

City and Borough of Juneau
Finance Committee Meeting
June 2, 2003,
at 5 p.m., Chambers

I. Call to Order

II. Roll Call

III. Approval of Minutes

– Minutes of May 21, 2003

IV. Juneau Convention Visitors Bureau (JCVB) Budget Presentation

Lorene Palmer, Executive Director of JCVB, will give a presentation JCVB's FY04 budget and marketing plan.

V. FY04 Budget Finalization

A. Capital Improvement Project Program Budget

Enclosed in your packet are three lists of project funding recommendations, listed in priority, from the Public Works and Facilities Committee:

1. Projects funded with the \$5,680,000 provided from the 1% A/W CIP Sales Tax
2. Projects funded with the \$1 million provided from the 1% General Sales Tax
3. Projects funded with the \$1,638,000 provided from the Marine Passenger Fee

B. Marine Passenger Fee

At its May 14, 2003 meeting, the AFC approved recommendations for use of the FY04 projected marine passenger fee proceeds. These recommendations were forwarded to the Passenger Fee Proceeds Committee (PFPC) for their review.

The PFPC met on May 22, 2003 to review and discuss the AFC's recommendations. Included in your packet is a summary of the May 22, 2003 PFPC meeting and a memo from Mr. Swope highlighting some of the committee's recommendations.

C. Current and Future Budgetary Issues

Enclosed in your packet is a list of some of the major funding issues facing the CBJ over the next few years.

D. Pending Items

1. Enclosed in your packet is a list of pending funding requests totaling \$764,700. Action needs to be taken on each of the items on the list.
2. In addition to determining if Eaglecrest's request for a \$240,000 one-time increase in support is acceptable, it is also necessary to approve:
 - a. The FY04 Eaglecrest budget submitted at the May 21, 2003 AFC meeting and
 - b. To allow Eaglecrest to carry a negative fund balance as part of their plan to return to a positive financial position.

City and Borough of Juneau

Assembly Finance Committee, immediately followed the Special Assembly Meeting Minutes of May 21, 2003 Meeting

Assembly Present: AFC Chair Powell, Mr. Koelsch, Mr. Sanford, Mr. Wheeler, Mr. Ridgeway,

Assembly Absent: Mayor Smith, Ms. Johnson, Mr. Wanamaker, Mr. Anderson

Staff Present: Rod Swope, Donna Pierce, Bonnie Chaney, John Stone, Mary Norcross, Paul Swanson, Gary Mendivil, Tom Pitts, Jim Canary

Meeting was called to order at 5:20 p.m.

Minutes of the May 14, 2003 AFC meeting were approved.

Chair Powell added the Tourism Collaboration Group request to the agenda before the Board presentations.

Tourism Collaboration Group

Donna Pierce gave an overview on the Tourism Collaboration Group's request.

The request is:

1. To spend \$4,000 in FY03 from the money budgeted for the Tourism Implementation Plan. These monies are available in the Tourism budget for this purpose.
2. \$25,000 from the FY04 Tourism Plan Implementation budget.
3. \$21,000 to complete their budget. There is \$26,000 left in the FY03 budget for the Tourism Implementation Plan that could be used to fund this request. These funds can be encumbered and carried over to FY04 so no adjustments would be necessary to the MPF recommendation made by the AFC at the May 14th AFC meeting.

Ms. Pierce stated that if this was acceptable to the AFC then all that was needed was an okay to proceed with this recommendation. There was no objection to the recommendation (other than Mr. Koelsch felt it was too expensive).

Docks and Harbors Board

Romer Derr, Finance Chair for Docks and Harbors Board, gave the financial portion of the presentation, which was followed by John Stone, Port Director, giving a presentation on their core services.

There were no changes to the Docks and Harbors budget as presented in the FY04 Revised Budget Book.

Mr. Koelsch left at 5:50 p.m. but participated via phone.

Eaglecrest Board

Paul Swanson, Ski Area Manager, Gary Mendivil, Business Manager, and Gary Hogins, Board Chair, were present. Mr. Hogins gave the presentation on Eaglecrest's financial position and their plan regarding season pass prices and refund/credit policy. In addition, the Eaglecrest Board is requesting a \$240,000, one-time only, increase in support.

The \$240,000 request will be added to the list of Pending Items.

Property Assessment Overview

Tom Pitts, CBJ Assessor, gave the property assessment overview.

Mr. Swope cautioned that the additional \$200,000 is preliminary and a more accurate number will be available after the BOE makes its final decisions.

