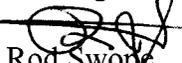


MEMORANDUM

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
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DATE: March 7, 2007
TO: Passenger Fee Proceeds Committee
FROM: 
Rod Swope
City & Borough Manager
SUBJECT: FY07 Passenger Fee Proceeds

Based on our latest projections, the amount of revenue available in FY07 is anticipated to be \$4,928,600. This estimate is based on information provided by the cruise ship industry that projects a modest increase in passengers over FY06. I am recommending that the proceeds be divided between operations and capital projects as follows:

OPERATIONS

General Support

Project Description

On May 10, 2000, the Assembly Finance Committee approved a formula that reflects cruise ship passenger usage of general government services. This formula is used to determine an amount of marine passenger fee (MPF) proceeds to be used in support of general government operations. Further, in 2003 a full cost analysis, audited by the NorthWest CruiseShip Association, was done to determine whether this formula provided a fair and accurate assessment of costs. **\$1,102,000**

CCFR Air Medevac Support

Project Description

This funding is an offset for unrecoverable costs incurred by the fire department for the air medevac program in response to medical events involving cruise ship passengers or crew. In 2006, 54% of air medevacs were in response to situations involving cruise ship passengers or crew. On average, we only recover 36% of our costs from patient billings. **\$26,724**

Non-Profit Air Medevac Support

Project Description

Airlift Northwest, a non-profit ambulance transport service, was founded in 1983 to provide air ambulance service to Southeast Alaska. During the cruise ship season, 35% of the air medevac flights from Juneau are to transport cruise ship passengers for medical services unavailable at Bartlett Regional Hospital. The amount of unrecoverable costs related to transport of cruise ship passengers or crew from Juneau is \$14,527. In addition, Airlift Northwest added an additional flight nurse at the cost of \$35,473 to facilitate this service during the summer cruise ship season. **\$50,000**

Tourism Best Management Practices Support

Project Description

This provides funding for printing, public notices, advertisements, and a contractual amount for Juneau Convention and Visitor Bureau (JCVB) staff to provide support to the Tourism Best Management Practices (TBMP) effort. TBMP is a voluntary industry-managed program designed to provide service to vessel passengers and address impacts, including safety issues, of tourism on local residents. The JCVB administers the program with funding provided by marine passenger fee proceeds. **\$12,000**

Crossing Guards

Project Description

This funds part-time seasonal crossing guards during the summer visitor season. The purpose of these positions is to facilitate safe traffic flow in the downtown area, encourage pedestrians to stay on the sidewalks, increase pedestrian safety, and control the crossing locations where summer pedestrians can cross the streets. This funding also provides for some limited equipment purchases, general training, scheduling, and deployment of the crossing guards. This program is currently administered by the Juneau Convention and Visitors Bureau. **\$104,400**

Downtown Foot/Bike Patrol

Project Description

This provides additional foot and bike patrol presence by JPD officers in the downtown area during the summer. Their 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. **\$60,000**

Downtown Restroom Maintenance

Project Description

This provides the contractual services (labor and materials) required to clean the restrooms in City Hall and the new public restrooms at Steamship Plaza seven days a week, six times per day, for five months during the summer. **\$65,000**

Downtown Cleaning

As a result of heavy summer use by visitors, the downtown sidewalks require extra cleaning, litter and garbage removal to keep them clean and safe. This funding provides funds for two temporary summer employees to operate and maintain the newly acquired sidewalk sweepers and to empty downtown garbage containers. **\$77,200**

Transit Public Bus Service

Project Description

Our local bus service is heavily used by visitors during the summer, thus making it necessary to increase bus service in order to accommodate locals in addition to summer visitors. The bus system provides a safe, efficient, and cost effective way for visitors to visit the glacier and view other areas of Juneau. The additional revenue from summer visitors does help offset the cost of providing additional summer bus service to serve visitors. However, our transit system is heavily subsidized and the additional costs are not offset by the revenue received. **\$138,000**

Juneau Convention and Visitors Bureau (JCVB)

Project Description

The JCVB provides summer visitors with information, directions, and assistance. They also provide volunteers that staff the information kiosks and provide any information and assistance that visitors may require. **\$100,000**

CAPITAL PROJECTS

Downtown Cruise Ship Berth Enhancement

Project Description

The Docks and Harbors Board is evaluating several proposals to enhance the capacity of downtown dock facilities to accommodate larger vessels that currently have to anchor offshore. This funding would be used to help pay for technical studies and feasibility analyses for the various options. **\$125,000**

Shoreside Power Project

Project Description

Princess Cruise Line entered into an agreement with AEL&P that allows Princess Cruise Line to purchase hydroelectric power at the South Franklin Dock. Princess Cruise Line paid for the installation of an AEL&P substation, a distribution line to the dock, and alterations to their vessels. This funding goes into a COPA fund, which reduces the surcharge to utility customers in Juneau for the use of AEL&P's standby diesel generators. **\$300,000**

Quiet Technology and Noise Abatement

Project Description

The issue of noise resulting from floatplane traffic associated with tourism during the summer has been controversial. In response, money has previously been set aside to assist Wings of Alaska in retrofitting their Otters with much quieter and efficient turbine engines. Ward Air, Inc. is also requesting that funds be made available, as a low interest loan, to allow them to retrofit two Otters with turbine engines. **\$500,000**

Waterfront Seawalk

Project Description

The adopted Waterfront Plan for the downtown waterfront calls for construction of a pedestrian seawalk that will extend from the Jacobsen Dock, the entire length of the waterfront, to the Juneau-Douglas Bridge. These funds can be used for planning, design, and construction. **\$1,636,926**

Cruise Ship Tug Moorage Rehabilitation

Project Description

Southeast Stevedoring berths a 105' tug in Juneau to assist with cruise ship maneuvering in the port. The tug is berthed on "A" float in Aurora Harbor. This float was not designed to handle a 400-ton tug. Over the years, the tug has destroyed the outer end of "A" float. This money would be used to assist with the reconstruction of that float. This money will be applied as a match toward the new state harbors grant program to help with the estimated \$1.5 million rebuild of "A" float. **\$500,000**

Downtown Ambassador Program

Project Description

Funding for this program will support two uniformed security officers that will patrol the downtown area on foot from May through September. These security officers will assist visitors with information, directions, and generally patrol the downtown area for loitering, panhandling, public intoxication, and other public nuisances potentially impacting summer visitors and local residents. With regard to public safety issues and infractions of the law, the security officers will refer these issues to JPD to handle. This program will be provided through a private contract administered by the Downtown Business Association. **\$56,350**

Downtown Circulator Bus

Project Description

Funding for this program will be used to evaluate the feasibility of a downtown circulator bus program to provide transportation from various downtown locations, including each of the cruise ship dock locations, to the downtown transit center. This program will be evaluated in conjunction with the review of the area wide transit program that will be conducted this spring. With the location of a new downtown parking and transit facility at the corner of Main Street and Egan Drive, it is timely to examine the feasibility of incorporating a downtown circulator bus system that will serve summer visitors as well as local residents. The Downtown Business Association proposes to retain a consultant to look at the layout of downtown, the seasonal demographics, and whether or not a downtown circulator system is feasible to operate and maintain. **\$75,000**

