

MEMORANDUM

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DATE: January 15, 2015
TO: Assembly Finance Committee
FROM: Kimberly Kiefer
City and Borough Manager
SUBJECT: **DRAFT** FY16 Passenger Fee Proceeds Recommendations

Based on our latest projection of 970,000 passengers expected to visit this summer, the amount of revenue available in FY16 is anticipated to be \$4,800,000. \$50,000 will be retained in the MPF Fund Balance for a total fund balance of \$170,000.

These are my draft recommendations divided between operations, operating grants, and capital projects.

OPERATIONS

Identified Government Operations \$1,400,000

Project Description

On May 10, 2000, the Assembly Finance Committee approved a formula that reflects cruise ship passenger impacts on specific government services and is used to determine an amount of Marine Passenger Fee (MPF) proceeds to be used in support of identified government operations. In 2003, a full cost analysis, reviewed by the North West Cruise Ship Association and evaluated by Elgee, Rehfield and Mertz, LLC, determined this formula provided a fair and accurate assessment of costs. The formula has not been adjusted since its initial creation.

Downtown Foot/Bike Patrol \$171,200

Project Description

This provides additional foot and bike patrol presence by Juneau Police Department (JPD) officers in the downtown area during the summer. JPD's 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. This funding will provide for a total of 4 officers assigned to the downtown for the majority of the summer. Two School Resource Officers will be reassigned to the downtown during the summer school break. In addition retired police officers will be hired as seasonal employees, to patrol the downtown area

Exhibit GG
Page 1 of 6

during the summer. As noted in past years requests the funding was able to be reduced because of grant funded positions, that funding is not available at this time hence the increased funding request.

Bartlett Regional Hospital Support \$86,000

Project Description

This funding is to cover additional hospital staff hired during the summer. BRH hires a dedicated part time case manager in the summer to service the logistical and financial needs of cruise ship passengers, in addition they have increased overtime in the emergency department, and they contract with a passenger liaison to interface with the cruise ship industry and to expedite cruise ship passenger patient care.

Downtown Restroom Maintenance \$75,000

Project Description

This provides contractual services (labor and materials) required to clean the public restrooms in City Hall, Steamship Plaza, and the Downtown Transportation Center, seven days a week, six times per day, for five months during the summer.

Downtown Sidewalk Cleaning \$109,500

Project Description

Due to heavy summer use by visitors, the downtown sidewalks require extra cleaning and litter/garbage removal to keep them clean and safe. This funding provides for two summer seasonal employees to operate and maintain the sidewalk sweepers and empty downtown garbage containers.

Seasonal BLS/Firefighter Program \$225,900

Project Description

This funding pays for four seasonal EMTs from May 1 to September 30. Last summer staff responded to 386 calls and transported 267 patients. This funds four seasonal EMT's and the safety equipment, uniforms, fuel costs, the replacement of consumable medical supplies, and training for the seasonal employees.

Docks and Facilities Operations \$154,100

Project Description

The Docks and Harbors Board has requested funding to offset the costs and impacts of providing area wide services and support to cruise ship passengers. The Board reviewed its budget and apportioned expenses associated with those services and estimated that approximately 9% of the annual docks budget will be attributed to providing area wide service to cruise ship passengers.

Port-Customs Building Maintenance \$133,500

Project Description

The Port-Customs building will be occupied by the Department of Homeland Security-Customs Border Protection year-round and Docks and Harbors staff from April through October. Funding for this project also includes support for the new Visitors Center, which will be managed by the Juneau Convention and Visitors Bureau. Docks and Harbors is responsible for the year-round maintenance and operation of the facility, which includes all utilities, alarm monitoring, winter snow removal, janitorial, maintenance of the parking lot, and general maintenance of the facility.

Transit Bus Service \$300,000

Project Description

Visitors heavily use local bus service during the summer; it provides a safe, clean, and cost effective way for visitors to view the glacier and other areas of Juneau. The additional revenue from summer visitors helps offset the cost of the service; however, Capital Transit is a heavily subsidized service. Total revenues cover only 13% of the operational costs.

Downtown Pay Phones \$12,700

Project Description

To meet telephonic communications demands from cruise ship passengers and cruise ship crew, the City and Borough of Juneau (CBJ) continues to maintain pay telephones in the downtown corridor.

OPERATING GRANTS

Tourism Best Management Practices Support – Juneau Convention and Visitors Bureau \$15,000

Project Description

This provides funding for printing, public notices, advertisements, and a contractual amount for Juneau Convention and Visitors Bureau (JCVB) staff to provide support to the Tourism Best Management Practices (TBMP) effort. TBMP is a voluntary industry-managed program, designed to provide services to vessel passengers and address impacts, including safety issues, of tourism on local residents. The JCVB administers the program with the funding provided by Marine Passenger Fee proceeds.

Crossing Guards Administered by Juneau Convention and Visitors Bureau \$160,000

Project Description

The purpose of this program 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 will fund crossing guards during the summer visitor season and during peak traffic times. The crossing guards will staff the Cruise Ship Terminal, People's Wharf, Marine Park Plaza, and at Taku Smokeries. 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.

