


MEMORANDUM

CITY/BOROUGH OF JUNEAU
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DATE: March 4, 2013
TO: Assembly Finance Committee
FROM: Kimberly Kiefer 
City and Borough Manager
SUBJECT: FY14 Passenger Fee Proceeds Recommendations

Based on our latest projection of 975,000 passengers expected to visit this summer, the amount of revenue available in FY14 is anticipated to be \$4,800,000. Attached is the only comment received during the public comment period. I am recommending that the proceeds be divided between operations and capital projects as follows:

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 NorthWest CruiseShip 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.

Capital City Fire/Rescue (CCFR) Air Medevac Support

\$25,000

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. This past year, there were 27 medical transports by helicopter in response to situations involving cruise ship passengers or crew. On average, CCFR only recovers 36% of the total costs from patient billings.

Bartlett Regional Hospital Support

\$54,460

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, 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.

Non-Profit Air Medevac Support

\$50,000

Project Description

Airlift Northwest, a non-profit ambulance transport service, was founded in 1983 to provide air ambulance service to Southeast Alaska. According to Airlift Northwest, the requested amount is to offset unrecoverable costs related to transport of cruise ship passengers and crew from Juneau this past year.

Tourism Best Management Practices Support

\$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 funding provided by Marine Passenger Fee proceeds.

Crossing Guards

\$128,000

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 part-time seasonal crossing guards during the summer visitor season. 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.

Downtown Foot/Bike Patrol

\$87,000

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. These officers are regular police officers that volunteer for this duty during their off-duty hours and retired police officers, as

seasonal employees, to patrol the downtown area during the summer. Downtown patrol is currently supplemented with additional, time limited, grant funded positions. This allows the requested funding to be reduced. When the grant funds end the cost for this service will increase.

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 new Downtown Transportation Center, seven days a week, six times per day, for five months during the summer.

Restroom Cleaning and Maintenance – AJ Juneau Dock, LLC (does not include landscaping) **\$15,000**

Project Description

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

Restroom Cleaning and Maintenance – Franklin Dock Enterprises, LLC **\$15,000**

Project Description

This provides funding for restroom cleaning and maintenance supplies for cruise ship passenger public restrooms located at the Franklin 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), 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 **\$26,000**

Project Description

This is a request to fund a number of port security related expenses and projects. The training and exercise funding will benefit all regulated Juneau cruise ship passenger facilities. The AJ dock has been host to two large maritime security exercises. The AJ dock and other local facilities participate in annual security training. The annual request is usually \$44,000, however this year it has been reduced due to revisions in the annual requirements, thus reducing costs.

Downtown Cleaning

\$95,000

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 employees to operate and maintain the sidewalk sweepers and empty downtown garbage containers.

Transit Public Bus Service

\$300,000

Project Description

Visitors heavily use local bus service during the summer, making it necessary to increase services in order to accommodate locals adequately in addition to summer visitors. The bus system provides a safe, efficient, and cost-effective way for visitors to visit other areas of Juneau beyond downtown. Our transit system is heavily subsidized.

Juneau Convention and Visitors Bureau (JCVB)

\$142,000

Project Description

The JCVB provides summer visitors with information, directions, and assistance. Program expenses include administrative support for training and supervision of 120 volunteers, managing the cruise ship terminal kiosk, and Centennial Hall information centers, a paid seasonal visitor information position, and printed materials.

Accessible Training and Trip Coordination (SAIL)

\$48,000

Project Description

SAIL will provide training addressing the safety and participation of people with disabilities. In addition they will provide information on accessibility, deliver appropriate equipment, and coordinate with local operators to provide safe and accessible experiences.

Seasonal EMS Transport Program

\$166,100

Project Description

CBJ provides ambulance transport service for cruise ship patients that need to be transported from cruise ships and/or Bartlett Hospital to the airport for medevac to Anchorage or Seattle. The demand for patient transport service increases considerably during the summer due to cruise ship patients and does create situations, on a regular basis, in which we do not have available staff to provide transport service when requested. Two years ago, the cruise ship industry reported delays of 15 minutes to an hour and a half being encountered approximately 33% of the time during the summer. This causes delays for the medevac flight crews, resulting in costs and complications with regard to personnel, aircraft, weather, scheduling, etc. This program was implemented two years ago and has proven to be very effective in resolving this problem. This funding pays for four temporary seasonal EMTs to work 12-hour shifts during the summer (May through September) to cover transports, other EMS calls as needed, and to participate in fire suppression

as an ancillary duty. It also pays for the replacement of consumable medical supplies used on board the ambulance and fuel costs directly related to cruise industry medical transports.