Marine Passenger Fee Project Status Report as of February 2007

Updated as of 2.6.2007

	Original MPF Funding Amount	Total MPF	Other Funding Sources	Total Project Budget	Expenditures and Encumbrances to Date	Funds Not Yet Expended or Encumbered	Percent Expended
Capital Projects							
1 Capital Transit Transportation Facility							
<i>Project Description:</i>							
Project includes construction of a transit passenger facility adjacent to Centennial Hall, sheltered waiting area, public restrooms, concession area, drivers' rest facilities and improvements to parking area.							
FY01	150,000	180,000	271,350	451,350	368,071	83,279	82%
FY05	30,000						
2 Marine Park Traffic Circle Design and Construction - CLOSED							
<i>Project Description:</i>							
Modification of curves at the intersection and additional landscaping. This project will allow for safer passage of pedestrians and easier passage of trucks and busses. The project is substantially complete.							
FY01	787,150	745,676	146,700	892,376	892,376	-	100%
FY03	95,000						
The \$41,474 and \$95,000 were transferred to the Steamship Wharf/Marine Park project (#22) during FY04. PROJECT IS COMPLETE AND CLOSED							
3 Waterfront Open Space Land Acquisition							
<i>Project Description:</i>							
The project establishes a fund that will be used to purchase open spaces along the waterfront in downtown Juneau for public use. In FY03, a parcel was purchased in Auke Bay.							
FY01	250,000	3,275,711	-	3,275,711	291,612	2,984,099	9%
FY02	285,900						
FY03	250,000						
FY04	350,000						
FY04	96,221						
FY05	510,000						
Transfer \$100,000 to 422-23 Archipelago Property Sidewalk Widening (#37) from the FY06 CIP Appropriation of \$1,342,000							
FY05	240,790						
FY06	1,342,000						
FY06	(100,000)						
FY06	50,800						
4 Construct JCVB Visitor Center							
<i>Project Description:</i>							
This project includes planning and programming activities for a new visitor's bureau center.							
FY01	50,000	176,000	-	176,000	134,044	41,956	76%
FY02	183,000						
FY02	(57,000)						
\$57,000 was transferred to the Wayfinding Signage project (#26) in FY04.							

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Marine Passenger Fee Project Status Report as of February 2007

Updated as of 2.6.2007

	Original MPF Funding Amount	Total MPF	Other Funding Sources	Total Project Budget	Expenditures and Encumbrances to Date	Funds Not Yet Expended or Encumbered	Percent Expended
5 <u>Auke Bay Loading Facility/Statter Harbor Electrical Upgrade</u>	FY01 100,000	1,361,500	3,800,778	5,162,278	2,848,358	2,313,920	55%
<i>Project Description:</i>	FY02 411,500						
Design and construct a commercial loading facility north of the Mendenaiah Bar, which will serve charter boats, commercial fishers and regional freight haulers. Currently the City is developing Corps of Engineer and State of Alaska permit applications for the loading facility at Statter Harbor. The Statter Harbor electrical upgrade is complete. Negotiations are underway to purchase property where loading facility will be constructed.	FY04 50,000						
	FY05 300,000						
	FY06 500,000						

6 Gold Creek Entrance Enhancement

Project Description:

Joint project with Corps of Engineers to enhance wildlife habitat and pedestrian access to the mouth of Gold Creek. The City is seeking Corps funds to augment existing funds.

\$30,000 was transferred to S. Franklin St Widening>LoadingZone project (#31) in FY04.

FY01 150,000	120,000	-	120,000	35,785	84,215	30%
FY01 (30,000)						

7 Upgrade National Guard Dock

Project Description:

Rehabilitation of the old National Guard dock adjacent to Taku Oil at the rock dump for use by vessels serving the cruise ship industry. The rehabilitation of the dock is complete. Tideland plat work is almost complete. Field work will be done in the summer of 2005 to fix the float.

FY01 300,000	300,000	-	300,000	286,799	13,201	96%
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8 Intermediate Vessel Float Electrical Upgrade - CLOSED

Project Description:

Wiring 3 new power pedestals and rewiring 5 existing power pedestals. Install new float transformer to provide service to the new and existing power pedestals. All other existing electrical equipment will be rewired as necessary.

PROJECT IS COMPLETE AND CLOSED

FY01 103,495	103,495	20,000	123,495	123,495	-	100%
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9 Downtown Tourism Transportation Impact Study - CLOSED

Project Description:

The purpose of this study is to collect information and identify operational and capital improvements to ease pedestrian and vehicle congestion for the surface transportation system serving the waterfront area in downtown Juneau.

PROJECT IS COMPLETE AND CLOSED

FY01 6,505	6,505	61,156	67,661	67,661	-	100%
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Marine Passenger Fee Project Status Report as of February 2007

Updated as of 2.6.2007

	Original MPF Funding Amount	Total MPF	Other Funding Sources	Total Project Budget	Expenditures and Encumbrances to Date	Funds Not Yet Expended or Encumbered	Percent Expended
10 North Douglas Launch Ramp							
<i>Project Description:</i> The boat launch facility was rehabilitated by replacement of the concrete ramp planks and repairs made to the float system and is complete. The City is now developing a plan to accommodate sightseeing charters.	FY01 220,000 FY04 25,000	245,000	-	245,000	244,888	112	100%
11 Trail Improvements							
<i>Project Description:</i> Improvements to Mt. Roberts Loop Trail above upper tram terminal. This project is substantially complete and will be finalized in Summer 2004.	FY01 50,000	50,000	298,500	348,500	278,842	69,658	80%
12 Smith Butts Park Improvements							
<i>Project Description:</i> Development of parks facilities including parking and trails. Other funding provided by Proposition No. 3 Special Sales Tax Project.	FY01 50,000	50,000	100,000	150,000	149,905	95	100%
13 Area-wide Trail Maintenance							
<i>Project Description:</i> Purchase of bear resistant trash receptacles for trailheads and along the Kax trail. Purchase of trail construction equipment and trail signage. Reconstruction of the last mile of the Perseverance Trail for commercial use. The final work will be done on the Perseverance Trail in Summer of 2004.	FY01 200,000 FY02 98,500 FY03 25,000	323,500	54,504	378,004	378,004	-	100%
14 Commercial Trail Planning/Development							
<i>Project Description:</i> Construction of the Rainforest Trail at North Douglas for commercial use. This project is substantially complete and will be finalized in Summer 2004.	FY01 35,000 FY02 65,000	100,000	-	100,000	97,222	2,778	97%
15 Reconstruct Downtown Sidewalks/Stairways/Streets - CLOSED							
<i>Project Description:</i> Design services for access ramp at 3rd and Seward. PROJECT IS COMPLETE AND CLOSED.	FY01 12,850	12,850	-	12,850	12,850	-	100%

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Marine Passenger Fee Project Status Report as of February 2007

Updated as of 2.6.2007

	Original MPF Funding Amount	Total MPF	Other Funding Sources	Total Project Budget	Expenditures and Encumbrances to Date	Funds Not Yet Expended or Encumbered	Percent Expended
16 <u>Refinish Downtown Street Lights - CLOSED</u>							
<i>Project Description:</i>							
Downtown period streetlights painted "Juneau Blue" need to be refinished due to age and wear. This project is to remove, repaint and reinstall these lights. In FY?, T-776 transferred \$1,069 to Steamship Wharf/Marine Park (# 22)	FY01 150,000 FY02 90,000 FY06 (1,069)	238,931	-	238,931	238,931	-	100%
PROJECT IS COMPLETE AND CLOSED							
17 <u>Douglas Harbors Uplands/Moorage - CLOSED in FY06</u>							
<i>Project Description:</i>							
Project entails dredging north of basin to create additional small boat moorage and four acre fill for upland parking. Repair to Mayflower Island causeway at armor-rock breakwater and roadbed to reverse effects of erosion. Phase III of the project is complete. This project is substantially complete and ready to be closed.	FY02 350,000	350,000	5,027,804	5,377,804	5,377,804	-	100%
18 <u>Statter Harbor Parking and Pedestrian - CLOSED</u>							
<i>Project Description:</i>							
The project entails construction of a parking lot at the old Horton property for overflow trailer and vehicle parking from Statter Harbor, reconstruction and realignment of the access road to improve safety at the intersection, expansion of the lower lot and construction of a new Harbor Master's facility. The project is substantially complete.	FY02 20,000	20,000	2,740,475	2,760,475	2,760,475	-	100%
19 <u>Ferry Dock Wharf Widening/Office-Information Center</u>							
<i>Project Description:</i>							
The wharf adjacent to the old downtown ferry terminal was widened by 35 feet to allow for longer gangways to be deployed from the cruise ships, improving disabled access. The project will fund relocation of the Port Office and Visitor Information Center.	FY02 188,000	188,000	930,000	1,118,000	1,108,983	9,017	99%
20 <u>Historic Signage - CLOSED</u>							
<i>Project Description:</i>							
Design, develop, and install interpretive signs in the downtown historic district.	FY02 35,000	35,000	15,198	50,198	50,198	-	100%
PROJECT COMPLETE AND CLOSED							