Non-agenda Items

Mr. Powell requested an analysis regarding increasing the alcohol tax and tobacco tax an additional 3%. How much money would this bring in? Can it be done? When could it be done? Would like to discuss this right after the budget is adopted.

Mr. Powell requested that the City Manager look into setting up a board, similar to the SSAB or YAB, to handle the Assembly grant requests.

Meeting adjourned at 6:30 p.m.

DRAFT

MEMORANDUM

CITY/BOROUGH OF JUNEAU
City & Borough Manager's Office
155 S. Seward St., Juneau, Alaska 99801
Rod_Swope@ci.juneau.ak.us



Voice (907) 586-5240
Fax (907) 586-5385

DATE: May 30, 2003
TO: Assembly Finance Committee
FROM: Rod Swope
City & Borough Manager
SUBJECT: Passenger Fee Proceeds Committee

Per your direction, I convened a meeting of the Passenger Fee Committee on May 22, 2003, to discuss the changes and recommendations made by the Finance Committee.

Enclosed is a summary of the meeting for your review. There were several points raised at the meeting that I feel are important to highlight and bring to your attention, as follows:

- 1) There was very strong support from all members to provide additional funding for the Auke Bay Commercial Loading Facility. That project will require a significant amount of funding, once a site location is finalized. Like several other projects on the list, they felt we should start setting aside more money now.
- 2) There were three additional projects they would like to have considered for funding:
 - a. Peoples Wharf – this proposed project is located at the Cruiseship Terminal. It would remove some posts that are used to hold up an awning (the posts impede pedestrian traffic) and replace and expand sidewalks in specific areas. It should be noted that the Public Works and Facilities Committee included it on their proposed list of Passenger Fee expenditures: **\$95,000**
 - b. Steamship Dock Lightering Facility – with improvements to the Steamship Dock and additional upland handling capacity, cruise ships have expressed a renewed interest in using the lightering dock. To accommodate renew use of the dock, the wooden ramp and float should be replaced. Minimal improvements in the amount of \$25,000 could get us by until the ramp and dock replacements could occur: **\$180,000**
 - c. North Douglas Boat Launch Improvements – this facility is receiving increased pressure from commercial users (i.e., kayak tours, war canoe excursions, jet ski tours). This project would expand the existing facility to accommodate the commercial operations. At this point, only planning money is being requested: **\$25,000**

Exhibit CO
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Passenger Fee Proceeds Committee
MINUTES
May 22, 2003 ~ 9:00 AM
Assembly Chambers

I. ATTENDANCE

Rod Swope, City Manager; Marti Marshall; Harley Clough; Don Habeger; Budd Simpson, Robert Spitzfaden

Absent: Marti Marshall

Staff: Donna Pierce, Deputy City Manager

II. MEETING OVERVIEW

A. City Manager Introduction

The meeting was called to order at 9:00 AM and Rod Swope apologized to the members of the committee on behalf of the CBJ for the lack of meetings and opportunities to construct the Passenger Fee List as normally occurred in previous years. Mr. Swope explained to them that he had recently been selected as City Manager, and with the change of administration some items and procedures had been foregone. This would not be the case next year if they decided to go forward with this Committee.

B. Discussion of the Passenger Fee Proceeds List – Itemized List

The following is a list of the proposed projects and the summarized commentary from the Committee members:

Operations

General Support - \$942,000

There was overall support by the committee. The suggestion was made that perhaps the formula needed to be revisited and possibly adjusted. There was later discussion in the meeting revolving around the justification for an increase to General Support given the nature of some of the requests for funding.

Shoreside Power - \$300,000

The Committee was split on this item. There is no documentation to support giving this amount of money every year and the Committee would like to see documentation on costs and savings related to the shoreside power.

LEPC - \$10,000

This was supported by the Committee. The upcoming RFP for cruise ship response effort planning was briefly discussed.

Tourism Impact Management - \$68,000; Tourism Public Information - \$5,000

Both of these items were not supported and it was the opinion of the Committee that these belonged under the General Support category.

Tourism Plan Implementation - \$25,000

The Committee was not in support of this item.

Best Management Practices Support - \$9,000

The Committee was willing to support this and review the effectiveness and whether or not the expenditure was justified next year.

Park Ranger - \$25,000

The Committee supported this, however, has requested that a report on the details and effectiveness of this program at the end of the year, and review whether it may more appropriately belong under general support.

Events Planner - \$20,000

The Committee did not support this item. The consensus of the group was that this expenditure should belong under general support.

Crossing Guards- \$83,000

Although this project received overall support from the Committee, there were questions about the dollar amount. The City Manager explained that we have had difficulties in the past filling this at the lower salary ranges and have had to offer more in order to attract better candidates. This amount would also fund more positions than last year.

