

Appendix A

to

OPPOSITION TO PLAINTIFFS' MOTION TO STRIKE THE
AFFIDAVIT OF BOB BARTHOLOMEW

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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ALASKA

CRUISE LINES INTERNATIONAL
ASSOCIATION ALASKA, and CRUISE
LINES INTERNATIONAL
ASSOCIATION,

Plaintiffs,

v.

THE CITY AND BOROUGH OF
JUNEAU, ALASKA, a municipal
corporation, RORIE WATT, in his
official capacity as City Manager,

Defendants.

Case No.: 1:16-cv-00008-HRH

**SUPPLEMENTAL AFFIDAVIT OF BOB BARTHOLOMEW IN SUPPORT
OF THE CITY AND BOROUGH OF JUNEAU'S OPPOSITION AND CROSS
MOTION TO PLAINTIFFS' MOTION FOR SUMMARY JUDGMENT**

STATE OF ALASKA)
)ss:
FIRST JUDICIAL DISTRICT)

I, Bob Bartholomew being first duly sworn, state as follows:

CLIAA, et al. v. CBJ, et al.

Case No. 1:16-cv-00008-HRH

SUPPLEMENTAL AFFIDAVIT OF BOB BARTHOLOMEW IN SUPPORT OF THE CITY AND
BOROUGH OF JUNEAU'S OPPOSITION AND CROSS MOTION TO PLAINTIFFS' MOTION FOR
SUMMARY JUDGMENT

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1. I make this supplemental affidavit based on my personal knowledge of the finances of the City and Borough of Juneau ("CBJ"), the CBJ budget process, my involvement in the history and use of the Port Development Fee ("PDF") and the Marine Passenger Fee ("MPF"), my understanding of the CBJ code as related to the development of projects proposed to be funded by PDF or MPF and submitted for approval to the Assembly, my review of historical budgetary documents as well as of those I have been personally involved in, my meetings and interaction for many years with department heads and other CBJ staff to understand and determine the services provided by the various departments to cruise vessels and/or passengers, and on my interactions with various cruise ship industry representatives including CLIA representatives and CLIA members.
2. My affidavit dated January 11, 2018, was similarly based on the same personal knowledge and review of CBJ records.
3. All of the records I reviewed and which I am involved with on a day to day basis are records maintained and kept by CBJ as part of the business and government operations of the CBJ. It is my understanding that the budgetary documents as well as assembly minutes, manager reports, finance committee minutes, and all other similar documents related to the use of the PDF and MPF have been provided to CLIA during this litigation and most were also otherwise publicly available to CLIA for all of the years the PDF and MPF has been collected and used.
4. I have reviewed substantial records of the expenditures of the PDF and MPF since the inception of each, sufficient to allow me to identify the services and expenditures on a year by year basis. For pre-2012 expenditures I reviewed the control spreadsheets maintained by CBJ Finance recording the expenditures. I also reviewed the "Garrett" formula for the allocation methods. For 2012 forward I also have reviewed the details of the annual Manager's memo on the MPF expenditures. It is my understanding that the core of these documents showing the expenditures year by year, as well as other documents showing the development of and history of the expenditures have been provided to the Court with CBJ's exhibits and also in the exhibits provided by CLIA.
5. I specifically referenced documents bate stamped CBJ198904-198906, among others, which shows the projects paid for and debt service paid with the PDF monies. This was referenced in my January 11, 2018 affidavit (P. 25) and was attached as Exhibit BO to CBJ's pleadings and provided as an exhibit with my January 11, 2018 affidavit.

6. I also specifically referenced documents bate stamped CBJ198832 and CBJ192968, among others, which show the projects paid for and operational expenditures paid with MPF monies. This was referenced in my January 11, 2018 affidavit (P. 41) and was attached as Exhibit CK and FL to CBJ's pleadings and provided as exhibits with my January 11, 2018 affidavit.
7. Because I referenced the documents listed in the paragraphs above, I am able to provide the factual information as to how and for what the PDF and MPF has been used.
8. My job responsibilities as the Finance Director for CBJ are listed in the attached Finance Director Position Description.
9. Before becoming the Finance Director for CBJ on May 14, 2012, I held the following position with CBJ: Project Manager for enterprise computer system implementations. In this position, I managed a CBJ Systems Replacement project which encompassed all core financial systems of the CBJ, including: general ledger, AP/PO/Requisitions, Accounts Receivable, Project Accounting, Fixed Assets, Budget, Cash Receipting, Bank Reconciliation, and Financial Statement Production. The project also includes: position control, benefits administration, applicant tracking, payroll, contract management, water and wastewater utility billing, computer assisted mass appraisal, and tax billing.
10. My affidavit dated January 11, 2018, was similarly based on my historical and ongoing involvement in the budgeting and expenditure of the PDF and MPF, and familiarity with and/or the development and maintenance of the documents that track those expenditures for the Assembly and public.
11. I have spent time with the various department heads for over the past six years in order to understand the cost of the services provided by each department to the cruise vessels and/or passengers. It is my responsibility to first assist in and then oversee the process for allocating the MPF to the departments providing those services. Because of my involvement and responsibility, the allocation methods have changed over the years to reflect changes in services and the costs of services, and which departments receive any allocation at all has similarly changed as a result of the information learned from those meetings with the department heads and other staff.