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Marine Passenger Fee Project Status Report as of February 2007

Updated as of 2.6.2007

	Original MPF Funding Amount	Total MPF	Other Funding Sources	Total Project Budget	Expenditures and Encumbrances to Date	Funds Not Yet Expended or Encumbered	Percent Expended
21 <u>Marine Park/Front Street Restrooms - CLOSED</u>							
<i>Project Description:</i> Plan and design rest room facilities in the central business district to serve seasonal visitors. PROJECT COMPLETE AND CLOSED \$42,003 was transferred to the Steamship Wharf/Marine Park project (#22) in FY04.	FY03 150,000 FY04 100,000 FY04 (42,003)	207,997	80,000	287,997	287,997	-	100%
22 <u>Steamship Wharf/Marine Park - CLOSED</u>							
<i>Project Description:</i> Extend Steamship Wharf to deck over void between wharf and shore, mediate FY01 upland subsidence, provide additional staging area for tour coaches and vans. FY04 The project is substantially complete.	FY03 375,000 FY03 95,000 FY01 41,474 FY04 42,003 FY05 79,452 FY06 1,069	633,998	5,791,736	6,425,734	6,425,734	-	100%
23 <u>Heliport Plan & Flightseeing Noise Abatement & Implementation</u>							
<i>Project Description:</i> Original plan was to purchase and develop a heliport site at Dupont. During FY04 FY04 \$500K of fees moved to the Lands Fund for Noise Abatement Loans, FY05 and, \$50K moved to the Manager's Budget for Collaboration Juneau, Inc. FY05 During FY05 \$464K of fees moved to Lands Fund for Noise Abatement Loans.	FY03 500,000 FY04 510,000 (550,000) FY05 300,000 (464,000)	296,000	-	296,000	10,417	285,583	4%
24 <u>Waterfront Planning</u>							
<i>Project Description:</i> Funding to assist in the development of a plan for future development of the waterfront. A draft plan has been submitted and is being reviewed by the Waterfront Development Committee. Further modifications of the plan are anticipated.	FY03 125,000 FY04 25,000	150,000	138,782	288,782	206,816	81,966	72%
25 <u>Airport Departure Area Security Improvement</u>							
<i>Project Description:</i> Expand the security screening capacity at the Juneau International Airport in response to increased security requirements of the Transportation Security Agency (TSA) resulting from the 9/11 tragedy. The project is on-going.	FY03 150,000	150,000	753,408	903,408	672,669	230,739	74%



Marine Passenger Fee Project Status Report as of February 2007

Updated as of 2.6.2007

	Original MPF Funding Amount	Total MPF	Other Funding Sources	Total Project Budget	Expenditures and Encumbrances to Date	Funds Not Yet Expended or Encumbered	Percent Expended
26 <u>Wayfinding Signage Plan</u>							
<i>Project Description:</i>							
Funds are to be used to hire a consultant to develop signage throughout the waterfront area that would be informative and would help direct visitors to various destinations. These funds will not be used to produce the signs. \$60,000 was transferred into this project from 354-91, Waterfront Seawalk (#32)	FY04 18,000 FY02 57,000 FY05 45,000 FY06 122,000 60,000	302,000	-	302,000	284,902	17,098	94%
27 <u>ADA Passenger Boarding System</u>							
<i>Project Description:</i>							
Purchase an ADA accessible gangway for the Steamship Wharf dock. The design of this gangway would 1) decrease the angle of the incline for physically challenged passengers; 2) provide a smaller footprint on the dock which will improve pedestrian flow. Conceptual design complete. Additional \$300k needed to go to bid.	FY04 100,000	100,000	10,000	110,000	245	109,755	0%
28 <u>People's Wharf/Visitor Center Sidewalk Improvements - CLOSED</u>							
<i>Project Description:</i>							
PROJECT COMPLETE AND CLOSED	FY04 95,000 FY04 (69,348)	25,652	-	25,652	25,652	-	100%
29 <u>Gunakadeit Restrooms</u>							
<i>Project Description:</i>							
The project is in the planning phase.	FY04 250,000 FY05 254,800	504,800	321,000	825,800	207,702	618,098	25%
30 <u>Steamship Wharf Lightering Facility</u>							
<i>Project Description:</i>							
The conceptual design of the project is complete. Waiting for implementation of adopted Waterfront Plan before construction.	FY04 100,000 FY07 60,000	160,000	150,000	310,000	260,691	49,309	84%
31 <u>S. Franklin St. Widening/Loading Zone</u>							
<i>Project Description:</i>							
Project is in the planning phase. \$30,000 was transferred from Gold Creek Entrance Enhancement (#6) in FY04.	FY01 30,000 FY05 20,548	50,548	230,000	280,548	48,092	232,456	17%

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Marine Passenger Fee Project Status Report as of February 2007

Updated as of 2.6.2007

	Original MPF Funding Amount	Total MPF	Other Funding Sources	Total Project Budget	Expenditures and Encumbrances to Date	Funds Not Yet Expended or Encumbered	Percent Expended
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32 Waterfront Seawalk

Project Description:

This will begin the initial design of a waterfront seawalk and establish guidelines for the seawalk project as it is envisioned in the long range Waterfront Plan. This initial design effort will address such issues as themes for each area, phasing of construction, port security, safety considerations for pedestrians, material requirements, right-of-way issues, and public/private partnerships.

In FY06, \$60,000 transferred to 375-04, Wayfinding Signs (#26) and \$8,000 to 375-11 Seawalk Interpretive Signs (#36)

FY05	184,000	2,112,500	2,112,000	4,224,500	1,687,186	2,537,314	40%
FY06	(68,000)						
FY07	1,996,500						

33 Port Security Improvements

Project Description:

This project will match a \$94,000 port security grant available from the U.S. Coast Guard to design and construct required security improvements to the public cruise ship docks in the downtown area. The security improvements are necessary to comply with the vehicle and passenger requirements set out in the new port security regulations in 33CFR Parts 101, 104 and 105. Homeland Security approval for expenditure plan was approved in December 2004

FY05	56,000	153,000	225,265	378,265	183,094	195,171	48%
FY05	(3,000)						
FY07	100,000						

34 SS Wharf/Cold Storage Dock Improvements

Project Description:

This project will replace Wharf structural subdecking and decking between the parking garage and the adjacent approach to the south of the garage as well as construct concrete and asphalt sidewalk repairs along the Wharf. ADA modifications will be made to the Wharf as part of this project.

FY04	69,348	69,348	750,000	819,348	799,753	19,595	98%
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35 Downtown Parking Garage Major Maintenance

Project Description:

This project provides funding for needed repairs to the downtown parking garage, including restriping, resealing the concrete deck, and cleaning. Additional repairs will include replacing sprinkler heads, resurfacing structural items and installation of port security signs in the parking garage.

FY05	3,000	3,000	590,000	593,000	560,984	32,016	95%
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Marine Passenger Fee Project Status Report as of February 2007

Updated as of 2.6.2007

36 Seawalk Interpretive Signs

Project Description:

FY06 transfer from 354-91, Waterfront Seawalk (#32) This project will fund the design, manufacturing and installation of interpretive signs regarding the history of steamships and seaplanes along Juneau's waterfront. Matching funding has been obtained from the State of Alaska Department of Natural Resources.

37 Archipelago Property Sidewalk Widening

Project Description:

FY06 Transfer in from 374-70, Open Space Waterfront Land Acquisition (#3) This project will widen sidewalk in an approximately 300' long stretch of South Franklin Street, in front of the Archipelago Properties LLC parcel.

38 Statter Harbor Tourism Staging Area EIS

Project Description:

This money will be used to permit and design a tourism loading facility at inner Auke Bay in accordance with the Auke Bay master plan and in conjunction with a new recreational boat launch facility.

