currently available in this size range.  
 Skid base with fuel tank - largest possible for this size unit = 1200 gallons.  
 fully enclosed with appropriate accessories for an outdoor installation.  
 1200 ampere transfer switch for CH; can be ordered with sub-base 1200 gal (60hrs operation max.)  
 480Y/277 volt Fuel consumption: Approx. 20 gal/hr  
 Cost includes weatherproof enclosure, control panel and circuit breaker enclosure  
Generator Basic Cost- FOB Juneau

\$170,000  
 75,000  
 Separate 1000 gallon double-wall fiberglass fuel tank w/leak monitor and sensors  
 Above ground installation

**GENERATOR INSTALLATION**

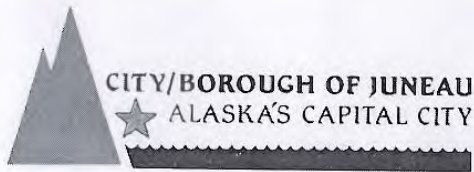
100,000  
 25,000  
 10,000  
 10,000  
 Generator installation, testing and commissioning  
 Electrical modifications to Cent. Hall distribution system  
 Electrical modifications to JAC distribution system  
 Fuel oil (\$5/gal x 2,000 gal)

**MATERIALS- ELECTRICAL**

60,000  
 82,000  
 2,000  
 5,000  
 Three 4" dia Conduits to Cent. Hall electrical service entrance (Willoughby St. side)  
 and 3 No. 500 MCM & 1 No.2/0 Neutral cable 2 ft. underground burial  
 \$300/lf x 200 ft  
 One 2" dia conduit to JAC elect. Service entrance (Whittier St. side) with 3 No.1  
 cables (\$27/ft x 250ft) + (\$300 lf x 250ft- trench for 2 ft. underground burial)  
 Stepdown transformer at JAC- 50 KVA  
 Transfer switch at JAC- 200 Ampere



2,000	One power circuit from Cent Hall to new Generator for battery charger, heaters, lights, receptacle to maintain functionality 1" conduit w/3 No. 6 wires (\$7/lf x 200 feet, buried in same trench as main electrical feed cables)
2,500	2/3" conduits to each bldg for generator starting circuits (\$5/lf x 500 lf -in same trench as main electrical feed cables)
5,000	8' X 16' X 8" Concrete Pad for Generator
<b><u>SITE WORK</u></b>	
100,000	Parking lot storm water drainage upgrades
20,000	Pipe bollards, fencing, security lighting
20,000	Asphalt cutting, patching and area repairs in Cent. Hall parking lot
5,000	Re-stripping of parking spaces
6,500	Concrete curb and gutter, accessible ramps for pedestrian paths in parking lot
10000	Landscaping installation to minimize visual impacts
<b><u>DESIGN</u></b>	
100,000	Electrical Engineering Design Fees
25,000	Civil Engineering Design Fees
15,000	Permits- CBJ Building, AK Dept. of Environmental Conservation
<b><u>PROJECT MANAGEMENT</u></b>	
30,000	Consultant Construction Services
20,000	CBJ- Project Manager, Contracts, personnel
\$900,000	SUBTOTAL
175,000	20% Project Contingency
135,000	15% Contractor Overhead and Profit
<b>1,210,000</b>	<b>GRAND TOTAL</b>



City & Borough of Juneau • Docks & Harbors  
155 S. Seward Street • Juneau, AK 99801  
(907) 586-0292 Phone • (907) 586-0295 Fax

## Port of Juneau

### Docks and Harbors Board FY 11 CIP Request CBJ Cruise Ship Dock Repairs

**Project Description:** The project is located in downtown Juneau waterfront, an area that services over 1,000,000 cruise ship passengers each year. The project consists of refurbishing two public cruise ship piers with either new floating berths or replacing the moorage system at the existing piers. The current piers are in need of replacement due to their age and condition. The current piers are also too small to handle panamax size cruise ships and the configuration of the piers has caused the loss of public access to the waterfront due to new maritime security requirements. The project cost is estimated at up to \$40 million for the floating berth alternative and up to \$20 million to repair the existing piers. The CBJ is requesting \$10,000,000 in cruise ship impact funds from the Alaska Legislature FY 11. CBJ will provide the balance of the funding with local cruise ship fees.

#### Funds Requested (FY11)

**State Funds** - \$10,000,000 (Cruise Ship Impact Funds)

#### **Local Funds**

\$1.5 million in Port Development Fees

\$1.5 million in Areawide Passenger Fees

#### Funds Already in Hand (FY 11)

**Local Funds** - \$3,000,000 (local port fees)

**Funds Needed But Not yet Requested (FY 12)** – Up to \$24,000,000

**Project Review:** The project is part of CBJ's Waterfront Plan that was adopted by the CBJ Assembly in 2005. The plan was adopted as local ordinance after an extensive public involvement process. In addition, the project has been extensively vetted by the Assembly and Docks and Harbors Board.

