

NORTH WEST
CRUISESHIP
ASSOCIATION

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September 18, 2007

Mayor Bruce Bothelo
& Juneau Assembly Members
155 Seward Street
Juneau, AK 99801

Dear Mayor Bothelo and Assembly Members:

On behalf of our member lines the North West CruiseShip Association would like to respond to the Committee Of The Whole meeting on issues pertaining to the improvement plans to the Alaska Steamship Dock (AS) and Cruise Ship Terminal (CT) as reported in the Juneau Empire on September 11, 2007. We feel that Juneau Port Director John Stone has ascribed certain levels of agreement and involvement with design concepts and costs to industry that we believe are inaccurate. This letter clarifies our current position on this project.

We disagree with the concept that the city's Harbor Department "has been working with the regional cruise ship industry association". Although a select group of industry members and city officials did meet on July 18, 2007 to discuss port expansion projects, you will remember issues pertaining to both the AS/CT and the Gold Creek dock projects were explored. During this meeting industry did discuss their preference for developing the Gold Creek project prior to the AS/CT project, for among other reasons, the feeling that a Gold Creek project may actually have the ability to reduce downtown congestion, while not adversely affecting downtown business.

However, the city pointed out that community acceptance to a lead project in the Gold Creek basin as problematic and this necessitated the AS/CT project as the first position development. We ended this meeting with commitments from both the city and the cruise industry to work closely together on the currently proposed concept. As subsequent meetings have not taken place and as outstanding issues still exist, it's a far stretch of fact for Mr. Stone to say the cruise industry has been working with the city on these plans.

The Juneau Empire implies that the cruise industry has accepted the "expensive project" and its associated cost increases. Just as the COW heard the proposed fee increases for the AS/CT project for the first time at their meeting on September 10, 2007, so did the industry. Industry does not yet agree to the cost increases as proposed by Mr. Stone.

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NWCA Member Lines:

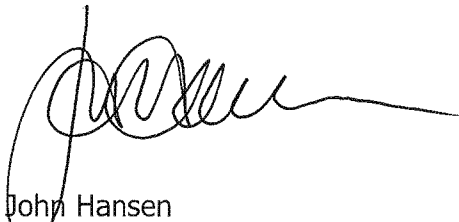
Carnival Cruise Lines • Celebrity Cruises • Crystal Cruises • Holland America Cruises • Norwegian Cruise Line
Princess Cruises • Radisson Seven Seas Cruises • Royal Caribbean International

Industry does agree that if Juneau wants to maintain their current position as a marquee cruise port in SE Alaska, improved dock access must be in the planning.

Also, as in our meeting of July 18 we still maintain our willingness to work with the City on the numerous issues surrounding the development of the proposed improvement project. To again name a few of industry's concerns: we are apprehensive about the feasibility of a project of this magnitude being completed within one winter's season; impeded access to the Franklin Dock (the Harbor Department has shared nothing with industry in regards to pilot recommendations); possible displacement of a key cruise line vendor (Wings of Alaska) and, safe, adequate space for motor coach and passenger staging for tours at the Marine Park Plaza given a larger ship at the AS Dock. Ships at this dock are currently in the 1,800 passenger range and the new plan anticipates 2,900 passenger ships utilizing the facility with no increase in uplands whatsoever. A ship like this typically needs 18-25 vehicle spaces, far more than the 12 that are currently available. Going down this road will certainly cause increased community discontent with both pedestrian and vehicular traffic in the heart of downtown.

NWCA stands ready to work cooperatively with the CBJ in working out a project design and funding mechanism that is mutually acceptable to both the community and the cruise industry. As is the July 18 meeting we commit to involvement in the planning of these projects.

Sincerely,



John Hansen
President

Cc: Rod Swope