

Passenger Fee Proceeds Committee
January 4, 2001

Committee Members Present: All

Others Present: Kirby Day, Princess. Joe Graham; Rosalee Walker, Marie Daren; Bob Garrison; Cory Wyle; Kim Metcalfe-Helmar; Tom Dow;

Dave Palmer briefly described the basic purpose of the committee in formulating the list that will eventually go to the Assembly for projects/items to be funded by Passenger Fee proceeds. From the last meeting it was determined that there are a lot more projects than there were funds available. Harbor projects are at the top of the expense list.

The fund is to offset or mitigate the impacts of the visitors and cruiseship industry on the community of Juneau. This fund is structured so that approximately 25 percent goes directly into the General Fund to support municipal services. The remaining 75 percent is represented on the project list.

Some projects that the committee put forward last year in regard to Harbors are ones that would not really fall under this fund. General improvements to the docks and harbor should be paid for out of port dues. John Stone (see table). Combination of passenger fee and port dues to fund some of the bigger ticket items through a revenue bond paid for by both. Some of the harbor projects are strictly beneficial to the ships...increase in length, utilities, and those are port dues...willoughby pedestrian improvements are more of a mitigation project. Discussion later regarding how much out of each type of fees – port dues and passenger.

General Public Commentary –

Kirby Day, Princess Tours:

Marine Park Library/Traffic Circulation – support. Visitor Center in more than one place, what is that? Bond projects: dock straightening, liter float modification dredging – under maintenance docks dredging again that we funded last year. Clarify what dredging is what and has it been funded.

Dave P. explains that list is conglomeration. First two columns represent what was adopted by the assembly in 01 and then last years list included some projects that we wanted to fund out of this years money as well because we didn't have enough for one year. Those are rerlected in 02. The 02 list indicates money from this years fund that we talked about funding last year. If you look in the column that is boxed in some of those are zeroes, because they've been moved down to the bond projects. You see visitor center there at the top, but if you go all the way across you'll see zero there.

Kirby – we've already paid for the dredging.

Joe Graham- the assembly did not approve the \$200K for dredging.

Final appropriation did not include that.

Kirby-Trail Maintenance, was the \$250K funded and fully expended last year.

It was committed if not expended.

KIRBY: A large part of that went for Perseverance and it's understood that the effort is to move much of the commercial funding off of Perseverance and if we funded the improvements and P&R are dealing with it, there should be continued commercial use of it.

Tourism Ambassador/Crossing Guard program – fund that at \$50K and make effort to make it work. It works well in Ketchikan and Sitka and it's available from Ketchikan so you wouldn't have to recreate the wheel. Helps to mitigate the congestion and helps people cross the street, etc.

SPITZFADEN: Not my understanding of the Ambassador was for. My understanding was that this person would be answering questions and direct people where to go, but not to A) physically help them cross the street or construct something (stanchions, etc.).

Palmer: The Assembly when they funded it said they wanted people with stop signs helping people cross the street. The direction from the Assembly was to expend it that way.

LYNN: wouldn't an actual crossing guard better fall under JPD? Rather than coming out of Passenger fee.

PALMER: It could.

ROSALEE WALKER: Ambassador is a concern. What is the purpose? They're gonna ignore it regardless. Sidewalks are only so wide, stanchions will be an obstruction. Traffic Directors? I don't see it working. They're going to ignore them. Turnaround great idea. My major concern has to do with the bus system. Manager reducing it from \$200 to \$165?

Palmer: we had enough last year to carry ahead. 30 minute service may to sept. for busses.

Speaks in favor of 30-minute service.

Columbia Lot Deckover and Visitors Center

MARIE DARLIN - City Museum needs. Letters. Separate funds, not just lumped in with General Fund. Ambassadors – what would they do? You already have Visitors Info Booth, we answer questions and point them in the right direction.

SPITZ: What would the museum do with the money?

MARIE: they've already submitted plans to PR. Mostly increased staff to do work they already do.

SPITZ: Not for keeping open hours during the winter.

MARIE: Not necessarily. Right now, stuff is donated all the time and the current staff cant' take care of it.

SPITZ: \$\$ to address impacts by the tourism industry/cruiseship industry. If we give money to museum and they do bigger and better projects there to attract more tourists, we're worsening the impact. Money should be used for winter time open hours to benefit the residents.

MARIE: Refers questions to staff and we don't have enough staff to accommodate the visitors we have.

SPITZ: JCVB offer training on how to disperse tourists?

MARIE: You should talk to JCVB about the orientation they do for volunteers.

Museum request was \$80K

BOB GARRISON: Tour industry has an effect on everything.

CORY WYLE – Speak on behalf of the city museum. Unique focusing on Juneau and sharing that with visitors. Dramatically impacted by cruise ship passengers. The \$80K would provide for 4 fulltime positions and this is not an arbitrary amount, this was recommended by museum professionals.

SPITZ: What changes? Does this benefit the tourists or the residents?