**Project Time-Line:** CBJ expects to design the project in the winter of 2010/2011 and accept bids for construction in 2011. Fabrication of components is expected to occur during 2012/13 with all components delivered to Juneau by the end of the 2013 season. Installation of the components will start at the end of the 2013 season with completion by the start of the 2014 season.

**Maintenance Responsibility:** CBJ is responsible for all ongoing maintenance expense and will use local dock funds for these expenses.

**Project Contact:** John Stone, CBJ Port Director 586-0294

**Ex. 032, p. 19**

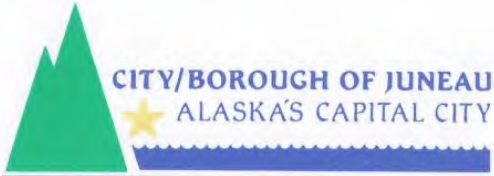
CBJ03930




**FY11 CAPITAL IMPROVEMENTS**

<u>Department</u>	<u>Division</u>	<u>Priority</u>	<u>Project</u>	<u>Funding Source</u>	<u>Amount</u>
<u>Harbors</u>	Docks	1	Cruise Ship Dock Repairs	State Impact Fees	\$10,000,000
				Port Development Fees	\$1,500,000
				Areawide Passenger Fees	\$1,500,000
				Local Funds (Port Fees in Hand)	\$3,000,000
					<b>\$16,000,000</b>
		2	Downtown Fisheries Improvements	Local Funds (Buy America Bonds)	\$1,500,000
		3	Auke Bay Ice Plant	Local Funds (Buy America Bonds)	\$1,500,000
					\$1,500,000
					<b>\$1,500,000</b>
				<b>Docks Total Funding:</b>	<b>\$19,000,000</b>
<u>Harbors</u>		1	Statter Harbor and Launch Ramp Project	FY08-FY13 1% Sales Tax	\$5,000,000
				State Harbor Grant	\$5,000,000
					<b>\$10,000,000</b>
				<b>Harbors Total Funding:</b>	<b>\$10,000,000</b>





To: Rod Swope, City Manager  
Kim Kiefer, Deputy City Manager

From: Marc Matsil, Director, Parks & Recreation 

Subject: FY 11 Marine Passenger Fee Proceeds Recommendations

Date: December 21, 2009

**1. Centennial Hall Roof Replacement:**

Centennial Hall is an invaluable resource for Juneau's visitors. As Juneau's primary Emergency Shelter for local and regional emergencies, Centennial Hall has served in this capacity for a number of cruise ship and other incidents. These include the 2008 grounding of the Empress of the North where Centennial Hall provided emergency shelter services (medical, food, and counseling) to the dozens of visitors engaged in the emergency evacuation.

Other cruise ship incidents where Centennial Hall was utilized as an Emergency Shelter—or was on emergency shelter stand-by include the 1996 Universal Explorer incident, 1995 Star Princess grounding, and Spirit of Glacier Bay grounding. Aside from providing support to Juneau's numerous visitors during emergency situations, Centennial Hall also supports the greater community during emergency incidents. These include fires, the recent mudslide on Gastineau Avenue and others. The Juneau Convention & Visitors Bureau also staffs a visitor's center at Centennial Hall.

In FY 2009, Marine Passenger fee proceeds provided \$368,600 for the Juneau Arts and Culture Center (JACC) for roof repairs. The JACC serves as an emergency shelter back-up to Centennial Hall.

**Project Description:**

In 2009, Jensen Yorba Lott (JYL) conducted a roof condition assessment for Centennial Hall (attached) and recommended replacement. The facility was constructed in 1984. The building consists of an 8,500 square foot assembly hall surrounded by one story support space. The roof structure consists of steel beams and trusses supporting a variety of steel deck types. The original roof assembly consists of approximately 10 pounds per square

foot of washed, round rock approximately 1.5" diameter installed over filter fabric over two layers of extruded polystyrene insulation, 6" thick total.

At 24 years of age, the asphalt roof membrane has served a long service life. JYL stated that virtually all materials above the roof membrane should be replaced. The recommended roof assembly should consist of the following:

Separation board: (where required), 1/2" DensDeck mechanically fastened through the existing membrane and gypsum sheathing into the existing 18 or 20 gage steel deck. Insulation: R 38 (average) consisting of a layer of tapered insulation (1/4" per foot) a minimum of 1/2" thick, over a board of constant thickness.

Cover board: 1/2" Dense Deck or 7/16 OSB, adhesively applied to the insulation.

