



DOCKS & HARBORS BOARD DOCKS FEE REVIEW COMMITTEE MEETING

Thursday, November 10th, 2016 at 5:00pm
City Hall Conference Room 224

- I. Call to Order** (5:00pm in City Hall Conference Room 224)
- II. Roll Call** (Tom Donek, Weston Eiler, David Seng, David Summers, and John Bush)
- III. Approval of Agenda**
- IV. Approval of October 20th, 2016 Docks Fee Review Committee Minutes**
- V. Public Participation on Non-Agenda Items** (not to exceed five minutes per person, or twenty minutes total time)
- VI. Unfinished Business-** None
- VII. New Business**
 1. Vessel Lightering Fee (05 CBJAC 15.060)

Committee Questions

Public Discussion

Committee Discussion/Action

MOTION: TO BE DEVELOPED AT THE MEETING
- VIII. Future Business**
 1. Waste Water Off-Load Fee (no regulation currently exist)
 2. Water Fee Small Cruise Ships (no regulation currently exist)
 3. Port Dues (85.02.105)
- IX. Next Docks Fee Review Meeting** - To be determined
- X. Adjournment**



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- I. **Call to Order** Mr. Eiler called the Docks Fee Review Committee meeting to order at 6:03pm in the CBJ Assembly Chambers.
- II. **Roll Call** The following members were present: Tom Donek, David Seng, and Weston Eiler.

Also present: Carl Uchytel – Port Director; and Dave Borg - Harbormaster
- III. **Approval of Agenda**
MOTION By MR. SENG: TO APPROVE THE AGENDA AS PRESENTED AND ASKED UNANIMOUS CONSENT.

Motion passed with no objection.
- IV. **Approval of March 24th, 2016 Docks Fee Review Committee Minutes.**
Hearing no objection, the March 24th, 2016 minutes were approved as amended.
- V. **Public Participation on Non-Agenda Items - None**
- VI. **Unfinished Business**
 1. Loading permit fees (05 CBJAC 15.080)
Mr. Uchytel said last spring we had a discussion on the Loading Zone Permit fees but the OPS/Planning committee was unable to agree on a fair and reasonable rate. These fees are for the A & B loading zones downtown. The A zone is for coaches that hold greater than 18 people, and the B zone is for vehicles that hold 18 or fewer. The fee is \$300 per company plus \$7.00 per seat for all vehicles that enter the lot. The question is if the \$300 company fee is fair and reasonable, or just have a seat fee high enough to cover our expenses? For a small operator it would make sense to just want a seat fee, but the larger operators like it how it is. Over the summer, the Harbormasters crew kept a very detailed account of how much time was spent in the parking lots. On page seven in your packet shows the staff break down for Harbor Officer, Harbor Technician, administration time, and also the cost for loading zone decals. The expenses generated were about \$81,000 in direct cost. This doesn't address the infrastructure costs, or the costs associated with landscaping. The monies collected have been predictable since 2012 with this last year being \$74,000. The reason for bringing this forward now is because last year when discussing different fee structure possibilities, the changes need to be out by January so the industry can adjust their rates because it affects their budget for the year. Mr. Uchytel said Mr. Quayle is going to petition the class C (Pedi-cabs) should have a smaller company fee or seat fee because they can't transport very many people at one time. He is also petitioning JPD to reduce the \$1500 fee they charge per



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company to operate. Mr. Uchytel said he did speak with Bill Hagevig with Holland of America Princess coaches. He was unable to attend tonight, but he has asked for Docks & Harbors to consider installing charging stations for electric busses. This could be another aspect to this fee structure.

Committee Questions - None

Public Discussion –

Dennis Harris, Juneau, AK

He said he owns 12th Street Tours and he didn't spend as much time in the B-Zone this year, because he is no longer operating a taxi service but just the tours. He said although the time is documented by staff, there was still very poor response time anytime he called the Port Field Office to have the delivery vehicles parked in the B-Zone at the Red Dog cited. He said as far as he knows, none of the companies received a ticket. This parking violation is still happening every summer and it needs to stop. He suggests Mr. Uchytel talk to City Streets to make the loading zone on the other side of the Red Dog on Franklin Street, which is currently not a loading zone until 10:00 am, a loading zone all day to eliminate this problem. He said he intends to bring this before the Assembly, JPD, and the Streets Department. It is important to have a place for the trucks to unload, but this is not working. He knows when he calls the Port staff they are busy because it is during the unloading of the ships passengers and realizes this makes it hard to get a staff person to the Red Dog location to cite them for this parking issue. He has called both JPD and Docks & Harbors about this parking violation and it has been ineffective. He said, looking at the records of discussion on this topic last year, Mr. Zaruba had the proper motion. He said small companies like his, which is two vehicles with a total of 28 seats are severely discriminated against in comparison to large companies with big busses. The large bus companies are using most of the staff time directing traffic, take most of the space, and are paying per passenger a lot less than the smaller companies. For the smaller company, the per seat cost is a lot higher because of the \$300 company fee. Mr. Harris suggested to raise the company fee for the people who have the A-zone permits. The larger companies require much more administration time, directing traffic, and dealing with the congestion they cause rather than the B-zone permit holders that have vehicles with 15 or fewer passengers and don't require a CDL. He said currently the big bus companies are getting a break and the small companies are not. Per passenger, the revenues are much lower for the smaller companies, there is a tight cash flow all year, and it is a struggle to come up with start up fees at the beginning of the year. He said he is paying more than his fair share and the big companies are not. He said he is in favor of all CBJ agencies installing charging stations now to encourage electrical vehicle use for larger vehicles as well as smaller vehicles.

