

MEMORANDUM

CITY/BOROUGH OF JUNEAU

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DATE: 2/7/2017

FROM: Duncan Rorie Watt
City and Borough Manager

SUBJECT: **DRAFT** FY18 Passenger Fee Proceeds Recommendations

Based on our latest projection of 1,060,000 passengers expected to visit this summer, the amount of revenue available in FY18 is anticipated to be \$5,200,000. Following the approach taken in prior years, in the draft allocation I show a total of about \$5.8M of funding. The final list will be pared back to the amount available after consideration of public comments received.

Below are the descriptions of operating, grant or capital funding allocations that I am recommending for funding.

Attached to this memo is a spreadsheet that shows all of the funding requests submitted, the draft funding allocations recommendations, and prior fiscal year allocations. Also included in the spreadsheet are titles of requests that are not recommended for funding.

CBJ Code requires that the draft allocations be made available for public comment for 30 days beginning January 15th. This memo is regrettably late, we will accept public comment for a week beyond the required time, closing public comment on March 15th.

OPERATIONS

Identified Government Operations

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 was evaluated by Elgee, Rehfield and Mertz, LLC, and it was determined this formula provided a fair and accurate assessment of costs. The formula has not been adjusted since its initial creation.

JPD - Downtown Foot/Bike Patrol

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.

Parks & Rec - Downtown Restroom Maintenance

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

Public Works - Downtown Road Cleaning and Maintenance

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 keep the sidewalks clean, empty downtown garbage containers and perform other services as needed on a daily basis to maintain the downtown core area in a presentable manner for our visitors.

CCFR - Seasonal BLS/Firefighter Program

This funding pays for six seasonal EMTs from April 17 to September 30. Last summer staff responded to 489 calls and transported 340 patients. This funds the seasonal EMT's and the safety equipment, uniforms, fuel costs, consumable medical supplies, and training for the seasonal employees.

Port of Juneau - Port Operations

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.

Customs Building Maintenance

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.

Weather/Current Monitoring System Operations and Maintenance

This funding would provide annual operations and maintenance for valuable real time weather and water current information to mariners that access the downtown Juneau waterfront including the four cruise ship berths (private and public), and the Taku Dock (serving Taku Fisheries). The system provides wind and current monitoring sensors at various locations to offer real time information for navigation purposes. The system disseminates via a phone app, internet, or other public media commonly available to mariners in the immediate area.

Capital Transit – Seasonal Support

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

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.

Tug Assist

During design and permitting of the southern berth of the 16B Cruise Ship Dock project, concerns were raised that under some weather conditions that there would be a need for tug boat assistance for some ships docking at the Franklin Dock. This funding would be used on an as needed basis – need during the summer of 2016 was limited to several stand by events.

Wireless Internet – Marine Park Pavillion – Juneau Public Libraries

This funding will allow the Library to place a wireless access point in the Marine Park Pavillion. We believe that if we can more readily meet the connectivity needs of passengers and crew before they get to the library, we can mitigate the congestion challenge in the library caused by approximately 150 active Internet connections that we can see during any given day during the summer.

GRANTS

Downtown Security Program - Downtown Business Association

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.

Tourism Best Management Practices Support – Juneau Convention and Visitors Bureau

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.

Travel Juneau - Crossing Guards

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 Travel Juneau.

Visitor Information Program

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.

Franklin Dock Enterprises, LLC - Dock Security

Security exercises and training for all personnel with security related duties and security related expenses, along with security personnel enclosures/equipment to achieve compliance with US Coast Guard required/approved security plan.

Restroom Cleaning and Maintenance

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

Dock and Shore Power Maintenance - Franklin Dock Enterprises, LLC

Continuing project – pressure wash and patch/paint and smooth all slip/trip hazards on dock surface and re-fill with composite to avoid future cracking, breaking, and formation of divots. Repaint surface and apply slip-resistant grout to provide safe and slip-proof pedestrian access. Re-galvanize safety and security barriers. Repair/replace indoor/outdoor carpet on passenger walkway to address same pedestrian/access/safety concerns. Conduct maintenance on shore power gantry and crane system to ensure continued and uninterrupted capability to connect to shore power.

