



Port of Juneau

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

MEMORANDUM

To: Assembly Public Works and Facilities Committee
From: Gary Gillette, Port Engineer
Date: January 27, 2016
Re: Appropriation Ordinance – Cruise Ship Berths

The Cruise Ship Berth Improvements project is comprised of a number of components including: Cruise Ship Terminal Staging Area; Taku Dock Modifications; Floating Cruise Berths; 1 Percent for Art; and Archipelago Uplands. Funding for the project consists of State Marine Passenger Fees; CBJ Marine Passenger Fees; Port Development Fees; and Docks Funds.

CBJ Docks and Harbors requests approval of an appropriation ordinance that would transfer additional funds from the Port Development Fees and Docks Fund to the project account, specifically for the floating berths construction currently under way.

The request is to move \$2.5M from Port Development Fees and \$1.5M from Docks Fund for a total of \$4M to the project. This amount would not be sufficient to complete the project as currently estimated. The reason is that the estimate to complete the project includes a 10% contingency amount and an estimate for additional inspection services if the contractor continues to work two shifts. At this point there has been .032% in change orders but in a project of this scale unforeseen situations can create larger expenses. All this to say: At this time the proposed transfer puts the budget in line with the anticipated costs but at a reduced contingency amount (4%). With the project spanning two construction periods there will be better assessment of future contingency and inspection needs at the end of this first phase thereby giving time to identify additional funds for the project if needed.

The transfer of Port Development Fees and Docks Funds to the Cruise Berths project requires an appropriation ordinance approved by the Assembly. Staff recommends the Board consider the transfer and, in turn, recommend the Assembly approve an appropriation ordinance to use \$1.5M of Dock Funds and \$2.5M of Port Development Fees for the Cruise Ship Berths Improvement project.