Total Capital Projects

	Original MPF Funding Amount	Total MPF	Other Funding Sources	Total Project Budget	Expenditures and Encumbrances to Date	Funds Not Yet Expended or Encumbered	Percent Expended
FY06	8,000	8,000	9,900	17,900	20,683	(2,783)	116%
FY06	100,000	200,000	-	200,000	58,100	141,900	29%
FY07	100,000						
FY07	250,000	250,000	-	250,000	-	250,000	0%
Total Capital Projects		13,259,011	24,628,556	37,887,567	27,487,020	10,400,547	73%

Marine Passenger Fee Revenue and Expenditure History/Projections

As of March 2007

	FY00	FY01	FY02	FY03	Actual FY04	Actual FY05	Actual FY06	Projected FY07	Revised FY08
Revenues									
Fees	\$ 1,017,650	3,366,280	3,393,475	3,638,816	4,052,005	4,495,120	4,599,530	4,738,900	4,928,600
Unexpended amounts from FY04 returned to MPF						52,350			
Unexpended amounts from FY05 returned to MPF - see Waterfront Land Acquisition									
Unexpended amounts from FY06 returned to MPF						50,800			
Expenditures									
Interdepartmental Charges (for staff time to generate billings)								4,000	4,000
Debt Service									
Steamship Wharf/Marine Park Bond Debt Service Obligation					322,200	375,800	300,000		
Operations									
1 General Support	977,400	761,300	872,800	942,000	1,100,000	1,428,000	1,080,400	1,102,000	
2 Local Emergency Planning Committee	10,000	10,000	35,000	10,000	10,000	10,000			
3 Shoreside Power		300,000	300,000	300,000	300,000	300,000	300,000	300,000	
4 Tourism Impact Management (includes Tourism Division)	129,400	137,700	198,300	68,000	68,000				
5 Tourism Public Information				5,000	5,000				
6 Tourism Plan Implementation				25,000	25,000				
7 Best Management Practices Support	135,000	100,000		9,000	12,000	12,000	12,000	12,000	
8 Baker Study	100,000	100,000							
9 Tourism Long Range Plan									
10 Flightseeing Mediation	65,000								
11 Park Ranger	25,000	25,000	25,000	25,000	25,000	25,000			
12 Events Planner	25,000	25,000	50,200	58,367	71,000	75,800	104,400	104,400	
13 Crossing Guards				14,000	28,000	28,000	60,000	60,000	
14 Downtown Foot/Bike Patrol				33,000	60,000	60,000	65,000	65,000	
15 Downtown Restroom Maintenance		5,000	15,000		48,000				
16 Downtown Parking Improvements									
17 City Museum		80,000	80,000	62,000	60,000				
18 Transit 1/2 hour bus service	60,000	165,000	205,000	205,000	275,000	131,000	138,000	138,000	
19 Safety Video				15,000					
20 Collaboration Juneau					50,000	30,000	30,000		
21 JCVB	97,000	97,000	97,000	97,000	100,000	100,000	100,000	100,000	
22 Downtown Sidewalk Cleaning						70,000	67,000	77,200	
23 Air Medevacs						64,000	65,000	26,700	
24 Tourism Community Opinion Survey							18,500		
25 Civil Air Patrol Capstone Project							3,200		
26 Non-Profit Air Medevac Support (Airlift Northwest)							50,000	50,000	
28 Downtown Ambassador Program								56,400	
29 Downtown Circulator Bus feasibility study								75,000	
Total Operations	1,623,800	1,806,000	1,878,300	1,888,367	2,207,000	2,333,800	2,093,500	2,166,700	

Capital Projects									
1	Capital Transit Transportation Facility	150,000	-	-	-	-	30,000	-	-
2	Marine Park Traffic Circle Design & Construction + Admiral Way Roundabout	787,150	-	(136,474)	-	-	-	-	-
3	Waterfront Open Space Land Acquisition	250,000	250,000	446,221	750,789	1,292,800	-	-	-
4	JCVB Visitor Center/ FY02-Construct JCVB Visitor Center	50,000	183,000	(57,000)	-	-	-	-	-
5	Auke Bay Commercial Loading Facility, Statter Electrical Upgrade & Other Improvements	100,000	411,500	-	300,000	500,000	-	-	-
6	Gold Creek Entrance Enhancement	150,000	-	(30,000)	-	-	-	-	-
7	Upgrade National Guard Dock	300,000	-	-	-	-	-	-	-
8	Intermediate Vessel Float Electrical Upgrade	103,495	-	-	-	-	-	-	-
9	Downtown Tourism Transportation Impact Study	6,505	-	-	-	-	-	-	-
10	North Douglas Launch Ramp/Access Improvements	220,000	-	25,000	-	-	-	-	-
11	Trail Improvements	50,000	-	-	-	-	-	-	-
12	Smith/Butts Parking Improvements	50,000	-	-	-	-	-	-	-
13	Areawide Trail Maintenance	200,000	98,500	-	25,000	-	-	-	-
14	Commercial Trails Planning	35,000	65,000	-	-	-	-	-	-
15	Reconstruct Downtown Sidewalks/Stairways/Streets	12,850	-	-	-	-	-	-	-
16	Refinish Downtown Street Lights	150,000	90,000	50,000	-	(1,069)	-	-	-
17	Douglas Harbor Uplands & Moorage	-	350,000	-	-	-	-	-	-
18	Statter Harbor Parking & Pedestrian	-	20,000	-	-	-	-	-	-
19	Ferry Dock Wharf/Widening/Office - Information Center	-	188,000	-	-	-	-	-	-
20	Historic Signage	-	35,000	-	-	-	-	-	-
21	Marine Park/Front Street Restrooms	-	-	57,997	-	-	-	-	-
22	Steamship Wharf/Marine Park	-	375,000	178,477	79,452	1,069	-	-	-
23	Heliport Plan & Flightseeing Noise Abatement & Implementation (infrastructure and quiet technology)	-	-	510,000	300,000	-	-	-	220,000
24	Waterfront Planning	-	125,000	25,000	-	-	-	-	-
25	Airport Security Screening Expansion	-	150,000	-	-	-	-	-	-
26	Wayfinding Signage Plan	-	-	75,000	45,000	182,000	-	-	-
27	ADA Passenger Boarding System	-	-	100,000	-	-	-	-	-
28	People's Wharf/Visitor Center Sidewalk Improvements	-	-	95,000	(69,348)	-	-	-	-
29	Gunakadeet Restrooms	-	-	230,000	254,800	-	-	-	-
30	Lighting Dock Improvements	-	-	100,000	-	60,000	-	-	-
31	S. Franklin St. Widening/Loading Zone	-	-	30,000	20,548	100,000	-	-	-
32	Waterfront Seawalk	-	-	-	184,000	(68,000)	-	-	1,916,900
33	Port Security Improvements	-	-	-	53,000	-	-	-	-
34	Steamship Wharf/Cold Storage Dock Improvements	-	-	-	69,348	-	-	-	-
35	Downtown Parking Garage Major Maintenance	-	-	-	3,000	-	-	-	-
36	Seawalk Interpretive Signs	-	-	-	-	8,000	-	-	-
37	Archipelago Property Sidewalk Widening	-	-	-	-	100,000	-	-	-
38	Statter Harbor Tourism Staging Area EIS	-	-	-	-	-	250,000	-	-
39	Downtown Cruise Ship Berth Enhancement (technical & feasibility analyses)	-	-	-	-	-	-	-	125,000
39	Cruise Ship Lug Moorage Rehabilitation	-	-	-	-	-	-	-	500,000
Total Capital Projects		2,615,000	1,691,000	1,719,221	2,020,589	2,014,800	2,506,500	2,761,900	-
Total Expenditures		4,238,800	3,497,000	3,929,788	4,603,389	4,648,600	4,604,000	4,932,600	-
Revenues greater than (less than) expenditures		\$ 1,017,650	(872,520)	54,616	(55,919)	1,730	130,900	(8,000)	-
Available funds		145,130	41,605	218,438	162,519	164,249	295,149	287,149	-

Rod Swope

From: chipt@alaska.net
Sent: Wednesday, March 21, 2007 7:35 PM
To: Angela Hull; 'Don Etheridge'; Drew Green; 'Greg Fisk'; 'Robin Paul'; Rod Swope; 'Sandy Warner'
Cc: dhaberger@rccl.com; 'Lorene Palmer'; Kirby Day; tom@wardair.com
Subject: RE: Scheduling Passenger Fee meeting

TO: Marine Passenger Fee members. I reviewed the 2007 list of operations and capital projects, and I agree with the proposed expenditures for this year, as a general supporter of cruise passenger fees. I also read the complete list of expenditures made since FY01 and it is quite impressive. The voters of Juneau were correct to approve this fee 7 years ago and the CBJ has exercised good stewardship over the fund and the selection of projects. Thank you, Chip Thoma

From: Angela Hull [mailto:Angela_Hull@ci.juneau.ak.us]
Sent: Tuesday, March 20, 2007 8:12 AM
To: Don Etheridge; Drew Green; Greg Fisk; Robin Paul; Rod Swope; Sandy Warner
Cc: dhaberger@rccl.com; Lorene Palmer; Kirby Day; chipt@alaska.net; tom@wardair.com
Subject: FW: Scheduling Passenger Fee meeting

Here are the materials for the meeting on Thursday, 3/22 at noon in Room 224.