William Quayle, Juneau, AK



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He said the Pedicabs (class C vehicle) don't operate out of the loading zone parking lot, but on the seawalk. He suggested to decrease the company fees for the Class C vehicle to less than \$250. He said he only has one pedicab with three seats. He said a pedicab has a very small imprint.

Committee Discussion/Action –

Mr. Donek said he has done a lot of work on this. One option was to go with a straight seat fee, or the other option is to do an inflation adjustment for the loading zone fees. He suggested to raise the company fee to \$400.00 and the seat fee to \$9.00. Another idea would be to have three different rates and asked Mr. Uchtyl if this would be a problem administratively?

Mr. Uchtyl said it would not be difficult. Most of the staff time is spent on policing the B-zone permit holders rather than the A-zone permit holders.

Mr. Donek said this fee is a one time seat fee for the entire year. There is a million people that sit in those seats and he does not see this as a major expense.

MOTION By MR. DONEK: TO KEEP THE CURRENT FEE STRUCTURE WITH A CPI INCREASE TO \$400.00 PER COMPANY FEE AND \$9.00 PER SEAT FEE AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

Mr. Eiler said this will move forward to the OPS/Planning meeting.

VII. New Business

1. Potable Water Fee (05 CBJAC 15.050)

Mr. Uchtyl said this fee is what is charged to the cruise ships for water. In the past there has been times when there was not enough water to sell to the cruise ships. Last year with the Salmon Creek filtration plant and the additional wells at Basin Road, there was more water to sell. This fee was last updated in 2012 with the previous fee being about \$2.50 per 1,000 gallons. To determine the existing fee of \$4.67 per 1,000 gallons, staff looked at CBJ's rate of what Docks & Harbors is charged and added a 50% increase. Since 2012, the Water Department has been increasing water and sewer rates. This is a good time to look at this fee and determine if this fee is fair and reasonable.

Mr. Borg said Docks & Harbors maintains the water delivery systems on the dock. The bid to winterize the water system on the new dock is \$14,000 this year. There is a lot of money spent to deliver the water to the ships. There is a new type of meter on the new CT dock with a high and a low reading and does a good job of keeping track of the water usage. Each day there is a beginning water reading and an ending water reading that is provided to the Port Office to bill out to the cruise ships. Docks & Harbors infrastructure has advanced beyond our basic capabilities of the Utilities Department maintaining this



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system. In the future, this will not be an in house maintenance but will need to term contract this maintenance out because of the complexity of the system. Mr. Borg said his estimate to maintain a water delivery system to the cruise ship docks is \$30,000 annually.

Committee Questions

Mr. Donek asked who does the actual water line connection?

Mr. Borg said the ship crew does.

Mr. Eiler asked if there is more demand for water?

Mr. Uchytel said because the lack of water, the Utilities Department regulated the amount of water that could be sold to the cruise ships in 2014. This last year was only regulated early in the summer. He said the water supply should be at a place that staff will be able to sell as much water as the cruise ships requests. Looking at water rates, January 2015 CBJ raised the water rate to \$2.59 per 1,000 gallons. It was raised in July of 2016 to \$2.94, and next summer it will go up again to \$3.13 per 1,000 gallons. This last summer we made approximately \$42,000 from selling water to the cruise ships. Out of the \$42,000 is labor costs for the readings, the billings, and maintenance. Seeing the water rates continue to increase, does the Committee want to raise the current fee?

Mr. Donek asked what the Utility Department is selling water to Docks & Harbors for currently.

Mr. Uchytel said \$2.94 per 1,000 gallons.

Mr. Donek asked if that was going to increase?

Mr. Uchytel said it will increase July 1st, 2017 to \$3.13 per thousand, July 1st, 2018 it will increase again to \$3.33 per 1,000 gallons.

Mr. Eiler said basically \$.20 per year.

Mr. Seng said the increase works out to be 6.5% per year. He asked if the 2012 rate was figured by taking the base rate Docks & Harbors was paying and added 50% surcharge to it.