Membrane: 90 mil EPDM; 80 mil TPO or 80 mil PVC, adhesively applied to the cover board.

Recent experience with similar membrane assemblies (EPDM at the Juneau Airport, and PVC at the Valley Pool) suggest a cost range of between \$30/sf and \$38/sf. The roof area of the Centennial Hall is 31,500 sf. JYL's estimated cost for roof replacement is **\$1,300,000 (see below)**.

**Marine Passenger Fee Proceeds Request: \$650,000.00**

**CBJ Contribution: \$650,000.00**

**Total: \$1,300,000.00**

**Centennial Hall**

**Roof Replacement**

**Preliminary Construction Cost Estimate**

Building Area Summary:

Roof Area to be replaced: 31,500 sf

Note: all prices include labor and material

BASIC BID

Existing roofing to existing membrane 31,500 sf \$2.00	\$63,000
Demo parapet cap, flexible base flashing 1,500 lf \$4.00	\$6,000
Demo roof to wall flashing 350 lf \$5.00	\$1,750
Demo flashing at sky lights 150 lf \$2.00	\$300
remove roof mounted mech 1 ls \$3,000.00	\$3,000
	<b>Subtotal \$74,050</b>

**Roof Replacement**

1/2" densdeck underlayment (at stl deck) 15,000 sf \$2.00	\$30,000
3" polyisocyanurate insulation 31,500 sf \$5.00	\$157,500
tapered insulation 31,500 sf \$3.50	\$110,250
1/2" densdeck coverboard 31,500 sf \$2.00	\$63,000
80 mil tpo, fully adhered 10,500 sf \$7.00	\$73,500
clean, reinstall grate, bowl at rf drains 15 ea \$500.00	\$7,500
vent pipe flashing 1 ls \$500.00	\$500
reinstall roof mounted mech 3 ea \$750.00	\$2,250

**Ex. 032, p. 22**

CBJ03933



roof to wall flashing and base 350 lf \$75.00	\$26,250
perimeter flashing and base flashing 1,500 lf \$75.00	\$112,500
Skylite Flashing 150 lf \$50.00	\$7,500
Miscellaneous Additional work 1 ls \$20,000.00	\$20,000
	Subtotal \$610,750
General Conditions	
Mobilization/demobilization 1 ls \$10,000	\$10,000
Freight 1 ls \$15,000	\$15,000
Supervision 3 mos \$12,000	\$36,000
Clerical/Expediting/Admin 3 mos \$2,000	\$6,000
Temporary Facilities (tenting, etc) 3 mos \$5,000	\$15,000
Miscellaneous motorized equipment 3 mos \$2,500	\$7,500
Tools 3 mos \$1,700	\$5,100
Consumables, fuel etc 3 mos \$1,000	\$3,000
Disposal 3 mos \$2,000	\$6,000
Home Office Expenses 3 mos \$2,500	\$7,500
	Subtotal \$111,100
	Subtotal, Labor and Materials \$795,900
Mark Ups	
Contractors Overhead/Profit 10.00%	\$79,590
Bonding 1.50%	\$11,939
Insurance 1.50%	\$11,939
Estimating Contingency 10%	\$79,590
	Subtotal \$183,057
Total Construction Costs	\$978,957
Project Cost Design 10%	\$97,896
Administration 20%	\$195,791
	Subtotal \$293,687
	<b>Total Project Cost \$1,272,644.</b>

**Marine Passenger Fee Proceeds Request: \$650,000.00**  
**CBJ Contribution: \$650,000.00**  
  
**Total: \$1,300,000.00**



AUGUST 19, 2009

# JUNEAU CENTENNIAL HALL ROOF CONDITIONS ASSESSMENT



Jensen Yorba Lott, Inc 522 W 10<sup>th</sup> St. Juneau, AK 99801 907-586-1070

Ex. 032, p. 24

CBJ03935

### Existing Building Description

The Juneau Centennial Hall was constructed in 1984 from drawings prepared by Ackley Jensen Architects in Joint Venture with John Graham Company. It is a steel framed Type II FR, sprinkled building of non combustible construction with fire retardant treated wood siding. Structure is fire protected with a one hour roof assembly, per the 1979 UBC. The occupancy type is A2.1. The building consists of an 8,500 s.f. assembly hall surrounded by one story support space. There are small, two story mechanical spaces to the northwest and southeast.

The roof structure consists of steel beams and trusses supporting a variety of steel deck types. The main assembly hall roof, the northwest and the southeast mechanical room roofs are 1-1/2" deep, 18 gage steel deck sloped at approximately 2% to perimeter roof drains. The lower roof is mostly 3" deep, 20 gage steel deck with 2.5" concrete slab, all installed dead level. The exception is the relatively small roof areas to the north and south of the main exhibition



hall, which are 1-1/2" deep, 18 gage steel deck, sloped at 2%.