Downtown Ambassador Program

\$56,300

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.

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 areawide 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 will be 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.

CAPITAL PROJECTS

Waterfront Seawalk

\$983,140

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 was one of the top FY11 priorities of the Assembly.

Real Time Monitoring and Communications System

\$75,000

Project Description

This project would provide wind and current monitoring sensors at the various dock locations allowing for real time information for navigation purposes. The system would be broadcast over radio, internet, or other public media to be available to all cruise ships navigating in the immediate area.

Dock Entrance Atrium – AJ Juneau Dock, LLC

\$145,000*

Project Description

This project would provide funding for the design and partial construction of a permanent covered area for cruise ship passengers, providing a focal gateway to the facility where passengers and workers would be sheltered from inclement weather. The covered area would have a historical mining theme and an outdoor warming fireplace and provide a specific location to meet traveling companions or groups as well as receive local and tour information. Currently, this area is covered by an inadequate canvas tent that is due for replacement this year. The concept is to create an aesthetic park-type atmosphere outside the restricted dock area for interpretive and historical information with features that complement the AJ/Juneau mining heritage and Juneau's natural beauty. This area will remain open for community use year-round. * **\$170,190 was funded last year, requesting an additional \$145,000 this year to complete the project**

Security Lighting – Franklin Dock Enterprises, LLC

\$15,000

Project Description

Provide funding to install security lighting on the approach dock awning (covered area) to provide a continuous fully-lit section of passenger/pedestrian walkway along the secure and restricted area.

Dock, Piling, Electrical and Water Upgrades – Goldbelt, Inc.

\$217,000

Project Description

Provide funding to apply zinc, paint and cathodic protection to the dock and pilings. Install a new piling for gangway support and upgrade the potable water system and marine electrical system.

Security Training – Franklin Dock Enterprises, LLC

\$75,000

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, as well as construction of a new booth for security personnel.

Security Camera Expansion – AJ Juneau Dock, LLC **\$30,000**

Project Description

This would provide funding to purchase additional cameras to cover the entire dock. Grant funding received only provided partial funding.

Electrical Winches- Franklin Dock Enterprises, LLC **\$96,100**

Project Description

This would provide funding to purchase and install five electrical winches on mooring bollards which currently do have a mechanical means of lifting ships mooring lines out of the water. The mooring lines are becoming increasingly larger and more difficult to manage by traditional manual means. This project would enhance ship and local labor safety.

Electrical Winches- AJ Juneau Dock, LLC **\$58,000**

Project Description

This would provide funding to purchase and install three electrical winches on mooring bollards which currently do have a mechanical means of lifting ships mooring lines out of the water. The mooring lines are becoming increasingly larger and more difficult to manage by traditional manual means. This project would enhance ship and local labor safety.

Electrical Winches- Cruiseship Terminal **\$60,000**

Project Description

This would provide funding to purchase and install three electrical winches on mooring dolphins which currently do have a mechanical means of lifting ships mooring lines out of the water. The mooring lines are becoming increasingly larger and more difficult to manage by traditional manual means. This project would enhance ship and local labor safety.

Downtown Pay Phones **\$12,700**

Project Description

To meet telephonic communications demands from cruise ship passengers and cruise ship crew, CBJ has established a requirement to maintain pay telephones in the downtown corridor. Docks and Harbors and CBJ Administration maintain the existing downtown pay phones.

Tour Information Booth- Franklin Dock Enterprises, LLC

\$28,000

Project Description

Construction of a new tour information booth for excursion personnel to utilize to answer passenger questions and work with local tour operators out of the rain and weather on a daily basis. (much like what was approved/constructed for AJ Dock with Marine Passenger Fee funds in 2011)