Mr. Uchytel said roughly 50%.

Mr. Seng said looking at the figures from 2016, Docks & Harbors is probably coming close to the actual costs to sell the water in terms of maintaining the equipment and winterizing.

Mr. Borg said that is correct.



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Mr. Seng said the fee currently sounds like a good base rate, but the Committee needs to determine some kind of a mechanism to keep up with the increases of costs. With CBJ's annual water increase being fixed at 6.5%, he suggested to use that same percent as an annual multiplier for the cost. The increase is just passed along.

Mr. Eiler asked if Mr. Uchytel knows what other Southeast Ports Charge.

Mr. Uchytel said Ketchikan charges a flat rate of approximately \$400 per hose and he is not sure what Skagway charges.

Mr. Eiler asked what is the background for the reason the Cruise Ships purchase water from Docks & Harbors? Is it good, cheap, or their water makers can't keep up?

Mr. Borg said how he understands it is a lot of the cruise ships head to Glacier Bay and they are unable to make the water in transit so they need to be full for that trip. He said that was the issue with the cruise ships that came in October. Staff wanted to close our water system down for the winter but the ship said they needed water so we waited until after they departed.

Mr. Donek said he is hesitant to just raise the current fee to \$4.70 and still have our cost go up annually. We have the maintenance and \$14,000 for winterization on one of the docks and probably another \$14,000 for the other dock. This ends up to be \$28,000 in direct expenses with just the winterization. The Committee needs to determine a multiplier that increases Docks & Harbors rates the same rate as the CBJ Utilities Department increases theirs so the Committee doesn't have to look at this every year.

Public Discussion

Drew Green, Juneau Alaska (Port Manager of Cruise Line Agencies of Alaska)

He said back in 2012, the cruise lines were happy to pay their costs to CBJ. At that time, the water fee had not been increased for eight to ten years as well as CBJ Utilities had not changed their rates in a long time either. As the Utilities Department has raised their rates, the cruise ship rates have increased. The Cruise Lines certainly want to pay their way and pay the cost. He said one thing to consider is the volume of water being sold is going to increase with the new docks. There will be more ships and larger ships at the dock with more water sold. The water revenue will go up and this could level out with the cost of maintenance. He suggested to evaluate the fee every year instead of a fixed increase rate. The Industry through their fees is paying for the new Docks & Harbors facilities. Hopefully the new system will have less issues than problems experienced prior to this new system. Mr. Green said the Cruise Industry has also contributed through head tax over \$1M toward CBJ's new water system. At the slow speeds traveling in southeast, the ships don't make water with their evaporators. It is very important to have water in Juneau because a lot of the destinations the Cruise Ships travel to near Juneau aren't a port of call meaning there is not water available for them.



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Mr. Uchytel brought up the topic of the ability to discharge waste water from the cruise ships. This is another fee that should be discussed before next summer because it will be available in 2017. The rates at the other two private docks are proprietary but it would be nice if those rates are the same throughout. Mr. Uchytel said he will work with Mr. Green.

Mr. Eiler said he suggested to work on the waste water fee at the next meeting.

Dennis Watson, Juneau, Alaska

He remembers when Docks & Harbors was discussing the water rates in 2012. Initially they were recommending a higher rate, but when Mr. Kirby Day testified, the Board brought the fee down to the \$4.67 rate. He said a discouraging part of CBJ's water increase is that CBJ shows commercially they are losing money on water but they are making money on residential water. He said he believes this is an unfair way to assess price increase because the residential water is not metered and all commercial water is metered. He said he believes what Docks & Harbor is charging for water currently is adequate. CBJ has said the reason for the increase is for the substantial improvements to their infrastructure which covers a large area. The Port infrastructure has already been taken care of. He believes CBJ's water rate increase is calculated unfairly to the Cruise Ship Industry.

William Quayle, Juneau, Alaska

He suggested to raise the water rate by 1% to sell to the Cruise Ships, but don't raise the loading zone fees. Charging a \$400 company fee for one little pedicab is a lot, and he only makes about \$10.00 per fare.

Committee Discussion/Action

Mr. Donek suggested changing the regulation to read the water fee is 150% of CBJ charges. With that rate, this year will be \$4.70, but then every year CBJ's rates are raised, Docks & Harbors rate will increase.

Mr. Seng said this sounds like this would accomplish the same concept he was proposing. He agrees with the 150% increase.

Mr. Donek said initially he was going to suggest 175% increase but he does not believe that would be needed with Mr. Green's statement that there will be more water sold with the larger ships and the ships coming to the new docks. Docks & Harbors will still make enough money for the extra maintenance costs.

Mr. Borg said the new meters are also providing more accurate numbers for billing out the water usage.