### Code Issues

Using the current 2006 IBC, the existing building would generally be classified as A.3 occupancy, and the type of construction is now Type II A, sprinkled. The roof assembly is to be one hour rated. The roof over the main exhibition hall is omitted from the one hour fire resistive requirement because it is higher than 20 feet above the floor below (IBC Table 601, exception C). Remaining low roof areas with 2.5" concrete meet the one hour fire resistive assembly requirement per UL N706. The roof must be Class B per IBC table 1505.1. The design wind speed at this location is 110 mph, Exposure D, and we assume an importance factor of 1.15.

### Roof Description

The original roof assembly consists of approximately 10 pounds per square foot





of washed, round rock approximately 1.5" diameter installed over filter fabric over two layers of extruded polystyrene insulation, 6" thick total. The insulation is assumed to be installed over a loose laid roof membrane over a loose laid ½"



gypsum sheathing where the roof deck is installed over steel deck. It is assumed that the gypsum sheathing is omitted at the concrete slabs. Because the roof is installed in an inverted roof membrane (IRMA) configuration, there is no vapor barrier. Channels are provided in the roof insulation to promote drainage to the existing roof drains. The entire roof perimeter is lined with 6

rows of 8x16x1.5 concrete ballast pavers.

The exact type of roof membrane is unclear. During our site visit we uncovered a portion of the existing roof in the area where the structural deck is a concrete slab. The membrane uncovered during our site visit was an asphalt membrane, which if installed in the conventional manner would be hot applied to the concrete deck. It is assumed that the same asphalt membrane is installed at the high roof over the assembly hall. We have seen similar installations in large buildings of the same age, such as the Ketchikan Pioneer Home and it is likely that the asphalt membrane was installed over a mechanically fastened gypsum sheathing deck.

The perimeter walls are capped with aluminum coping and a continuous aluminum wall flashing. Virtually none of the roof or wall membrane is exposed to the exterior. The flashing has an exposed fastener at the inside face, and a concealed retainer clip at the outside face. This was a wise choice because of the large number of ravens, crows and seagulls that regularly frequent the Centennial Hall Roof.



Other similar buildings have experienced significant damage due to bird activities on both horizontal and vertical EPDM membranes to the point that the roof had to be replaced.



Ex. 032, p. 26

CBJ03937



There is a large sloping skylite structure at the south side of the building. The base of the skylite includes a counterflashing similar to a Fry "Springlok" type counterflashing so that the membrane roofing can be removed without disturbing the skylite frame.



The skylite system itself is a wet glazed system, and is glazed with silicone sealant and appears to be in good condition.



At some point after the original construction leaks at the perimeter walls were experienced. These leaks were apparently due to a lack of expansion capability at the roof to wall connection. When the roof is heavily loaded, such as after a snow event, roof deflection can break the roof membrane along the roof to wall joints. As a result, a follow on project occurred, in which the original asphalt wall flashing was replaced with a Firestone EPDM membrane, over what appears to be a closed cell foam rod which is used as a roof to wall expansion joint. The membrane was bedded to the existing roof membrane and the insulation re-installed. This



measure apparently corrected the leaks. This appears to be the only modifications to the roof assemblies since the original construction.

**Conditions:**

The roof is reported to leak in a few areas but has generally performed well. The IRMA roof configuration is a poor insulator, as much of the heat desired to be saved is in fact washed down the roof drains. This is especially true in the dead level configuration of this roof where a constantly flowing stream of water runs between the insulation and the roof membrane. The ballast stones



are barely visible in a number of locations due to the heavy moss build up. The ballast pavers are significantly deteriorated in many locations, so much so that they crumble upon contact. The extruded insulation contains a significant amount of water. According to manufacturer Dow Corning, the exposed insulation is subject to freeze thaw cycles, often while wet. Eventually the expanding water crystals begin to break down the insulation, forming voids that fill with water, repeating and speeding up the process. The membrane is well protected, and is likely in fair condition. The prognosis is uncertain. We exposed the membrane at two

locations, at the roof to wall joint and in the field next to a roof drain. At 24 years of age, the asphalt roof membrane has served a long service life and appeared to be in good condition. At the roof to wall joint there is concern about the base flashing on two regards. First, the adhesives used to connect and seal the EPDM seams is breaking down.



Secondly, the connection of the EPDM base flashing to the asphalt membrane is an unusual condition requiring intermediate materials which likewise can be breaking down.



The aluminum flashings are in fair condition. The aluminum is not badly deteriorated, but the factory finish is beyond its useful life. The fasteners are likewise disintegrating.



Roof drains appear in fair condition. The compression rings are corroded, but because of the cast iron material still have significant service life, as do the cast metal grates.