From: Angela Hull
Sent: Tuesday, March 13, 2007 11:50 AM
To: Don Etheridge; Drew Green; Greg Fisk; Robin Paul; Rod Swope; Sandy Warner
Cc: Merrill Sanford; 'Tom@WardAir.com'; Bonnie Chaney
Subject: Scheduling Passenger Fee meeting

I am in the process of scheduling this meeting for Thursday, March 22 at noon in room 224 at City Hall. I have attached the Manager's recommendation memo. There will be more material coming to you prior to the meeting.

I have also attached the updated membership list.

Please let me know if you are unable to attend.

Angela Hull, Executive Assistant
Office of the Mayor and Manager
City and Borough of Juneau
155 S. Seward Street
Juneau, Alaska 99801
(907) 586-5240



NORTH WEST
CRUISESHIP
ASSOCIATION

100 - 1111 W. Hastings Street
Vancouver, BC V6E 2J3
Main: 604-681-9515
Fax: 604-681-4364
Email: nwca@nwcruiseship.com
Website: www.nwcruiseship.org

March 21, 2007

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

Dear Rod,

Subject: FY07 Cruise Passenger Fee Proceeds

Thank you for providing a copy of your memo dated March 7, 2007 on the proposed allocation of the proceeds for the coming year. As always we appreciate having the opportunity to review and comment on the proposal.

I am pleased to offer the following comments.

1. First, we would note the importance of vigilance in reference to federal laws (as summarized in 33 USC sec. 5.b) and the need to be mindful that projects funded from of proceeds from passenger fees must clearly provide services or facilities to those that pay the fee. While some of listed projects do meet the criterion, others (for example, the proposed study of a downtown circular bus, reconstruction of the floats in Aurora harbor, aircraft re-engining) do not appear to meet the test.
2. In a similar vein, the allocation of 20% (\$1,102,000) for city overhead is based on a flawed analysis of cost allocation. It is incorrect to imply, in the paragraph under "General Support", that the North West Cruiseship Association conducted an audit and incorrect to imply that the NWCA concluded that the formula "provided a fair and accurate assessment of costs." It would be correct to state that CB Juneau conducted a study in 2003 and NWCA commented on it. A copy of our comments submitted in February 2004 is attached.
3. With respect to the applications for funding for aircraft re-engining we believe that it is very important for CB Juneau to develop more rigorous criteria for assessment taking into account the amount of noise abatement for the funds spent,

NWCA Member Lines:

Carnival Cruise Lines • Celebrity Cruises • Crystal Cruises • Holland America Cruises • Norwegian Cruise Line
Princess Cruises • Radisson Seven Seas Cruises • Royal Caribbean International

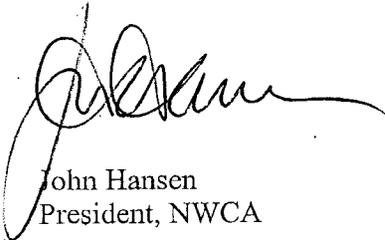
Exhibit EC
Page 17 of 37

and specifically linked to cruise operations. This should be completed in order to provide better transparency in the process before any further funding is provided. On first glance, it does not appear to us that the \$500,000 proposal included in the list would meet the test.

4. The memo proposes \$500,000 towards rehabilitation of "A" Float in Aurora Harbor. While we understand the attractiveness of leveraging government grants in partnering on projects, the link to cruise operations appears to be a stretch. Furthermore, this is not a project requested by the cruise lines nor AMAK Towing.
5. We are concerned about the proposed study of a circular bus route. There are already such services in place. We believe that a study is neither necessary nor appropriate.
6. Finally, \$125,000 is proposed towards evaluation of proposals for the downtown cruise ship berth enhancement. This is a worthwhile effort and we fully support it. What is not clear is what exactly this would cover in the broader context of the full evaluation/concept design/pre-engineering. We recognize that this phase of a major project is expensive, and \$125,000 may cover only a small portion of this phase, and would not object to increasing the amount allocated for this.

Again, thank you for the opportunity to comment. We look forward to continuing discussion with you on this matter.

Sincerely,



John Hansen
President, NWCA

cc Mayor Botelho
Members of the Assembly



NORTH WEST
CRUISE SHIP
ASSOCIATION

100 - 1111 W. Hastings Street
Vancouver, BC V6E 2J3
Main: 604-681-9515
Fax: 604-681-4364
Email: nwca@nwcruisehip.com

February 26th, 2004

Mr. Rod Swope
City Manager
City and Borough of Juneau
155 Seward Street
Juneau, Alaska 99801

Dear Rod,

Thank you for providing a copy of the "Full Cost Allocation Plan" with regard to the Marine Passenger Fee Allocation.

We have reviewed the document and while this report contains a large amount of detail that could be dissected and discussed, we are wish to offer the following preliminary general comments regarding the allocations.

1. The first is that while the Plan attempts to allocate costs to the cruise operations, there is no effort to factor in the revenues to the City and Borough resulting from the cruise industry. (i.e. sales taxes from cruise passenger spending; property taxes from the business that cater to cruise ships, passengers and crew; sales taxes on dockage, water, tonnage and lightering fees).
2. Secondly we submit that the costs of some services (e.g. policing, street cleaning) in the downtown core are already being paid for through the tax revenues noted above. Thus applying the cruise ship head tax revenue is in fact double payment for the required service.
3. Thirdly we believe the cost allocation for some services (e.g. the library) is flawed because it does not establish a direct relationship between the cruise guest visiting the library and the marginal costs they incur. In the case of the library, the methodology appears to be to estimate the number of cruise guests visiting as a percentage of the total and then allocate the resulting estimated percentage to the total cost. A more correct methodology would be to estimate the cost of the services provided, and then estimate the marginal cost incurred because of the usage by cruise passengers. In the case of the library, the proper question, phrased differently, would be: "how much would CBJ save if cruise guests were not permitted

NWCA Member Lines:

Carnival Cruise Lines • Celebrity Cruises • Crystal Cruises • Holland America Line-Westours • Norwegian Cruise Lines • Princess Cruises • Radisson Seven Seas Cruises • Royal Caribbean International • World Explorer Cruises

Exhibit EC

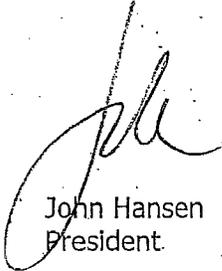
Page 19 of 37

in the library?" In fact we believe that it would be a good discipline to apply this type of question to all categories of spending.

These preliminary comments, of course, address only the methodology and some of the policy assumptions underlying the proposed cost allocation plan as it relates to the expenditure of passenger fee proceeds on "general support." As you are aware, there are also legal issues that will need to be discussed in light of the recent federal legislation concerning state and local taxation of vessels and vessel passengers -- issues that relate to the use of passenger fee proceeds both for "general support" as well as a number of other proposed FY05 uses that are listed in your November 7, 2003 memorandum to the Passenger Fee Proceeds Committee.

In summary, we appreciate having the opportunity to review the allocation plan. This has helped us understand the methodology and provide feedback. We look forward to discussing this with you further.