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MOTION By MR. DONEK: TO CHANGE THE RATE STRUCTURE FOR WATER SERVICE TO 150% OF THE BULK RATE OF WHAT DOCKS AND HARBORS PAYS TO CBJ FOR THE WATER INCREASING AS THE CBJ BULK RATE INCREASES AND ASK UNANIMOUS CONSENT.

Motion passed with no objection.

Mr. Eiler said this recommendation will be passed on to the OPS/Planning Committee.

VIII. Future Business

1. Vessel Lightening Fee (05 CBJAC 15.060)

Mr. Uchytel said this is the fee for Cruise Ships that Lighter. We will have less vessels that Lighter than in the past with the docks. This fee is inadequate based on Docks & Harbors costs. When a vessel Lighters, there is a requirement to have a Harbor official at the Lightening dock. There was approximately 20 times this last year of vessels that Lightered. This year there will maybe only be 10 vessels that Lighter. Is this \$600.00 fair and reasonable for what the Industry gets for using our facilities.

Mr. Eiler said this will be discussed at our next meeting.

Mr. Donek recommended to add sewage to the next Docks Fee Review Committee also.

Mr. Eiler asked if Port Dues needs to be addressed also?

Mr. Uchytel said that will also need to be discussed in the future.

IX. Next Docks Fee Review Meeting- Proposed meeting Wednesday November 2nd, 2016 at 5:00 pm.

Mr. Donek and Mr. Seng said they would be able to attend. Mr. Eiler said he will be out of town but could call in.

Mr. Donek said he will check with Mr. Bush and Mr. Summers to see if they will be able to attend and let staff know.

X. Adjournment

The Docks Fee Review Committee Meeting adjourned at 7:10 pm

05 CBJAC 15.060 - Vessel lightering fee.

- (a) Definition. The charge assessed to vessels for dropping-off or picking-up passengers at the Marine Park Lightering Float or the Intermediate Vessel Float.
- (b) Applicability and basis for computing charges. A vessel lightering fee shall be assessed to any vessel over 100 gross register tons, carrying more that 100 passengers -for-hire which makes voyages lasting more than 24 hours, of which any part is on the high seas when such vessels lighter passengers to the Intermediate Vessel Float or the Marine Park Lightering Float. Gross tonnage means the gross tonnage measurement of the vessel under 46 U.S.C. Chapter 143 or Chapter 145. The Port reserves the right to obtain the gross tonnage from the vessel's register.
- (c) Vessel lightering fee period. The period of time which the vessel lightering fee shall be assessed shall commence when the first lightering tender is made fast to an allocated berth or moored, comes within a slip, and shall continue until the last lightering tender such vessel casts off and has vacated the position allocated, or terminates lightering operations. All time is counted and no deductions are allowed because of weather or other conditions, except when the Port Director provides for such allowance for good cause shown.
- (d) Charges when a vessel shifts to different berth. When a vessel is shifted directly from one position to another berth or slip, or shifts lightering operations, the total time at such berths or slips, or lightering operation shall be combined when computing the lightering fee.
- (e) Vessel lightering fees assessment:

Unit	Charge
Each 24-hour period or portion thereof.	\$600.00

(Eff. 5-1-2005)

Revenue:

Code	Description	2012	2013	2014	2015	2016
P08	Vessel Lightering Fee	\$15,000.00	\$16,800.00	\$19,800.00	\$14,400.00	\$15,000.00

Contract for 2016 Franklin Dock Cruise Ship Wastewater Treatment

PART I: PARTIES

This contract is between the City and Borough of Juneau, Alaska, a municipal corporation in the State of Alaska, hereafter "CBJ," and Princess Cruise Lines Ltd, a Bermuda corporation and licensed to do business in the State of Alaska, hereafter "Princess."

PART II: CONTRACT ADMINISTRATION

All communications concerning this contract shall be directed as follows, any reliance on a communication with a person other than that listed below is at the party's own risk. Notices required under this contract must be in writing and personally delivered or sent to the address shown below, or by facsimile, and will be effective upon receipt.

City & Borough of Juneau:

CBJ Utilities Business Unit
c/o Autumn Sapp
155 S. Seward Street
Juneau, AK 99801
Phone: (907) 586-0917
Fax (907) 586-4534
Email Autumn.Sapp@juneau.org

Princess:

Princess Cruise Lines, Ltd
c/o Kirby Day, Port Operations
704 S. Franklin
Juneau, AK 99801
Phone (907) 364-7250
Fax (907) 463-5055
Email kday@princesscruises.com

PART III: CONTRACT DESCRIPTION


The following appendices are attached and are considered a part of this contract, as well as any exhibits or attachments incorporated by reference or attached to those appendices.