The following is a summary of the condition of the primary roof materials :

- Gravel: heavily contaminated with moss;
- Ballast pavers: disintegrating
- Insulation: waterlogged
- Base flashing: beginning to show evidence of seam failure
- Asphalt membrane: fair to good condition
- Flashing: fair to poor condition

#### **Prognosis**

Virtually all materials above the roof membrane should be replaced. Since the IRMA configuration is significantly less energy efficient than other options, we believe the best solution would be to remove all roof materials down to the asphalt roof membrane which could be used as a use it as a vapor barrier and install a conventional exposed membrane roof over an appropriate thickness of tapered insulation. However, the existing asphalt membrane is likely not fully adhered to the base materials below since it was a ballasted assembly. In similar applications we have mechanically installed a separation board over the existing membrane and proceeded with the roof assembly. However, the existing concrete deck that occurs in a significant area of the roof can make this approach problematic on two regards. The mechanical fasteners can be difficult to install into a concrete deck, and could be potentially difficult to remove in future roof replacement projects. It is appropriate to consider the roof replacement as two separate problems- the existing roof membrane/deck and all other roof components. They will be considered in the following Roof Options section.

#### **Roof Replacement Options:**

From our experience in Southeast Alaska there are certain givens to roof successful roof assemblies. There are essentially three roof membranes to be considered in a large institutional low slope roof: Thermopolyolofin (TPO); Polyvinyl Chloride (PVC);



Ethylene Propylene Diene Monomer (EPDM). Metal roofs generally are not suitable for large scale low slope institutional applications. The appearance is often overly industrial looking, rain and snow runoff is difficult to manage, the roof to wall details are often difficult to maintain, and long term weather proof warranty support is often lacking. Asphalt, both built up and torch down roofing requires significant, ongoing maintenance that is generally found unacceptable for large institutional roofs. And, while EPDM roof membranes have fared notoriously poorly when subjected to bird activity, Carlisle Syntec and other manufacturers have now produced a 75 mil and 90 mil EPDM that includes a warranty for bird damage. EPDM is a proven product, properly manufactured the material itself is virtually indestructible. The weak point of a EPDM roof has always been in the seams, which rely on an adhesive. PVC is extremely durable, with much higher puncture resistance than EPDM. It is also a welded membrane, with seams hot air welded so that the membrane melts together and forms a virtually indestructible bond when properly installed. Unlike other roofing types, once the membrane is welded correctly, it stays bonded for the life of the roof. The primary drawback to PVC is the price, sometimes nearly double that of EPDM. TPO is the newest of the three roof membranes, having a record of commercial use of only about 7 years in the United States. It is even more puncture resistant than PVC, and welds with the same equipment as PVC. It is very stiff however, and can be difficult to work with around complex roof shapes. There are fewer experienced installers in SE Alaska than PVC or EPDM. TPO is cheaper than either of the other two membranes. We recommend that these membranes be installed in an exposed membrane fully adhered configuration if time and budget allow. This configuration is the most durable, strongest application, affording the highest wind uplift values and the best warranty coverage. It is the most weather dependent in terms of installation however, so it is important to install them in the best time of year. It is difficult to determine the most cost effective of these three roof membranes. The roofing industry is extremely competitive, and we have found that it is most advantageous to allow more than one membrane to be considered for installation. The best way to accomplish this is to detail the roof so that more than one membrane can be used, establish one membrane as a base bid, and then allow one or more others as alternate bids. This is a simple and extremely effective way to obtain the most value for the construction dollar while still maintaining control of product quality .

In a similar fashion, competition among the manufacturers of rigid insulation is extremely tight. The various insulation manufacturers have marketing arrangements with membrane manufactures. Some roof membrane manufacturers have bought insulation manufacturers and market them exclusively. Others refuse to warrant any but the particular type that they produce. We have found that the most cost effective approach is to allow all three of the primary roof insulation types- Polyisocyanurate, expanded polystyrene and extruded polystyrene. They should be specified as R Value rather than thickness, with R value rated as an average R value over 15 years- this evens the playing field between the



manufacturers because Polyiso insulation actually loses R value over time, so it must start out thicker in order to maintain a particular average value. Some of the roof areas of this building are dead level, others are sloped. It is recommended that an average R value be established for the areas requiring tapered insulation. This same average R value can be used for the constant thickness insulation. Establishing the actual optimum R value based on the heat loss, energy cost, etc. is beyond the scope of this document, so we will use an average of R-38, unless otherwise directed.