AJ Juneau Dock, LLC - Restroom Cleaning and Landscaping Maintenance

In keeping with city requests at similar facilities, the AJ Dock requests assistance with the cleaning costs of the AJ dock restrooms which are open for public as well as uplands upkeep of park infrastructure including garbage, lighting, benches, fences, street sweeping, landscaping upkeep, etc. This year's project request includes interpretive signage, new benches (replacing 15-year-old wood benches), landscape maintenance and a new bear proof trash can.

Juneau Port Security and Short-Range Response Boat

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

This project includes training, equipment, supplies, maintenance, signage, credentials, exercises and operations related to the safety and security of the cruise ship facility. 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.

Discovery Southeast – Smartphone Way-finding Apps

Discovery Southeast proposes to develop smartphone applications orienting visitors to the two trail systems used most by cruise ship passengers. These apps will make the trail systems more accessible to cruise ship passengers by showing the trails clearly and explaining their attributes, and will improve safety by displaying established trails and the visitor's precise location. 50% funding is proposed, if Discovery Southeast can obtain matching funding.

CAPITAL PROJECTS

Port of Juneau - Visitor Information Kiosk Replacement – Design

The visitor information kiosk serves cruise ship passengers needing information about Juneau. It is located in a strategic location near one of the two city owned docks that support the cruise industry. The current kiosk has exceeded its design life. The facility does not meet ADA standards, has inadequate heating, and does not provide adequate shelter for patrons. This request would provide funding for planning, design, and cost estimate for a new kiosk facility. Once costs are known it is anticipated a future funding request would be made for construction.

Cruise Ship Uplands Staging Area \$100,000

This project would be located in the downtown area near the cruise ship dock, an area that serves over one million cruise ship passengers each year. The project entails identifying and procurement of available downtown lands necessary to accommodate additional staging areas required to accommodate the larger post-Panamax sized cruise ships and greater passenger counts.

Downtown Restrooms South of the Library/Parking Garage

This funding would begin the design phase of the project. This project has been brought forward at the request of the Assembly to address the lack of adequate restroom facilities in the downtown waterfront area.

CBJ Engineering - Downtown Street Improvements

This funding will provide for street reconstruction of Phase II of the Downtown Street Improvement project. This phase includes Front Street, North Franklin Street from Front Street to Second Street, and a portion of First Street.

Waterfront Seawalk

This funding would provide additional funding for on-going seawalk planning, permitting, design, easement or land acquisition and construction. As of the writing of this memo, the next seawalk project has not yet been designated.

Real Time Wastewater Monitoring

This funding would provide partial funding to begin a project to scope out improvements required to perform real time wastewater monitoring at the Franklin Dock. Detailed knowledge of the strength and volume of flows being sent to the wastewater treatment plant would allow CBJ staff to maximize the number of ships using the discharge system. This summer, it is anticipated that multiple ships will not desire to concurrently use the wastewater system. As the desirability of the use of the wastewater system could rapidly change, partial funding is recommended for this year.