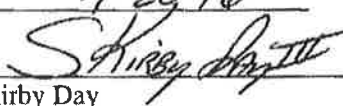
- Appendix A:** Scope of Work, Term, and Compensation
- Appendix B:** Standard Provisions
- Appendix C:** Insurance


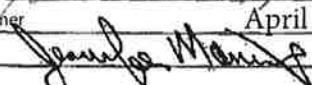
If in conflict, the order of precedence shall be: this document, Appendix A, B, and then C.

PART IV: CONTRACT EXECUTION

CBJ and PRINCESS agree and sign below. This contract is not effective until signed by the CBJ. PRINCESS represents that the person signing below on its behalf has the authority to do so and that it is a valid and binding contract enforceable in accordance with its terms.

CBJ:
Date: 4/20/16
By: 
Duncan Rorie Watt
City and Borough Manager

Princess:
Date: 4-20-16
By: 
Kirby Day
Manager, Port Operations

Content Approved by: , Engineering & Public Works
Form Approved by: Robert Palmer, April 22, 2015, Law Department
Risk Management Review:  4/25/16, Risk Management
Docks & Harbors Review: _____, Port Director

APPENDIX A: SCOPE OF WORK, TERM, AND COMPENSATION

1. AUTHORITY

This waste water contract is executed consistent with the industrial rate formula of CBJ 75.02.130(a)(3).

2. SCOPE OF WORK

- a. **Discretion to Accept:** PRINCESS has requested to discharge “grey” wastewater (a term commonly used in the cruise ship industry) to the CBJ wastewater collection system whereas such wastewater will be ultimately treated at the Juneau-Douglas Wastewater Treatment Plant (JDTP). CBJ, in its sole discretion, reserves the right to determine whether or not to accept the wastewater.

PRINCESS shall ensure that any vessel discharging wastewater into CBJ’s system meets all applicable federal and state requirements regarding wastewater discharge. CBJ shall have no liability related to the discharged wastewater until it is accepted at the point of the CBJ sanitary sewer manhole, Salmon Creek-Thane R5 (as shown on Attachment 1).

- b. **Control of Wastewater Connection:** PRINCESS shall supply the necessary hoses, valves, and piping to connect its vessels to the CBJ wastewater collections system. Each time PRINCESS would like to use the connection, they shall notify the CBJ Wastewater Treatment Supervisor, Randall Brown (Randall.Brown@juneau.org) and Wastewater Senior Operator, Rico Tempel (Rico.Tempel@juneau.org) via email. PRINCESS shall furnish and install an eccentric plug valve to throttle the discharge flow. CBJ shall have full and exclusive control of the wastewater flow from the cruise ship connection into the CBJ wastewater collections system. More specifically, CBJ may request PRINCESS modulate flows reducing the quantity of wastewater discharged into the CBJ system. Additionally, CBJ may limit the total amount of wastewater received by the CBJ system, when the discharge(s) commence, and how long the discharge(s) may elapse. CBJ may decline or reject acceptance of any or all wastewater at any time.

- c. **Flow Sampling:** PRINCESS shall provide the following equipment for sample collection and wastewater discharge monitoring:
- i. A magnetic flow meter with totalizer to record flow rates and total flows discharged to the CBJ wastewater system.
 - ii. An in-line total suspended solids (TSS) analyzer that will measure TSS in real time.
 - iii. A composite sampler for the collection of wastewater samples for the analysis of biochemical oxygen demand (BOD) and TSS concentrations, or other tests if directed by CBJ.
 - iv. A Supervisory Control and Data Acquisition (SCADA) system that will transmit the flow information and TSS data to the JDTP’s monitoring and control system.

CBJ shall have unlimited access to the flow meter, TSS analyzer, composite sampler, and SCADA installations for inspection, calibration, sample collection, or similar purposes. Equipment calibrations, when needed, shall be paid for by PRINCESS.

3. TERM

This contract becomes effective upon signature by the parties, and automatically terminates on September 30, 2016. This contract may be renewed upon the mutual consent of the parties in writing.

4. COMPENSATION

PRINCESS agrees to pay CBJ as follows:

Concentration (mg/L)	Tariff (\$ per 1000 gallons)	
	Thru June 30 th	July 1 – September 30
BOD < 300 and TSS < 350	\$ 9.95	\$ 10.75
BOD < 600 and TSS < 700	\$ 19.90	\$ 21.50
BOD < 900 and TSS < 1050	\$ 29.86	\$ 32.25
BOD < 1200 and TSS < 1400	\$ 39.80	\$ 43.00
BOD < 1500 and TSS < 1750	\$ 49.75	\$ 53.75
BOD < 1800 and TSS < 2100	\$ 59.70	\$ 64.50
BOD < 2100 and TSS < 2450	\$ 69.65	\$ 75.25
BOD < 2400 and TSS < 2800	\$ 79.60	\$ 86.00
BOD < 2700 and TSS < 3150	\$ 89.55	\$ 96.75
BOD < 3000 and TSS < 3500	\$ 99.50	\$ 107.50
BOD < 3300 and TSS < 3850	\$ 109.45	\$ 118.25
BOD < 3600 and TSS < 4200	\$ 119.40	\$ 129.00
BOD < 3900 and TSS < 4550	\$ 129.35	\$ 139.75
BOD < 4200 and TSS < 4900	\$ 139.30	\$ 150.50