Sincerely,



John Hansen
President



DOWNTOWN BUSINESS ASSOCIATION

P.O. Box 20849 Juneau, Alaska 99802-0849

March 2nd, 2007

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

MAR 02 2007

CBJ Manager's Office

Dear Mr. Swope:

RE: Head Tax Funding

After much discussion and deliberation the Downtown Business Association hereby submits our requests for Funding:

Downtown Ambassador program: Downtown merchants have heard a lot of complaints and concerns amongst customers and employees that there has been an increase in suspicious behavior, theft and threats to individuals downtown. Funding for this program will support two security officers that will patrol the downtown area on foot from May through September. These security officers will assist visitors with information, directions and in generally patrol the downtown area for loitering, panhandling, and public intoxication. In the event of public safety issues and infractions of the law, the security officers will refer these issues to JPD. This program will be provided through a private contract administered by the Downtown Business Association \$56,350.

Downtown Circulator Bus program: Funding for this program will be used to evaluate the feasibility of a downtown circulator bus program to provide transportation from various downtown locations, including each of the cruise ship dock locations, to the downtown area. This program will be evaluated in conjunction with the review of our area wide transit program that will be conducted this spring. With the location of a new downtown parking and transit facility at the corner of Main Street and Egan drive, it's timely to examine the feasibility of incorporating a downtown circulator bus system that will serve summer visitors throughout the downtown area as well as local residents. Through funding Downtown Business Association would retain a transit consultant to look at the layout of downtown, the seasonal demographics, and whether or not a downtown circulator system is feasible to fund and maintain. This project would be administered by the Downtown Business Association. \$75,000.

We appreciate all your assistance and patience.

Very Truly yours,

Ann B. House President
Downtown Business Association

Exhibit EC
Page 21 of 37



DOWNTOWN BUSINESS ASSOCIATION

P.O. Box 20849 Juneau, Alaska 99802-0849

February 22, 2007

FEB 22 2007

CBJ Manager's Office

John Kern
Dept. of Public Works
Capital Transit
City and Borough of Juneau
155 South Seward St.
Juneau, AK 99801

Dear Mr. Kern:

The Downtown Business Association would like to thank you for your work in improving transportation in Juneau. We would also like to express our support for a shuttle bus in the downtown area. A regular and frequent shuttle service would help with the traffic congestion and parking problems that we face. A shuttle service that transported people from the cruise ship docks to the center of town would give a great boost to our efforts to keep Juneau's historic district thriving and vital.

Sincerely,

Ann B. House, Board President
Downtown Business Association

cc Rod Swope



February 7, 2007

Attention: CBJ Marine Passenger Fee Proceeds Committee
Cc: Rod Swope, City Manager

Tourism Best Management Practices (TBMP), begun in 1997, continues to operate as a grassroots awareness program involving 73 companies and over 1,500 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 operations in order to minimize impacts in the community in a pro-active manner.

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 our impacts. As well, 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. Our new website has been updated recently. (www.TBMP.info)

TBMP participants are very proud of our efforts over the years, and look forward to beginning the eleventh season of Tourism Best Management Practices. The program received national recognition in 2004, and has now created interest from Ketchikan, Anchorage, Sitka, and Victoria, B.C. We believe our approach is working!

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.

Sincerely,

S. Kirby Day, III
Director of Shore Operations / Princess Cruises and Tours
(Representing those participating in Tourism Best Management Practices)

Exhibit EC
Page 23 of 37



January 12, 2007

To: CBJ Passenger Fee Proceeds Committee
Fm: Kirby Day, Director of Shore Operations
Princess Cruises and Tours

cc: Rod Swope, CBJ City Manager

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 \$1.4 million in shore power electricity since the project was completed.

In February of 2003, when AEL&P had to run diesel generators for an extended period of time, totaling in excess of \$250,000 in fuel costs, the above "Princess COPA fund" paid for fuel surcharges. This resulted in no increase in utility rates to residents or businesses in Juneau. Princess shore power dollars do come back to the community to benefit every resident who pays for electricity.

In 2001, while the Assembly did not sign an actual "contract" to continue to fund the program, there was what I believe to be a "handshake agreement" to help fund the project going forward, but Princess was asked to identify the CBJ as a partner in the project. We have continued to do this. 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 six years. This year would represent the seventh year of this support for the project. The request for \$300,000 calculates to approximately 6% of the total passenger fees anticipated to be collected (\$4.8 million) and 20% of the \$1.5 million that Princess will pay in passenger fees in 2007.

Princess Cruises appreciates your willingness to consider continuing support of this program.

Thank you again.



6987 Perimeter Rd S., Suite 110
Seattle, WA 98108

Administration
206-521-1599
FAX 206-521-1865
www.airlftnw.org

Patient Financial Services
866-245-4373 (Toll Free)
206-521-1616 (Seattle)
FAX 206-521-1612

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

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

Airlift Northwest is a 501(c)(3)
nonprofit organization.

January 11, 2007

Dear Mr. Swope,

As the Director of Clinical Operations I would like to request a portion of the Marine Passenger Fee Proceeds on behalf of Airlift Northwest.

Airlift Northwest, is a non-profit air ambulance transport service that has been serving the Pacific Northwest for 25 years, transporting over 55,000 patients. We have had a permanent base in Juneau since 1994 to provide improved service to the SE communities.

During the cruise ship season 25-35% of our transports, from Juneau, are cruise ship passengers or crew for medical services unavailable at Bartlett Regional Hospital. For 2006, 40% of the cruise ship passengers we transported were due to cardiac (heart) problems. As stated previously we have added additional staff to facilitate availability of the aircraft during the busier season.

Three of our nurses are instructors in Advanced Cardiac Life Support (ACLS) which is a course that prepares healthcare providers for the emergency care of cardiac patients. The manikin and simulator we would like to purchase allows us the capability of extensive training in knowledge and skills. This manikin would be used to train employees at Airlift Northwest, Bartlett Regional Hospital and Capital City Fire and Rescue to improve care for cruise ship passengers.

I would like to petition for \$58,177.00 which would assist Airlift Northwest in their continued commitment to providing safe, efficient air ambulance transport service to the cruise ship passengers and education to the medical community to improve cardiac care for the cruise ship passengers.

\$16,578.00 for unrecoverable billing costs from 2005
\$33,422.00 for partial cost of additional staff for four months
\$6142.00 for ACLS MegaCode Kelly manikin
\$2035.00 for VitalSim arrhythmia trainer

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

Cordially,

Shelly Deering
Director, AK Clinical Operations
907-723-0168
shelly.deering@airlftnw.org

JAN 16 2007
CBJ Manager's Office
JAN 16 2007
CBJ Manager's Office

Rod Swope

From: Eric Mohrmann
Sent: Friday, December 08, 2006 4:44 PM
To: Rod Swope
Subject: RE: Marine Passenger Fees

We have reviewed our information and found that in this past year 54% of the med-evacs have most probably been cruise ship related. \$42,000.00 was billed and \$15,276.00 or 36.37% of the billable amount was recovered.

Private med-evac services activities have markedly reduced the number of med-evacs flown by CCF/R. From a norm of 70+ flights we only provided 35 flights in the past year.

The cost of the program has further been reduced in that we have suspended standbys for the winter months.

The new estimated costs are:

Standbys 8 months @ \$5,400 / month:	\$43,200.00
Flight Pay \$200/medic X 2 medics X 45 flights:	\$18,000.00
Flight O.T. pay 2 medics X 4 hours/flt X 45 flts X \$32/hr:	\$11,520.00
Materials/supplies	<u>\$ 2,000.00</u>
Total (est)	\$74,720.00

Thank you,

Eric Mohrmann

From: Rod Swope
Sent: Thursday, December 07, 2006 11:47 AM
To: Eric Mohrmann
Subject: Marine Passenger Fees

I'm compiling my FY08 list of recommendations for use of marine passenger fees. Last year, based on information that you provided to me, I set aside \$65,000 for CCFR medivac support. As you may recall, this was to offset unrecoverable costs to the air medevac program in response to medical events involving cruise ship passengers or crew.