**Base and Separation board:** The existing roof membrane is installed over a steel deck in some areas, and concrete slab elsewhere. It is simple to utilize the existing membrane as a vapor barrier at the steel deck areas and mechanically fasten a separation board over it. As long as care is taken to avoid driving fasteners through existing mechanical or electrical equipment, this approach will serve to secure a workable base for subsequent layers of roofing. At the concrete decks a viable option would be to remove the existing roof membrane down to the bare concrete deck, which could then form the base for the follow-on roof assembly, thus omitting the separation board. We recommend Georgia Pacific "Dens Deck" for the separation board, where required. It is extremely durable, has a strong record of successful application, and is proven to be virtually impervious to water. We also recommend either Dens Deck or 7/16" OSB for the cover board (the panel between the insulation and the membrane). The actual material selected depends on the manufacturer, their testing (especially with adhered roofing systems) and the manufacturer preferences. Again, leaving options available for the installation allows greater competition and further cost savings.

Because the Centennial Hall is a facility of significant import to the community, it should remain in operation throughout the roof replacement project. For that reason, we believe that an adhered roof assembly should be used for the entire roof assembly, utilizing low VOC adhesives where practical. This approach offers some significant advantages:

- The installation is relatively quiet, with very little vibration or low frequency noises produced that can be particularly disturbing and difficult to mask.
- The roof assembly is very fast if weather conditions can be controlled.
- The use of low VOC adhesives where possible greatly reduce the disturbance of building occupants. Unlike solvent based adhesives or hot mopped adhesive, there is very little odor or chemical contamination that can enter an air system and render the building unfit to occupy. Occupants may not even be aware work is proceeding.
- Adhered roof assemblies have the highest wind uplift ratings.

The adhesive will likely depend on the manufacturers testing and marketing arrangements, but is preferable to use a two part foamed polyurethane foam adhesive for the various roofing sub-components. The membrane should be



adhered with the manufacturers proprietary water based adhesive. This approach is well documented for success, is supported with warranties, and is relatively low odor producing.

We recommend that the metal parapet flashing be replaced with aluminum of similar gage and configuration as the existing flashing. The walls are made from treated wood and plywood, either preservative treated or fire retardant treated. Either one can be reactive to ferrous metals. The aluminum has fared very well in this application and we recommend repeating it. We suggest that the aluminum not be painted, but rather be dark bronze anodized to match the existing building.

The skylite is faring very well, and while it could be considered for resealing, it does not appear to be a critical at this time. The silicone sealant is essentially a 50 year product, and is only halfway through its service life. Since it is not leaking, we suggest it remain in place.

**Summary:**

The recommended roof assembly should consist of the following:

Separation board: (where required), ½" DensDeck mechanically fastened through the existing membrane and gypsum sheathing into the existing 18 or 20 gage steel deck. The additional separation board may be omitted if the existing membrane is hot applied to the existing concrete deck.

Insulation: R 38 (average) insulation consisting of a layer of tapered insulation (1/4" per foot) a minimum of ½" thick, over a board of constant thickness. The insulation should be adhesively applied.

Cover board: ½" Dense Deck or 7/16 OSB, adhesively applied to the insulation.

Membrane: 90 mil EPDM; 80 mil TPO or 80 mil PVC, adhesively applied to the cover board.

Recent experience with similar such membrane assemblies (EPDM at the Juneau Airport, and PVC at the Valley Pool, suggest a cost range of between \$30/sf and \$38/sf including 30% general conditions, not including contingencies. The roof area of the Centennial Hall is 31,500 sf, so we would predict a comprehensive roof replacement between \$1,000,000 and \$1,200,000, exclusive of contingencies. A budget cost estimate will follow.

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**CENTENNIAL HALL**  
**Roof Replacement**  
**Preliminary Construction Cost Estimate**