For BOD > 4200 or TSS > 4900 concentrations, the charge rates (in dollars) shall be calculated as follows (as the value that is greater per each 1000 gallons of wastewater accepted by CBJ):

- (BOD/300) rounded up to the next integer multiplied by 9.95 (thru July 1) and 10.75 (July 1 thru September 30, **OR**)
- (TSS/350) rounded up to the next integer multiplied by 9.95 (thru July 1) and 10.75 (July 1 thru September 30).

5. REPORTING

PRINCESS shall prepare a Wastewater Discharge Report and submit it to CBJ within 24 hours of a wastewater discharge event that contains:

- 1) Date of the discharge
- 2) Name of the vessel
- 3) Volume of discharge (in gallons and metric tons)
- 4) Name of the individual that recorded the volume and collected the composite sample for analysis.

6. BILLING PROCEDURE

At the end of each calendar month PRINCESS shall prepare a monthly billing summary that contains the following information for each discharged event:

- 1) Date of the discharge
- 2) Name of the vessel
- 3) Volume of discharge (in gallons)
- 4) BOD concentration (in mg/L)
- 5) Total BOD discharged (in pounds)
- 6) TSS concentration (in mg/L)
- 7) Total TSS discharged (in pounds)
- 8) Charge rate per 1000 gallons (in dollars)
- 9) Total CBJ charge for the discharge event based on the tariff charges in this agreement
- 10) Laboratory results for BOD and TSS

The monthly billing summary shall be submitted to CBJ via email to Autumn Sapp, (Autumn.Sapp@juneau.org), Samantha Stoughtenger (Samantha.Stoughtenger@juneau.org), Holly Kveum (Holly.Kveum@juneau.org), Randall Brown (Randall.Brown@juneau.org), and Rico Tempel (Rico.Tempel@juneau.org) for review and approval. Upon CBJ's approval, an invoice will be prepared for all discharges occurring during the month; this invoice will be submitted to PRINCESS for payment. Payment terms shall be net thirty (30) days from the date of the invoice.

PRINCESS's billing address is:

Princess Cruise Lines, Ltd
Attn: Accounts Payable
704 South Franklin Street
Juneau, AK 99801

APPENDIX B: STANDARD PROVISIONS

1. **CONTRACTUAL RELATIONSHIP.** The parties intended that an independent contractor relationship will be created by this contract. The CBJ is interested only in the results to be achieved as provided in this agreement. The conduct and control of the work performed or expected of PRINCESS will lie solely with PRINCESS. PRINCESS is not considered to be an agent or employee of the CBJ for any purpose, and the employees of PRINCESS are not entitled to any benefits that CBJ provides for CBJ employees.
2. **PERSONNEL, EQUIPMENT AND SUPPLIES.** Except as provided in the Scope of Work, PRINCESS represents that it has or will secure at its own expense all personnel, equipment, and supplies required in connecting cruise ship vessels to the CBJ wastewater system. All of the work required hereunder will be performed by the PRINCESS or under its supervision. None of the work covered by this Contract shall be subcontracted except as provided in the Scope of Work.
3. **CONTRACTOR QUALIFICATIONS.** PRINCESS warrants that it is fully qualified and is licensed under all applicable local, state, and federal laws to perform its obligations under this contract.
4. **INSURANCE REQUIREMENTS.** PRINCESS has secured and agrees to keep and maintain in full force and effect, at its own expense, the insurance approved by CBJ Risk Management as outlined in Appendix C. All insurance required under this contract shall name the CBJ as an additional insured, except with respect to any required Professional Liability or Workers Compensation policies. At least 30 days prior to the cancellation, non-renewal or reduction in the amount of coverage, PRINCESS shall provide written notice to the CBJ's Risk Management. PRINCESS's insurance shall be primary and any insurance maintained by the CBJ shall be non-contributory. If PRINCESS maintains higher limits than shown below, the CBJ shall be entitled to coverage for the higher limits maintained by PRINCESS.
 - a. ***Deductibles and Self-Insured Retentions.*** Any deductibles and self-insured retentions must be declared to and approved by the CBJ. The CBJ may require PRINCESS to provide proof of ability to pay losses and related investigations, claim administration and defense expenses within the retention.
 - b. ***Claims-Made Policies.*** If any of the required policies provide coverage on a claims-made basis:
 1. The Retroactive Date must be declared and must be before the date of the contract or the beginning of the contract work.
 2. Insurance must be maintained and evidence of insurance must be provided ***for at least one (1) year after completion of the contract work.***
 3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with the Retroactive Date prior to the contract effective date,

PRINCESS must purchase “**extended reporting**” coverage for a minimum of one (1) year after completion of the contract work.