In 2005, according to the info you provided, 42% of all medevacs were in response to cruise ship related incidents. We only recovered 35% of our costs from patient billings. I need to know if these statistics have changed or remain the same so I can determine an appropriate amount of money to set aside for this year.
 Thanks



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MegaCode Kelly

The advanced life support skills manikin for quality education

MegaCode Kelly is a realistic manikin for training in a wide range of advanced life saving skills in pre-hospital emergencies.



Product benefits:

- Educationally effective for training in advanced life support targeting key skills of pre-hospital care providers
- Pre-programmed scenarios provide standardized training while customizable scenarios and real time instructor control allows adaptation to meet individual student's needs
- Durable, rugged and lifelike; made to withstand years of use
- Highly flexible and mobile for use in field, transport, and in-hospital training
- Flexible manikin platform with multiple modules accommodates a wide range of training including CPR, ACLS, NBC, trauma, bleeding control, and first aid training

Product features:

- New improved airway allows for insertion of standard airway devices with the addition of the LMA and Combitube
- 1400+ cardiac rhythms with synchronized pulses allows students to interpret and intervene using defibrillation, pacing, and drug administration
- Use of clinical monitors, defibrillators, and external pacers for practice of live interventions
- Instructor-controlled blood pressure arm allows for realistic palpation and auscultation. Systolic and diastolic pressures, auscultatory gap, and volume are variable
- Allows student assessment of heart, breath and bowel sounds
- Pupillary assessment of normal, constricted and dilated pupils
- Intravenous drug administration via IV bolus or drip using the multivenous pediatric IV arm
- Chest tube insertion can be practiced at the left mid-axillary site, at the 4th and 5th intercostal spaces.
- VitalSim allows for increased functionality including creating, editing and running of scenarios.
- Optional accessories such as Nuclear, Biological and Chemical (NBC), trauma, and bleeding control modules add realism to the training scenarios

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Advanced Life Support

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(discontinued)

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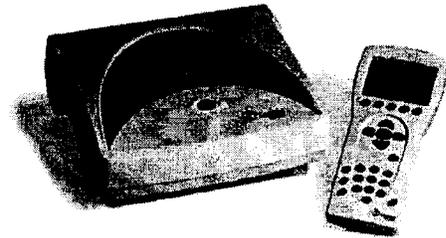
Home > Our Product Solutions > Advanced Life Support > ALS Manikins > VitalSim™

Product Info | **Product Resources**

VitalSim™

Vital signs for manikins and skills trainers

The VitalSim Vital Signs Simulator is the heart of Laerdal's VitalSim product line. When connected to VitalSim-enabled manikins and skills trainers, VitalSim simulates ECGs, heart sounds, fetal heart sounds, breath sounds, bowel sounds, blood pressure and pulses. VitalSim also allows instructors to run pre-programmed scenarios as well as write their own custom scenarios to meet their specific learning objectives. Data logging and download functions provide valuable information for use in performance assessment and debriefing.



Product benefits:

- VitalSim simulates a comprehensive array of core vital signs for effective scenario-based training and skills training
- VitalSim is logistically flexible and cost effective working with a wide range of patient manikins for training in-hospital and pre-hospital care providers
- Educationally effective for training in the care and treatment of adult male, adult female, pediatric, and infant patients
- Preprogrammed and programmable scenarios provide standardized training and ease of use
- Customizable scenarios and real time instructor control allows training to be adapted to meet students needs
- Easily and conveniently connects with all VitalSim-capable manikins and skills trainers
- Simple user interface and wireless handheld controller allow instructors to remain engaged with students for enhanced training
- Data logging and download capabilities for effective assessment and debriefing

Product features:

- Cardiac capabilities include 1400+ ECG rhythm variations
- Pacing with or without capture
- Defibrillation
- Auscultation of normal and abnormal sounds a. Heart b. Breath c. Bowel Sounds d. Fetal Tones
- Blood pressure can be set to allow for realistic palpation and auscultation. Systolic and diastolic pressures, auscultatory gap and volume are variable
- VitalSim enables palpation of carotid, brachial and radial pulses with pulse strength that varies with blood pressure
- Instructors can play pre-recorded patient voice sounds or transmit their own voice through the manikin
- Works with adult male and female, pediatric and infant manikins and a variety of task trainers
- VitalSim allows for creating, editing and running preprogrammed and instructor written scenarios
- Downloadable student data logs

Links

[VitalSim Software Updates](#)

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Your Order

Quantity	Item No.	Product	Per Pkg.	Price	Item Total
1	AA-2300X	 USA only MegaCode Kelly Manikin, VitalSim Compatible	1	\$6,142.00	\$6,142.00
1	AA-2310	 USA only VitalSim	1	\$2,035.00	\$2,035.00
				Subtotal:	\$8,177.00

If you are going to ship this order outside of the US, any USA Only items will automatically be removed from your order. Orders are processed Monday through Friday from 8:00 to 4:30 Central time. To remove an item from your order, simply change the quantity of that item to 0 (zero). You may also increase the quantity of an item by changing the number in the quantity box to the number that you need. If you do change any quantities, please don't forget to push the "Update Order" button to save your changes.

*Note: Armstrong Medical does require a \$100 minimum purchase.

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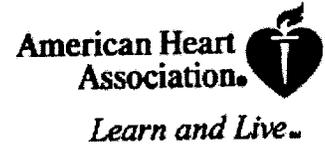
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ACLS Provider Course

Course Description

The American Heart Association's Advanced Cardiovascular Life Support course is totally redesigned for healthcare providers who either direct or participate in the resuscitation of a patient, whether in or out of hospital. Through the ACLS course, providers will enhance their skills in the treatment of the adult victim of a cardiac arrest or other cardiopulmonary emergencies. ACLS emphasizes the importance of basic life support CPR to patient survival; the integration of effective basic life support with advanced cardiovascular life support interventions; and the importance of effective team interaction and communication during resuscitation.

ACLS is based on simulated clinical scenarios that encourage active, hands-on participation through learning stations where students will practice essential skills individually, as part of a team, and as team leader. Realistic simulations reinforce the following key concepts: proficiency in basic life support care; recognizing and initiating early management of peri-arrest conditions; managing cardiac arrest; identifying and treating ischemic chest pain and acute coronary syndromes; recognizing other life-threatening clinical situations (such as stroke) and providing initial care; ACLS algorithms; and effective resuscitation team dynamics.

Course Length: 13 ½ hours approx., including breaks

Intended Audience

The course is designed for medical providers such as physicians, nurses, emergency medical technicians, paramedics, respiratory therapists, and other professionals who may respond to a cardiovascular emergency.

Student Materials:

- ACLS Provider Manual
- ACLS Student CD
- ACLS Precourse Checklist
- ACLS Pocket Reference Cards

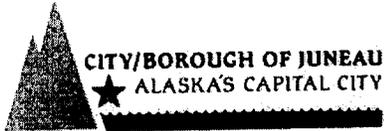
Instructor Materials:

- ACLS Instructor Manual
- ACLS Instructor CD
- ACLS Course Video (DVD or VHS) (includes renewal course)
- ACLS 9-Pack Poster Set

Card Type: Course completion

Written/Skills Exam: Required for completion card

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Port of Juneau

To: Rod Swope
CC:
From: John M. Stone, Port Director 
Date: January 5, 2007
Re: Marine Passenger Fee Projects

The Docks and Harbors Board took up your request to provide recommendations for use of marine passenger fees at their January 4, 2007 meeting and developed the following recommendations for your consideration:

1. Cruise Ship Tug Moorage Rehabilitation - \$500,000

Southeast Stevedoring berths a 105' tug in Juneau to assist with cruise ship maneuvering in the port. We berth the tug on "A" float in Aurora Harbor. This float was not designed to handle a 400 ton ship. Over the years, the tug has destroyed the outer end of "A" float. This money would be used to assist with the reconstruction of "A" float in Aurora Harbor. The Board will apply this money as match towards the new state harbors grant program to help with the estimated \$1.5 million rebuild of "A" float.