Juneau Convention and Visitors Bureau Visitor Information Program \$140,000

Project Description

The JCVB provides summer visitors with information, directions, and assistance. Program expenses include administrative support for training and supervision of 130 volunteers, managing the cruise ship terminal visitor center and Marine Park kiosk, two paid seasonal visitor information positions, and printed materials.

Accessible Training and Trip Coordination, Southeast Alaska Independent Living(SAIL) \$24,000

Project Description

SAIL will provide training to employees and volunteers in the cruise industry, addressing the safety and participation of people with disabilities. In addition, they will provide information on accessibility, deliver appropriate equipment, assist with dockside transfers, and coordinate with local operators to provide safe and accessible experiences. This funding is to complete the program for this year.

Downtown Security Program - Downtown Business Association \$57,000

Project Description

Funding for this program supports two uniformed security officers that patrol the downtown area on foot from May through September. These security officers assist visitors with information, directions, and 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 refer these issues to JPD to handle. This program is provided through a private contract administered by the Downtown Business Association.

Restroom Cleaning and Maintenance – AJ Juneau Dock, LLC (does not include landscaping) \$26,000

Project Description

This provides funding for restroom cleaning and maintenance supplies for cruise ship passenger public restrooms located at the AJ Dock.

Juneau Port Security and Short-Range Response Boat – AJ Juneau Dock, LLC \$19,600

Project Description

The Department of Homeland Security awarded the AJ Dock with a port security and short range response boat that conducts port security patrols, at-sea deliveries to cruise ships in port (some items can not go across the docks for security reasons). It is designed to accommodate medevacs,

spill response, salvage operations, and on-scene support for emergency or law enforcement issues when ships are at anchor or at sea. This request is solely to cover the manning, maintenance, and operational expenses related to this vessel.

Port Security Guard, Security Training and Exercises – AJ Juneau Dock, LLC \$93,800

Project Description

This request will fund annual security cost requirements and enhancements to achieve compliance with the US Coast Guard required/approved facility security plan as well as facility safety, spill response, incident management, drills and exercises.

Dock Barge Maintenance- AJ Juneau Dock, LLC 300,000

Project Description

This project funds the completion of AJ dock floating barge maintenance for one of two barges at the facility. This project encompasses standard under hull work, zinc replacements, blasting and painting, towing, remove/replace piling collars, disconnecting/connecting electrical and plumbing and installation of temporary navigational beacons (required by US Coast Guard).

Restroom Cleaning and Maintenance – Franklin Dock Enterprises, LLC \$25,000

Project Description

This provides funding for restroom cleaning and maintenance supplies for cruise ship passenger public restrooms located at the Franklin Dock.

Security Training – Franklin Dock Enterprises, LLC \$85,000

Project Description

This will provide training for security personnel to ensure compliance with the required Coast Guard security plan and for security costs during the season, and build security personnel enclosures to achieve compliance with U.S. Coast Guard required/approved security plans.

Protective Winch Covers- Franklin Dock Enterprises, LLC \$3,500

Project Description

This provides funding for canvas covers for the line handling, electric winches funded with MPF in 2013-14. The covers will prolong the life of these mechanical devices by protecting from wear and rust caused by salt spray and damp climate conditions.

Dock Maintenance and Refurbishment- Franklin Dock Enterprises, LLC \$30,000

Project Description

This provides funding for new brackets and cables to reattach the Yokohama fenders along the dock in order to provide adequate and safe docking buffers along the wooden breasting dolphins. Replacement of 12' x 12' wooden bull rails along dock where they have been damaged.

Replacement and Installation of New Gangway – Goldbelt, Inc \$230,000

Project Description

This provides funding for the purchase and installation of a new gangway and reinstallation of potable water lines, pump out lines, electrical service and cleaning, and spray galvanizing of float hinge plate.

Guest Staging Area- Goldbelt, Inc. \$8,000

Project Description

This provides funding to purchase a 20 x 20 frame tent with windows, baseplates for dock mounting, and 3-sidewalls to be used as a guest staging area.

CAPITAL PROJECTS

Lightering Float Ramp Canvas Cover Replacement \$10,000- special request

Project Description

This project would replace the canvas cover on the gangway to the lightering float that was damaged beyond repair in November 2014. I request this be funded from MPF fund balance so the work can be completed prior to the FY15 season.

Marine Park Bus Parking Lot Brick Repair \$30,000

Project Description

The Marine Park bus parking lot is demonstrating undulations in the brick surfaces suggesting the substrate is being undermined. The funds will be used to contract with an experienced mason to repair the areas needing attention.

Waterfront Seawalk \$885,200

Project Description

This project will provide funding to continue the design, examination of right-of-way issues, pedestrian access and safety, and construction of seawalk in accordance with the Waterfront Development Plan. Funding for construction of additional seawalk was a recommendation of the Planning Commission and has been a priority of the Assembly.