DRAFT

Marine Passenger Fee Funding Allocation - FY 2018

<u>Requesting Organization</u>	<u>FY17 Approved</u>	<u>FY18 Requested</u>	<u>FY18 Draft</u>	<u>Brief Description</u>
<u>OPERATIONS</u>				
CBJ - Identified Government Operations	1,400,000	1,400,000	1,400,000	Identified Government Operations
Juneau Police Department	189,700	269,639	189,700	Increased Downtown Foot/Bike patrol
Parks & Recreation	85,500	72,000	72,000	Increased Restroom Maintenance
Public Works Street Maintenance	109,500	108,900	108,900	Increased Road Cleaning & Maintenance
CCFR	232,400	322,500	232,400	Seasonal BLS/Firefighter
Port of Juneau	154,100	154,100	154,100	Port Operations - Docks and Facilities
	133,500	133,500	133,500	Port-Customs and Visitor Center Buildings Maintenance
Capital Transit	97,500	20,920	20,920	Weather/Current Monitoring System Operations & Maintenance
City Manager	300,000	300,000	300,000	Seasonal Transit Support
	12,700	10,000	10,000	Downtown Pay Phones
CBJ Library	70,000	20,000	20,000	Tug Assist
		13,500	13,500	Wireless Internet - Marine Park Pavilion
			\$2,655,020	
<u>GRANTS</u>				
Downtown Business Association	57,000	60,000	60,000	Downtown Ambassador Security Program
TBMP	15,000	15,000	15,000	Program Support
Travel Juneau	180,000	232,000	200,000	Crossing Guard Program
	160,000	140,600	140,600	Visitor Services Program
Franklin Dock	85,000	85,000	85,000	Dock Security
	25,000	25,000	25,000	Restroom Cleaning & Maintenance
	29,000	20,000	25,000	Shorepower/Dock Maintenance
		17,665	0	Capstan Replacement
		500	0	Capstan Cover
		5,000	0	Wastewater Discharge System Upgrade
		50,000	0	Replace and Upgrade Camera System
AJ Dock	93,800	124,800	85,000	Security and Safety: Training, Equipment/Maintenance, Supplies and Exercise:
	26,000	34,000	30,000	Restroom Cleaning and Landscaping Maintenance/Enhancement
	19,600	19,600	19,600	Port Security and Short-Range Response Boat Operations
		126,000	0	Specific Facility Security Improvements
		68,500	0	Safety Barrier Fence Replacement
		715,000	0	Shuttle Covered Area
		300,000	0	Terminal Project
Discovery Southeast	39,100	39,100	19,600	Mt Robert's Area App (Wayfinding) - 50% Funding if they can find match
	19,500	19,500	9,750	Mendenhall Glacier Area App (Wayfinding) - 50% Funding if they can find matc
			\$714,550	
				Subtotal Operations:
				Subtotal Grants:

Capital Projects

Port of Juneau	25,000	25,000	25,000	Visitor Informatin Kiosk Replacement - Design
	1,000,000	1,000,000	100,000	Cruise Ship Uplands Staging Area
	500,000	500,000	75,000	Downtown Restrooms - Partial Funding to Locate/Design
CBJ Engineering	900,000	1,000,000	1,000,000	Downtown Street Improvements
	237,200	1,200,000	1,200,000	Waterfront Seawalk (Various Phases, Possible Land/Easement Acquisitions)
Franklin/AJ/CBJ Port & WW Util		200,000	50,000	Real Time Wastewater Monitoring - Potentially Allows more aggregate dischar
				Notes:
		Subtotal Projects:	\$2,450,000	

Draft FY 18 Funding (Ops + Grants + Projects): \$5,819,570

No Funding Proposed

Alaska Ocean Center	470,000	0	0	Sea Walk Corridor Easement
	650,000	0	0	Bus Staging/Circulator Area
Alaska Survival Products	95,000	0	0	Information Specialists
BRH	47,000	0	0	Offset Financial Impact of Cruise Ship Patient Load/Coordinating Services
CCFR	15,000	0	0	Rescue Team Support
City Manager	250,000	0	0	Pilot Circulator for a Season
Goldbelt	238,113	0	0	Seadrome Marina
Juneau Raptor Center	60,000	0	0	Eagle Mew & Access Upgrades (at top of the Mt. Roberts Tram)
Parks & Recreation	33,900	0	0	Landscape Maintenance
Port	45,000	0	0	Landscape Maintenance Services
Taku Conservation Foundation		0	0	Mount Roberts Observation Deck
			Subtotal No Funding:	Includes partially funded items/requestors above
			\$3,696,630	