17-Aug-09

Building Area Summary:						
<hr/>						
Roof Area To be Replaced:		31,500 sf				
<b>Note: all prices include labor and material</b>						
BASIC BID						
Element	Item	Quantity	Unit	Unit Cost	Subtotal	Total
<b>Demolition</b>						
	Existing roofing to existing membrane	31,500 sf		\$2.00	\$63,000	
	Demo parapet cap, flexible base flashing	1,500 lf		\$4.00	\$6,000	
	Demo roof to wall flashing	350 lf		\$5.00	\$1,750	
	Demo flashing at skylites	150 lf		\$2.00	\$300	
	remove roof mounted mech	1 ls		\$3,000.00	\$3,000	
					<b>Subtotal</b>	\$74,050
<b>Roof Replacement</b>						
	1/2" densdeck underlayment (at stl deck)	15,000 sf		\$2.00	\$30,000	
	3" polyisocyanurate insulation	31,500 sf		\$5.00	\$157,500	
	tapered insulation	31,500 sf		\$3.50	\$110,250	
	1/2" densdeck coverboard	31,500 sf		\$2.00	\$63,000	
	80 mil tpo, fully adhered	10,500 sf		\$7.00	\$73,500	
	clean, reinstall grate, bowl at rf drains	15 ea		\$500.00	\$7,500	
	vent pipe flashing	1 ls		\$500.00	\$500	
	reinstall roof mounted mech	3 ea		\$750.00	\$2,250	
	roof to wall flashing and base	350 lf		\$75.00	\$26,250	
	perimeter flashing and base flashing	1,500 lf		\$75.00	\$112,500	
	Skylite Flashing	150 lf		\$50.00	\$7,500	
	Miscellaneous Additional work	1 ls		\$20,000.00	\$20,000	
					<b>Subtotal</b>	\$610,750
<b>General Conditions</b>						
	Mobilization/demobilization	1 ls		\$10,000	\$10,000	
	Freight	1 ls		\$15,000	\$15,000	
	Supervision	3 mos		\$12,000	\$36,000	
	Clerical/Expediting/Admin	3 mos		\$2,000	\$6,000	
	Temporary Facilities (tenting, etc)	3 mos		\$5,000	\$15,000	
	Miscellaneous motorized equipment	3 mos		\$2,500	\$7,500	
	Tools	3 mos		\$1,700	\$5,100	
	Consumables, fuel etc	3 mos		\$1,000	\$3,000	
	Disposal	3 mos		\$2,000	\$6,000	
	Home Office Expenses	3 mos		\$2,500	\$7,500	
					<b>Subtotal</b>	\$111,100
					<b>Subtotal, Labor and Materials</b>	\$795,900
<b>Mark Ups</b>						
	Contractors Overhead/Profit			10.00%	\$79,590	
	Bonding			1.50%	\$11,939	
	Insurance			1.50%	\$11,939	
	Estimating Contingency			10%	\$79,590	
					<b>Subtotal</b>	\$183,057
					<b>Total Construction Costs</b>	\$978,957
<b>Project Cost</b>						
	Design			10%	\$97,896	
	Administration			20%	\$195,791	
					<b>Subtotal</b>	\$293,687
					<b>Total Project Cost</b>	\$1,272,644





November 24, 2009

To: Rod Swope, City Manager

Fm: S. Kirby Day, III  
Director of Shore Operations – Princess Cruises

Tourism Best Management Practices (TBMP), begun in 1997, continues to operate as a grassroots awareness program involving 60+ companies and over 1,400 employees. Our local businesses and employees take great pride in working in Juneau's visitor industry and because we understand the importance of operating in harmony with our neighborhoods, have made TBMP an integral part of our seasonal tourism operations and our training programs.

The most significant aspect of TBMP is that it is a continuing results-oriented work in progress. Every year since its inception, operators conduct a thorough critique of the previous season's operations. We study the prior season's tourism hotline comments, the letters to the editor and anecdotal comments from various meetings. We continuously fine-tune our guidelines in order to proactively minimize impacts in the community.

TBMP's approach involves every single employee who directly interacts with both visitors and residents, giving employees ownership of the program and true accountability for their actions in carrying out tour operations each season.

We would ask for your continued support of this program through the allocation of \$12,000 in marine passenger fees. This allows us to hold public meetings and to support the monitoring of the Tourism Hotline which assists greatly in our being able to manage impacts. The funding allows us to honor our commitment to the Assembly to find more effective ways to promote the program and create public outreach throughout our community. We continue to try to update our website annually. ([www.TBMP.info](http://www.TBMP.info))

TBMP participants are very proud of our efforts over the years, and look forward to beginning the 14th season of Tourism Best Management Practices. The program received national recognition in 2004, and continues to create interest from Ketchikan, Anchorage, and Sitka. Victoria, B.C. successfully launched a local version of our TBMP program in 2007 and Skagway followed with their program in 2009.

I hope you will agree that TBMP produces results and that the dollars spent on this program certainly meet the intent of the passenger fee ordinance in helping to "address impacts caused by the marine passenger ships and marine passengers".

I thank you for your considering our request.

Ex. 032, p. 34

CBJ03945



# A.J. Juneau Dock, LLC.

P.O. Box 8084, Ketchikan, AK 99901 ◊ Phone: (907) 225-0999 ◊ Fax: (907) 247-6042  
STREET ADDRESS: 1110 JACOBSEN DRIVE, JUNEAU, ALASKA 99801

## MEMORANDUM

TO: CBJ City Manager  
CBJ City Attorney  
City and Borough of Juneau Assembly

FROM: AJ Dock Operating Committee

SUBJECT: FY10 and Future Marine Passenger Fee Proceeds and Port Development  
Fee Project List

DATE: 11/24/2009

The AJ dock has operated in the port of Juneau since 2004 and has accumulated some projects that may qualify for appropriations from Marine Passenger Fee or Port Development Fee proceeds collected from passengers/vessels using the port facility. The below is a brief summary of these projects and some of the benefits to both the community and the passengers at the AJ dock.