12. Going back to at least May 14, 2012, I have discussed the projects to be funded by the PDF or MPF and the expenditures of the PDF and MPF with each of the City Managers serving during my tenure as Finance Director (Kim Kiefer and Rorie Watt), the previous finance director Craig Duncan, many Assembly members, the Mayor and former mayors, and many cruise industry representatives such as Kirby Day, Drew Green Reed Stoops, and Mike Tibbles.
13. I was present at the ribbon cutting ceremony in May 2017 for the 16B project, and heard Mr. Binkley's speech referenced in my affidavit January 11, 2018, paragraph 33.
14. The information I provided in my affidavit dated January 11, 2018, and in this supplementary affidavit as to the uses of the PDF and MPF are the facts on the uses, and not my opinion or conclusion. Having reviewed records regarding all of the projects and services provided with the PDF and having been involved with the decision-making process for those expenditures since 2012, I have the personal knowledge that the PDF expenditures have been made only for capital project infrastructure and only for purposes specifically stated in the Resolution adopting the PDF as I outlined throughout my January 11, 2018 affidavit and Exhibit BO. I also have the personal knowledge that the MPF expenditures were made as outlined in Exhibits CK and FL and my January 11, 2018 affidavit.

Dated: April 26, 2018



Bob Bartholomew

SUBSCRIBED AND SWORN before me this 26 day of April, 2018.




Notary Public State of Alaska

My commission expires: 2/22/21

CERTIFICATE OF SERVICE

The undersigned certifies that on May 1, 2018 a true and correct copy of the foregoing **SUPPLEMENTAL AFFIDAVIT OF BOB BARTHOLOMEW IN SUPPORT OF THE CITY AND BOROUGH OF JUNEAU'S OPPOSITION AND CROSS MOTION TO PLAINTIFFS' MOTION FOR SUMMARY JUDGMENT** was served on the following parties of record via ECF:

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/s/ Robert P. Blasco

Robert P. Blasco

City and Borough of Juneau

Finance Director Position Description

March 07, 2015

Position Summary

Reporting to the City Manager the Finance Director provides strategic and operational leadership for financial activities borough wide. Ensures the financial well-being of the city and directs Finance Department staff.

Essential Duties and Responsibilities

- Plan, develop, organize, direct and evaluate the \$330 million in annual financial activity. This includes overseeing the management and production of the Comprehensive Annual Financial Report (CAFR) and the Operating and Capital Budgets. (15%)
- Administrative supervision of the central accounting, treasury and purchasing functions. Includes development and maintenance of a system of internal controls for accurate tracking, reporting and safeguarding of financial activity and assets. (15%)
- Administrative supervision of the city's property and sales tax programs which provide the city's major sources of revenue. (15%)
- Provide technical financial advice and knowledge to all department heads, enterprise fund directors and the city assembly. (5%)
- Direct financial institution (banking, investments, deferred compensation) activities for the organization (including the school district and hospital). Ensures adequate cash flow to meet all organizational needs. Investment of cash ensuring appropriate custody and management of risk & return. (15%)
- Manage the general obligation and revenue bond debt program including the initial sale, refinancing and repayment activities. (10%)
- Collaborate with the HR Director on the financial aspects of the city's insurance and employee benefit programs & contract negotiations. (2%)
- Oversee the production of monthly financial reports that provide accurate and timely revenue, expense, cash flow data necessary for management and assembly decision making. (6%)
- Develop and implement municipal financial policies that will improve the overall financial operation and effectiveness of the city. Attends department head and assembly meetings to explain financial status and policies. (15%)
- Develop and maintain a financial forecast tool to assist in strategic planning, tracking trends and estimating the affects from changes in the economy. (2%)