2. Auke Bay Passenger For Hire Facility - \$750,000

A significant portion of our cruise ship visitors take on water tours when in Juneau. Nearly all of these tours take place with local operators out of Statter Harbor. Over time, this activity has grown well beyond the capacity of the Statter Harbor facility. Last year, the Board adopted a master plan for the redevelopment of inner Auke Bay. This plan includes a dedicated facility for tour operators. This money will be used as a partial installment for the construction of this dedicated facility. The plan also calls for construction of a new twin-lane launch ramp, the refurbishment of the Statter Harbor float system, the removal of the DeHart's marina float system, and the installation of new floats at the refurbished Statter Harbor Float system. The Board is pursuing additional funding from the State of Alaska and the federal government, along with harbor revenue bonds to develop adequate funding for commencing construction of this comprehensive expansion of Auke Bay's marine infrastructure.

Mr. Rod Swope, City Manager
January 5, 2007
Page 2 of 2

3. Downtown Cruise Ship Berth Enhancement - \$1,000,000

The Board has developed berth enhancements alternatives ranging from \$13.5 to \$45 million and will be presenting these to the Assembly shortly. The Assembly is likely to approve funding for one or more of the alternatives in the next year. This funding would provide a down payment to get the project rolling.

Please call me at 586-0294 if you have questions.



8991 Yandukin Drive
Juneau International Airport
Juneau, Alaska 99801

August 11, 2006

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

Dear Mr. Swope:

This is to request your support for a CBJ loan of \$500,000 to RED Leasing, LLC under the same terms contained in the Business Loan Agreement dated May 25, 2004 with Wings Airways. RED Leasing would use half the funds to turbinize a piston Otter operated by Ward Air and the other half to either turbinize another piston Otter to be acquired to replace the Turbine Otter recently damaged at Slate Creek Cove or to replace the turbine engine of that damaged Turbine Otter.

I have enclosed a copy of my September 22, 2003 letter to then-Mayor Smith outlining why we believe this is an equitable and reasonable action for the CBJ to take in light of its previous loans totaling \$1,000,000 to Wings Airways.

We plan to pursue our request further with the Assembly. But first we would like to work with you and your staff to respond to any concerns or suggestions you might have regarding our long-standing request.

We would very much like to meet with you and your staff at your earliest convenience to discuss our request further. Please contact either me or Ward Air's CFO Tom Williams at 789-0890 once you have determined an acceptable time to meet or if you would like us to provide you with any additional information.

Thank you very much for your consideration.

Sincerely,

Edward K. Kiesel
President, Ward Air, Inc. and
Member, RED Leasing, LLC

Enclosure

Phone: (907) 789-9150 • Fax: (907) 789-7002

Exhibit EC
Page 34 of 37



8991 Yandukin Drive
Juneau International Airport
Juneau, Alaska 99801

September 22, 2003

The Honorable Sally Smith
City & Borough of Juneau
155 South Seward
Juneau, Alaska 99801

Dear Mayor Smith:

With the City and Borough of Juneau (CBJ) Assembly's passage of Ordinance 2003-19(L) at its August 25, 2003 meeting, Ward Air, Inc., on behalf of RED Leasing, LLC, requests the Assembly take three additional actions. They are:

1. Provide another \$250,000 this fall for aircraft noise reduction;
2. Direct the Manager to offer RED Leasing, LLC, the company from which Ward Air leases its Otters, a 2% annual percentage rate loan of up to \$250,000 under the same terms offered to Wings Airways to be effective concurrent with the currently proposed Wings loan(s); and
3. Direct the Manager to offer RED Leasing, LLC, another loan next fall under the same terms offered to Wings for any loan next year.

RED Leasing, LLC would use this year's loan to partially finance the conversion already accomplished for the turbine Otter, N93356, operated by Ward Air. In addition, they would use a loan next year to convert their other piston Otter to a turbine Otter.

Conceptual Support

We applaud and support the Assembly's desire to take action to encourage the reduction of aircraft noise in the Borough. However, for a variety of reasons we also believe since the Assembly has provided a loan package to Wings, is appropriate to also offer it to the other operator of Otters. The five principal reasons are:

- A. The proposed subsidy is substantial;
- B. By offering the same loan package to all Otter operators, the CBJ will avoid any potential of being in conflict with its Federal Airport Grant Assurance not to economically discriminate;
- C. A loan to RED Leasing is as an appropriate use of cruise ship passenger head tax monies as is a loan to Wings;

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Exhibit EC
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- D. It will encourage the reduction of noise of aircraft transiting the downtown area as well as reduce aircraft noise throughout the borough; and
- E. It will minimize the potential adverse economic impact of the current loan on Wing's competitors.

Substantial Subsidy

Our analysis of the loan package indicates that the annual interest rate subsidy would be about \$9,426 each year resulting in a \$94,260 subsidy for the term of each loan. Applied to the two currently proposed loans, the total subsidy would be \$18,852 a year or \$188,520 for the life of the loans.

Our discussion with commercial lenders revealed that the lowest fixed rate, if they were even willing to make such a loan, would not be less than 8%. Furthermore, the commercial lenders with whom we spoke would not enter into an agreement that would subordinate their interest to the aircraft lien holder. Only one of the lenders that we spoke with would even consider a 10 year term, and then only to a very strong customer. As a result we believe \$188,520 is a very conservative estimate of the subsidy for two aircraft conversions.

If Wings Airways and/or Wings of Alaska were to convert a total of five Otters under this program, the total subsidy would be at least \$471,300. Since the last version of the proposed agreement would guarantee Wings Airways a 2% rate for all future agreements, if interest rates were to increase over the next two years, the subsidy would be even more.

Avoidance of Economic Discrimination

By providing RED Leasing with a comparable loan, we believe the CBJ will not be economically discriminating between two air carriers that daily operate from the CBJ Airport, and thereby avoid putting our federal airport dollars at risk. I have attached a copy of the federal airport grant assurance #22 that requires economic non-discrimination.

We were pleased that the Assembly broadened the authorization language to allow any operator who operates from the downtown harbor to qualify for the loans. However, as Steve Gilbertson pointed out in his August 5th memo to the Assembly, it is highly unlikely that given the current objections to the level of aircraft noise in the downtown harbor area that the CBJ Planning Commission would allow another operator to initiate additional operations. As a result the approval of Ordinance 2003-19(L) is effectively limited to the current downtown operators, Wings Airways and Wings of Alaska.

Appropriate Use of Cruise Ship Passenger Fees

Ward Air currently flies cruise ship tourists allowing cruise ship passenger tax money to be made available to Ward Air. To help pay for RED Leasing's substantial investment in quite aircraft technology, Ward Air will necessarily be pursuing more cruise ship passenger business.

Provides Quite Technology throughout the Borough

Ward Air does not routinely operate out of the downtown harbor. However, we do routinely transit that area. As you correctly observed at a recent Committee of the Whole meeting, the objection to aircraft noise has not been limited strictly to the downtown harbor area. Accordingly, the Assembly shouldn't forget about the rest of Juneau or those times when Ward Air does operate from the harbor.

Minimize the Economic Impact on Competitors

This past year RED Leasing and Ward Air, smaller companies than Wings Airways or Wings of Alaska, decided to invest in a turbine engine for an Otter aircraft for a variety of reasons. Subsequently the Assembly has provided Wings a significant subsidy to do the same thing that RED Leasing and Ward Air initiated on their own. While we admire the Assembly's motive to reduce aircraft noise, choosing to do so with a subsidy has some collateral effects. Specifically, it provides one company with an economic operating advantage over all other Otter operators. This advantage is further exacerbated by the fact that use of the subsidized Wings' aircraft is not limited to the Juneau downtown harbor area. While we don't believe the Assembly intended to provide one aircraft charter company an economic advantage over all other local charter companies, that is the practical result.

Ward Air currently operates two Otters. Wings Airways and Wings of Alaska operate five Otters. If the Assembly were to participate in the conversion of all Otters to turbine engines, RED Leasing and Ward Air and would still not be on even footing with Wings. However, there would certainly be less adverse impact on Ward Air than if the Assembly chose not make comparable loans available for both of the Otters we operate.

For these reasons we request the Assembly take the three requested actions.

Sincerely,

- COPY -

Edward K. Kiesel
President
Ward Air, Inc.

Enclosure

cc: CBJ Assembly Members
Rod Swope, CBJ Manager
John Hartle, CBJ Attorney
Steve Gilbertson, Lands/Resource Manager