### BACKGROUND

To date the AJ dock in the port of Juneau has not received any proceeds from the Marine Passenger (MPF) or Port Development Fee (PDF). The PDF has been collected in varying amounts but has been \$3.00/pax the last several years. Below are the totals collected to date from the 1,554,156 AJ Dock passengers:

Total PDF: **\$3,420,290.20** Total MPF: **\$7,770,780**  
Total of all head tax revenue to CBJ from AJD to date: **\$11,191,070**

The AJ dock has identified capital improvement and maintenance/security projects that qualify for funding from these fees and are in keeping with similar CBJ expenditures and the federal legal requirements for use of these funds. This request is within the contribution of the passengers using this facility and will benefit both the cruise industry, users of the facility and the community of Juneau. The projects have been summarized below by Immediate Funding Requests and Future Projects.

Thank you for considering appropriations to fund these projects.

AJ Juneau Dock LLC

Ex. 032, p. 35

CBJ03946



## **IMMEDIATE FUNDING REQUESTS**

### **Dock Barge Maintenance**

This project is nearing completion and is a reimbursement of major dock maintenance to the AJ dock bridge and 2 dock barges which should be complete by the start of the 2010 season. Many of the maintenance improvements will last the life of the dock.

**\$600,000**

### **Restroom Cleaning and Landscaping Enhancement/Maintenance**

In keeping with city requests at similar facilities the AJ dock requests assistance with some of the cleaning costs of the AJ dock restrooms which are open for public use and landscaping enhancement and maintenance.

**\$20,000**

### **Federal Security Grant Match**

The AJ dock has been awarded a matching DHS Port Security Grant Program grant for security improvements which will benefit the port and city of Juneau as well as passengers at all facilities. The items include a heavy duty truck which will be used for secure deliveries to cruise and other vessels, a portable bomb detection device and a portable security screening building.

**\$62,884**

### **Bear Proof Trash Cans**

These trash cans are the same model currently used by the city as well as on the city docks and are compliant with CBJ trash receptacle ordinance requirements.

**\$9,200**

## **FUTURE FUNDING PROJECTS**

### **Grey Water Line**

This project has been explored with the city public works department and has been reviewed with some engineering work and MOU yet to be finalized. Construction is to begin at the end of the 2010 cruise ship season with completion prior to the 2011 season. This will provide gray water discharge ability at the AJ dock when the downtown sewer treatment plant is able to accept additional waste. This is a valuable service to the cruise industry and also benefits the community by providing increased revenues to the city sewer department. This estimate includes the cost of construction and a portion of the engineering, utility easement, permits and design expenses. The estimate does not include operational expenses.

**\$282,200**

### **Cathodic Protection**

This project is critical to the longevity of the steel infrastructure of the facility and will include the installation of appropriately engineered zinc cathodic protection.

**\$220,000**

**Security Gates**

The AJ dock has 4 road egresses and when the facility is not in use portable barriers are currently placed at these locations to enhance port security and deter vandalism. This project will construct swinging gates similar to those at AML's facility or may be the bollard style at the city docks.

**\$ 48,000**

**Security Screening Terminal**

This project is a multi-year project in which public and federal grant funds would be requested to cover the cost to construct this facility. The location is adjacent to the AJ dock where utilities and a footprint for construction have already been established. The terminal will house a port operations center, a regional response command center and security equipment for the port area in a central and secure location. In this facility will also be x-ray machines and walk-thru detectors to screen persons embarking a cruise ship and can also be used to pre-screen all cargo prior to entry at any cruise port facility in Juneau.

**\$ 2,000,000**

**Cruise Ship Electrical Connection**

This project would be similar to that of the South Franklin Dock and is of great benefit to the ships and especially the community of Juneau. This is possible in the near future given the projected increased electrical supply from Lake Dorothy hydro project coming on-line soon.

**\$3,000,000**



**Port Development Fees**  
AJ Dock, Juneau Alaska

<b>Port Development Fee</b>			
Year	Fee	Pax Count	Total
2004	0.18	90,267	16,248
2005	1.18	262,076	309,250
2006	1.18	280,575	331,079
2007	3.00	302,354	907,062
2008	3.00	306,868	920,604
2009	3.00	312,016	936,048
Total			3,420,290

<b>Mariner Passenger Fee</b>			
Year	Fee	Pax Count	Total
2004	5.00	90,267	451,335
2005	5.00	262,076	1,310,380
2006	5.00	280,575	1,402,875
2007	5.00	302,354	1,511,770
2008	5.00	306,868	1,534,340
2009	5.00	312,016	1,560,080
Total			7,770,780

**Total of all passenger fees charged at AJ Juneau Dock: 11,191,070**



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.

Ex. 032, p. 39

CBJ03950