5. CHANGES. The CBJ may, from time to time, require changes in the scope of services to be performed under this contract. Such changes, including any increase or decrease in the amount of the PRINCESS’s compensation, must be mutually agreed upon in writing before they will be regarded as part of this contract. No claim for additional services, not specifically provided in this contract, performed or furnished by the PRINCESS, will be allowed, nor may the PRINCESS do any work or furnish any material not covered by the contract unless the work or material is ordered in writing by the CBJ.

6. NO ASSIGNMENT OR DELEGATION. The PRINCESS may not assign or delegate any interest in this contract without the prior written consent of the CBJ. PRINCESS may assign its rights to any payment under this contract without the prior written consent of CBJ; however, notice of any such assignment or transfer shall be furnished promptly to CBJ by PRINCESS.

7. TERMINATION FOR CONVENIENCE. The CBJ may, by prior written notice, terminate this agreement at any time, in whole or in part, when it is in the best interest of the CBJ.

8. INSPECTION AND RETENTION OF RECORDS. The CBJ may inspect, in the manner and at reasonable times it considers appropriate, all of PRINCESS’s facilities, records and activities having any relevance to this contract. PRINCESS shall retain financial and other records relating to the performance of this contract for a period of six years, or until the resolution of any audit findings, claims or litigation related to the contract.

9. EQUAL EMPLOYMENT OPPORTUNITY. PRINCESS will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, marital status, changes in marital status, pregnancy or parenthood. PRINCESS shall include these provisions in any agreement relating to the work performed under this agreement with contractors or subcontractors.

10. CHOICE OF LAW, JURISDICTION. The Superior Court for the State of Alaska, First Judicial District at Juneau, Alaska shall be the exclusive jurisdiction for any action of any kind and any nature arising out of or related to this Agreement. Venue for trial in any action shall be in Juneau, Alaska. The laws of the State of Alaska shall govern the rights and obligations of the parties. PRINCESS specifically waives any right or opportunity to request a change of venue for trial pursuant to A.S. 22.10.040.

11. COMPLIANCE WITH LAWS AND REGULATIONS. PRINCESS shall, at PRINCESS’s sole cost and expense, comply with all applicable requirements of federal, state, and local laws, ordinances and regulations now in force, including safety, environmental, immigration, and security enactments, or which may be subsequently enacted. PRINCESS warrants that it has obtained and is in full compliance with all required licenses, permits, and registrations regulating the conduct of business within the State of Alaska and the CBJ, and shall maintain such compliance during the effective term of this agreement.

12. PAYMENT OF TAXES AND OBLIGATIONS TO CBJ. As a condition of this contract, the PRINCESS shall pay all federal, state, and local taxes incurred by the PRINCESS and shall require their payment of any subcontractor or any other persons in the performance of this contract. PRINCESS shall not be delinquent in the payment of taxes, or any other obligation, to CBJ during the performance of this contract. Satisfactory performance of this paragraph is a condition precedent to a vessel discharging wastewater into CBJ's system.

13. CONFLICT OF INTEREST. PRINCESS warrants that no employee or officer of the CBJ has violated the conflict of interest provisions of CBJ code regarding this contract. PRINCESS also warrants that it has not solicited or received any prohibited action, favor or benefit from any employee or office of CBJ, and that it will not do so as a condition of this contract. If the PRINCESS learns of any such conflict of interest, the PRINCESS shall without delay inform the CBJ and Borough Attorney or CBJ's representative for this contract.

14. INDEMNIFICATION. PRINCESS agrees to defend, indemnify, and hold harmless CBJ, its employees, volunteers, consultants, and insurers, with respect to any action, claim, or lawsuit arising out of or related to PRINCESS's performance of this contract, without limitation as to the amount of fees, and without limitation as to any damages, cost or expense resulting from settlement, judgment, or verdict, and includes the award of any attorneys' fees even if in excess of Alaska Civil Rule 82. This indemnification agreement applies to the fullest extent permitted by law and is in full force and effect whenever and wherever any action, claim, or lawsuit is initiated, filed, or otherwise brought against CBJ relating to this contract. The obligations of PRINCESS arise immediately upon actual or constructive notice of any action, claim, or lawsuit. CBJ shall notify PRINCESS in a timely manner of the need for indemnification, but such notice is not a condition precedent to PRINCESS's obligations and is waived where the PRINCESS has actual notice.

