

December 22, 2015

Kimberly A. Kiefer
City Manager
City and Borough of Juneau
155 S. Seward St.
Juneau, AK 99801

Dear Ms. Kiefer,

We have previously communicated our concern to you, and testified to the Assembly, our viewpoint that utilizing passenger fees for the bridge park project is not consistent with federal law. We understand the Assembly has concurred with your recommendation to award the bid for Phase 1 to McG Constructors, Inc. in the amount of \$2,550,185.00. While the supporting documentation did not identify a funding source, it is our understanding that the CBJ is proceeding with the intention to fund Phase 1, and future Phases, with passenger fees. Given the Assembly's action at the December 21, 2015 meeting, I felt it was important to reiterate our concern prior to the actual contract award.

I respectfully suggest you identify an alternative and more appropriate funding source prior to finalizing the contract, and obligate the CBJ to fund the bid amount of \$2.55 million. If the project is truly a high priority for the community, sales taxes – including those generated from cruise passengers – could be a potential funding source that would not conflict with state or federal law.

Sincerely,

John Binkley President CLIA Alaska