Downtown Foot/Bike Patrol - \$14,000

Although law enforcement is a supported function, this particular function was not seen by the Committee as being an appropriate expenditure according to the ordinance and would more appropriately be situated under general support.

Downtown Restroom Maintenance - \$33,000

This was supported by the Committee.

City Museum - \$62,000

The Committee was not supportive of this funding coming out of Passenger Fee Proceeds and felt that it did not fit under the ordinance.

Transit Bus Service - \$205,000

The Committee was not supportive of this funding coming out of Passenger Fee Proceeds and felt that it did not fit under the ordinance.

JCVB - \$97,000

The Committee was not supportive of this funding coming out of Passenger Fee Proceeds and felt that it did not fit under the ordinance.

Capital Projects

Waterfront Land Acquisition - \$300,000

The Committee was mixed in their support of this project.

Auke Bay Commercial Loading Facility -\$0

The Committee was extremely supportive of providing additional funding for this project and felt very strongly that they would have recommended this as a top priority in formulating their list.

Refinish Downtown Streetlights - \$50,000

The Committee felt that this may fit more under the general support, but did not object to the project.

Marine Park/Front Street Restrooms -\$0

The Committee was supportive of putting \$100,000 back into this project.

Gunakadeet (Pocket Park) Restrooms -\$250,000

The Committee supported this project.

Alternative Heliports/Quiet Technology and Noise Abatement - \$635,000

The Committee supported this project.

Waterfront Planning - \$25,000

The Committee supported this project.

Wayfinding Plan - \$18,000

The Committee supported this project.

ADA Passenger Boarding System - \$100,000

The Committee supported this with the exception of one member who felt it was not an appropriate expenditure under the ordinance.

JDTP Incinerator Heat Exchanger Replacement - \$195,000

The Committee supported this project.

Safety Video - \$15,000

The Committee did not support this item and felt that it was not applicable to the ordinance and that there isn't enough information about how it would be presented. Industry is not supportive of this project at this time.

Last Chance Basin Well Improvements - \$0

The Committee was very supportive of this project and encouraged funding to be restored if possible.

III. Wrap Up

Rod Swope polled the Committee on their opinions about changing the ordinance and disestablishing the Committee for next year. After discussion the Committee felt they would like to go one more year and reevaluate their effectiveness at that time.

IV. Adjournment

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Marine Passenger Fee - Manager & AFC Recommendations

Recommendations from May 14, 2003 AFC meeting

	Recommendations	
	<u>AFC</u>	<u>PWFC</u>
Revenues	3,858,370	3,858,370
Expenditures		
Debt Service		
Steamship Wharf/Marine Park Bond Debt Service Obligation	322,200	322,200
Operations		
General Support	942,000	942,000
Local Emergency Planning Committee	10,000	10,000
Shoreside Power	300,000	300,000
Tourism Impact Management (includes Tourism Division)	68,000	68,000
Tourism Public Information	5,000	5,000
Tourism Plan Implementation	25,000	25,000
Best Management Practices Support	9,000	9,000
Park Ranger	25,000	25,000
Steamship Wharf/Marine Park First Year Kickoff Events Planner (FY04 ONLY)	20,000	20,000
Crossing Guards	83,000	83,000
Downtown Foot/Bike Patrol	14,000	14,000
Downtown Restroom Maintenance	33,000	33,000
City Museum	62,000	62,000
Transit 1/2 hour bus service	205,000	205,000
JCVB	97,000	97,000
	Total Operations	Total Operations
	<u>1,898,000</u>	<u>1,898,000</u>
Capital Projects		
Waterfront Open Space Land Acquisition	350,000	350,000
Auke Bay Commercial Loading Facility & Statter Electrical Upgrade	-	50,000
Refinish Downtown Streetlights	50,000	-
Marine Park/Front Street Restrooms	-	100,000
People's Wharf/Visitor Center Sidewalk Improvements	-	95,000
Gunakadeet Restrooms	250,000	250,000
Heliport Plan & Flightseeing Noise Abatement & Implementation (infrastructure and quiet technology)	635,000	635,000
Waterfront Planning	25,000	25,000
Wayfinding Signage Plan	18,000	18,000
ADA Passenger Boarding System	100,000	100,000
JDTP Incinerator Heat Exchange Replacement	195,000	-
Safety Video	15,000	15,000
	Total Capital Projects	Total Capital Projects
	<u>1,638,000</u>	<u>1,638,000</u>
Total Expenditures	<u>3,858,200</u>	<u>3,858,200</u>
Revenues greater than expenditures	170	170