CW: Both. Museum wants to be open more hours for the residents

LYNN: 243 hours per month in the summer, 32 hours per month in the winter. Would also increase hours

CW: Collection management is suffering because there is not the staff during the summer.

Harley: Where do Ketchikan and Palmer get their money to pay their people?

CW: don't know. The City Museum has been requesting more money for years from the City.

Harley: There are other sources of money that need to be explored.

KIM M-H: Concerned about marine park bus lane. Half of the proceeds for 10 years may not be legal.

DRP: This would be a bond issue. Moral obligation to provide revenues.

This money should not have to go specifically to the wharf or close to the industry. The people of Juneau are the ones who need to benefit from them. The City Museum request should be funded. It should be more available in the winter. Concerned about Perseverance Trail. Wants no commercial use of this trail. Tourists on their own is one thing. Will fight any attempt to increase traffic on Basin Road. Traffic on South Franklin, does not think there is a problem that warrants pouring money into. Hire some kids. No stanchions to keep tourists on the sidewalks.

SPITZ: What should we use the money for?

KMH: Money for tourism-type of things, street improvements, fixing up lights downtown, certain pedestrian improvements. I don't believe it all should go into big things like a visitor center. The town needs to see some benefits. Too conservative and purely tourism things.

SPITZ: Specific projects that would alleviate air pollution?

KMH: Electrical upgrade. Efforts to monitor air discharge?

SPITZ: Noise?

KMH: Funding is coming out of it already for noise studies.

SPITZ: There has been some suggestions that we spend some money to do commercial trail planning, to create a commercial trail?

KMH: No funding for someones private business. We need commercial trails. Buy in from the business getting the benefit.

TOM DOW: VP Princess lives in Seattle

I agree with KMH on many things. A couple issues: Shore/Power connection is on list. We are on target to complete facilities at the Franklin Dock and allow the ships to plug in and turn off generators while in port. We're expecting completion in time for the first ship. We will have \$3M investment in that. \$2M staying in Juneau. We have proposed to the City some program for reimbursing the cost of the facility connection that will stay in Juneau, Princess intends to pay for the cost of the equipment that goes on the ships, Princess would pay for the electricity that is purchased, revenue will go into a fund that will help offset surcharges that are necessary for use of the emergency generators in the community. There will be some marginal benefit to the residents. Site work is underway. Permitting is underway.

Corey from AEL&P: Any revenue that AEL&P receives will be refunded to the consumers. CULP adjustment, mitigate that diesel fuel cost. We're selling interruptable power to the community. Zoning change completed. Grading permit. Filed CU today. Heavy into the engineering. One other benefit...that substation can be used as a backup to the community.

DOW: Pleased with progress. In same line, in a role as a member of the NW Cruise Assoc. there are other lines that are looking at this for use in the City docks. Ours is simpler because of ownership and accessibility. The site could accommodate additional transformers for other ships later on.

PALMER: Transformer coming is sized to fit A ship at Franklin Dock. If we extended shore power up to the city-owned docks it would be different transformers.

DOW: Shore Sewage hookups. Discussions going on for options for wastewater treatment. Quick inventory of ports, eliminated all but Juneau. Not feasible. Problems with gathering line and treatment system. Air opacity and air quality monitoring: the same group will be taking up ambient air testing in Juneau which is different from opacity monitoring, visible smoke, aesthetics. The group agreed to look at year round monitoring in Juneau with a caveat that the industry would like to see some support for the off season monitoring. The NWCA is prepared to support the use of head tax funds which would essentially be cruise ship monies to pay for that rather than some other source. It should be considered on the list. Maybe the cbj could partner with the industry for the summer monitoring program. No \$ amount to discuss at this time. Maybe \$50 to \$100K.

1.6M revenue bond? Are we proposing that some portion of the pax fee be dedicated to pay back that revenue bond? YES, 1.6M per year. Does that \$2M include the \$1.6M?

Dow is proposing that CBJ pick up \$2M of the \$3M cost for the power upgrades for the private dock.

Intricate discussion on different funding options on this subject.

CHIP THOMA:

Paying too much interest.

30-minute bus system support

support the museum. JCVB coordinates.

Satellite heliports at the Glacier.

Buy up all Mental Health Land on the waterfront.

Second Parking Garage

No Ambassadors.

CLOUGH: Price for Mental Health.

KATHRYN COHEN: Historic Resources Advisory Committee Chair. Supportive of the museum support.

TONY: Support for \$\$ for the museum.

Joe graham: Bond project support. Douglas Boat Harbor Improvements related to the Savikko Road reconstruction and expansion. Passenger Fee funds are only for one phase of the project.

Clarification on list: right under 850 there are 2 250s. The 500K Visitor Center appropriated. \$250 for Marine Way Bus Parking not appropriated. Columbia Deckover \$250K. Both of those should be zero. Separate Deckover and Visitor Center two separate projects.

Columbia Lot deckover - \$3.5M No visitors center there, kiosks satellites.

Paragraph on each project to define the line item better.