15. APPLICABILITY OF ALASKA PUBLIC RECORDS ACT. PRINCESS acknowledges and understands that the CBJ is subject to the Alaska Public Records Act (AS 40.25.120) and that all documents received, owned or controlled by the CBJ in relation to this Contract must be made available for the public to inspect upon request, unless an exception applies. It is PRINCESS's sole responsibility to clearly identify any documents PRINCESS believes are exempt from disclosure under the Public Records Act by clearly marking such documents "Confidential." Should the CBJ receive a request for records under the Public Records Act applicable to any document marked "Confidential" by PRINCESS, the CBJ will notify PRINCESS as soon as practicable prior to making any disclosure. PRINCESS acknowledges it has five (5) calendar days after receipt of notice to notify the CBJ of its objection to any disclosure, and to file any action with any competent court PRINCESS deems necessary in order to protect its interests. Should PRINCESS fail to notify the CBJ of its objection or to file suit, PRINCESS shall hold the CBJ harmless of any damages incurred by PRINCESS as a result of the CBJ disclosing any of PRINCESS's documents in the CBJ's possession. Additionally, PRINCESS may not promise confidentiality to any third party on behalf of the CBJ, without first obtaining express written approval by the CBJ.

16. ENTIRE AGREEMENT. This Agreement, including all appendices and exhibits, constitutes the entire agreement of the Parties regarding the subject matter of the agreement and supersedes all previous agreements, proposals, and understandings, whether written or oral, relating to this subject matter.

17. SEVERABILITY. If a court of competent jurisdiction renders any part of this agreement invalid or unenforceable, that part will be severed and the remainder of this agreement will continue in full force and effect.

18. WAIVER. Failure or delay by the CBJ to exercise a right or power under this agreement will not be a waiver of the right or power. For a waiver of a right or power to be effective, it must be in a writing signed by the CBJ. An effective waiver of a right or power will not be construed as either a future or continuing waiver of that same right or power, or the waiver of any other right or power.

APPENDIX C: INSURANCE

INSURANCE REQUIREMENTS. The PRINCESS has provided certification of proper insurance coverage to the City and Borough of Juneau, attached as Attachment 2. Failure of CBJ to demand such certificate or other evidence of full compliance with these insurance requirements or failure of CBJ to identify a deficiency from evidence that is provided shall not be construed as a waiver of the obligation of the PRINCESS to maintain the insurance required by this contract.

PRINCESS agrees to maintain insurance as follows at all times while this contract is in effect, including during any periods of renewal.

Commercial General Liability Insurance. The PRINCESS must maintain Commercial General Liability Insurance in an amount it deems reasonably sufficient to cover any suit that may be brought against the PRINCESS. This amount must be at least one million dollars (\$1,000,000.00) per **occurrence**, and two million dollars (\$2,000,000.00) aggregate. **The CBJ will be named as an additional insured on this policy for work performed for the CBJ.**



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
08/11/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Risk Services Northeast, Inc. New York NY Office 199 Water Street New York NY 10038-3551 USA	CONTACT NAME: PHONE (A/C. No. Ext): (866) 283-7122	FAX (A/C. No.): (800) 363-0105	
	E-MAIL ADDRESS:		
INSURED Princess Cruise Lines Ltd. 24305 Town Center Drive, Bldg. 5 Santa Clarita CA 91355 USA	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A: The Travelers Indemnity Co of CT		25682
	INSURER B: Travelers Property Cas Co of America		25674
	INSURER C: The Travelers Indemnity Co.		25658
	INSURER D:		
	INSURER E: INSURER F:		

COVERAGES CERTIFICATE NUMBER: 570058957024 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Carnival SIR: \$1,000,000 GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			HEEXGL475M579315 SIR applies per policy terms & conditions	09/01/2015	09/01/2016	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) Excluded MED EXP (Any one person) Excluded PERSONAL & ADV INJURY Excluded GENERAL AGGREGATE \$4,000,000 PRODUCTS - COMP/OP AGG \$4,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> CED <input type="checkbox"/> RETENTION						EACH OCCURRENCE AGGREGATE
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY <input checked="" type="checkbox"/> ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS	Y/N	N/A	TC2JUB9515B05215 Work Comp A05 TRKUB9515B72215 Work Comp AZ MA WI	09/01/2015	09/01/2016	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E L EACH ACCIDENT \$1,000,000 E L DISEASE-EA EMPLOYEE \$1,000,000 E L DISEASE-POLICY LIMIT \$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 THE CERTIFICATE HOLDER IS INCLUDED AS ADDITIONAL INSURED WITH RESPECT TO GENERAL LIABILITY WHERE REQUIRED BY WRITTEN CONTRACT.

CERTIFICATE HOLDER

CANCELLATION

THE CITY AND BOROUGH OF JUNEAU Attn: MIKE L. DOYLE FIRE CHIEF 820 GLACIER AVENUE JUNEAU AK 99801 USA	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
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