



TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Lacey G. Simpson, Acting City Manager

DATE: May 12, 2022

RE: **Request to Accommodate Ward Cove Shuttle Operations on the Port of Ketchikan – Ward Cove Dock Group**

At the City Council meeting of May 5, 2022, the City Council directed staff to work with the Ward Cove Dock Group on a request received May 3, 2022 from Ward Cove Dock Group Chairman John Binkley to accommodate the cruise passenger shuttle operation originating at Ward Cove on the Port of Ketchikan.

Attached for City Council review is a proposal and schedule received on May 10, 2022 from Jennifer Black, Ward Cove Dock Group Vice President for Strategic Development, requesting use of Berths II and III for the Ward Cove shuttle operation. In order to give due consideration to this proposal, Port & Harbors Director Darryl Verfaillie is thoroughly vetting the proposed operation with his staff. The complexities of accommodating the shuttle operation in these areas while taking into consideration Port of Ketchikan vessel calls and staffing availabilities requires thorough analysis as does arriving at the costs in providing this service to a non-port operation.

Staff will have information prepared for City Council review and consideration in advance of the May 19, 2022 City Council meeting.



Tuesday, May 10, 2022

Dear Ms. Lacey Simpson & Mr. Darryl Verfaillie:

Thank you for the opportunity to reexamine the downtown shuttle location for the 2022 season.

We appreciate the efforts of Mr. Mark Hillson this winter on an outstanding proposal for shuttle buses that included stopping at the Southeast Alaska Discovery Center. However, per previous correspondence, we felt the health concerns that were raised, and significant capital costs involved outweighed the benefits of utilizing this area.

Although, we have a lane closure permit and have been operating the shuttle at Berth 4 successfully, we believe guest experience would be improved if the shuttle location was closer to the heart of downtown Ketchikan. Additionally, we believe shifting the shuttle location will maximize guests' opportunity to contribute to the local economy.

Included is a spreadsheet outlining a day-by-day shuttle plan as requested. This plan builds on the proposal that Mr. Mark Hillson and Mr. Rick Erickson of Cruise Line Agencies of Alaska developed, and was approved by City Council, that split the shuttle locations between Berth 2 and the Southeast Alaska Discovery Center based on ship assignments.

The general rules we followed, per guidance from HAP Alaska-Yukon and Cruise Line Agencies of Alaska, are:

- The shuttle will not go to Berth 2 when a large ship is docked with two gangways but may go to Berth 2 when there is a small ship with only one gangway.
- The shuttle will not go to Berth 3 if the shuttle operation overlaps with a ship docking at Berth 3.

Some items to note on the spreadsheet:

- Ship capacity is based on [CLAA posted ship capacity](#) representing lower berth count.
 - Please note we are currently seeing ships at approximately 50% of lower berth count but expect that percentage to increase throughout the summer.
- Capacity of the shuttle is based on 50% of lower berth count which is what we have seen historically.
- Time listed for the shuttle is the approximate time motorcoaches will be in downtown.
- The number of motorcoaches listed, indicated by #, is the total number of coaches we will have on a given day. Buses depart Ward Cove and downtown approximately every 15 minutes. Therefore, at any given time the total number of motorcoaches downtown will be less than half of the number indicated.
- Some dates Ward Cove Dock Group will utilize vans instead of motorcoaches for the shuttle operation.

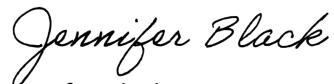
- All vehicles have port permits; although, we understand that permission must be granted by City Council to operate on any berth.
- Color Code:
 - Berth 2: Pink
 - Berth 3: Blue
 - Berth 4: Green

We understand that there may be operational costs associated with utilizing Berth 2 and Berth 3 and we are certainly willing to pay for those costs.

If the City Council agrees to allow us to use Berth 2 and Berth3 for shuttle operations, we request an additional four to five days to continue to work cooperatively with HAP-Alaska Yukon and Cruise Line Agencies of Alaska to finalize the shuttle locations for the remainder of the 2022 season.

Thank you for your time. We understand that there are multiple interests and considerations that must be weighed and hope that this proposal meets many of those. We look forward to discussing further and answering any questions the City Council has at the May 19 meeting.

Sincerely,

A handwritten signature in black ink that reads "Jennifer Black". The signature is written in a cursive, flowing style.

Jennifer Black

Vice President of Strategic Development

Cruise Line Agencies of Alaska

Cruise Ship Calendar for 2022

FOR PORT(S) = KTN AND SHIP(S) = ALL AND VOYAGES = ALL

Includes Ward Cove Shuttle Operations

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Color Code: Berth 2: Pink; Berth 3: Blue; Berth 4: Green

Sunday, September 18	Berth	Capacity	Monday, September 19	Berth	Capacity	Tuesday, September 20	Berth	Capacity	Wednesday, September 21	Berth	Capacity	Thursday, September 22	Berth	Capacity	Friday, September 23	Berth	Capacity	Saturday, September 24		
KTN CARNIVAL SPIRIT 07:00 - 13:00	3	2124	KTN NORWEGIAN SPIRIT 06:30 - 13:00	WW	2477	KTN NORWEGIAN SUN 06:30 - 13:00	WW	2002	KTN NORWEGIAN JEWEL 07:00 - 16:00	WW	2376	KTN EURODAM 06:30 - 13:00	1	2100	KTN WESTERDAM 07:00 - 13:00	1	1848			
KTN OVATION OF SEAS 07:00 - 16:00	2	4180	#8 WC Shuttle Buses 7:00-11:00	2	1238.5	#8 WC Shuttle Buses 7:00-11:00	3	1001	#8 WC Shuttle Buses 7:30-14:30	2	1188	KTN NORWEGIAN BLISS 06:30 - 13:15	WW	4174	KTN NORWEGIAN ENCORE 07:00 - 13:15	WW	3998			
KTN SEABOURN ODYSSEY 07:30 - 15:00	AN3	726	KTN ROYAL PRINCESS 07:00 - 16:00	4	3650	KTN DISCOVERY PRINCESS 06:30 - 16:00	4	3660	KTN RADIANCE OF THE SEA 09:00 - 18:00	3	2100	#12 WC Shuttle Buses 7:00-11:00	2	2087	#12 WC Shuttle Buses 7:30-11:00	2	1999			
KTN VIKING ORION 08:00 - 14:00	4	930	KTN ECLIPSE 08:00 - 18:00	3	2850	KTN NOORDAM 07:00 - 19:00	2	1924				KTN GRAND PRINCESS 07:00 - 18:00	4	2600	KTN SEVEN SEAS MARINER 07:00 - 17:00	WE	700			
			KTN ZUIDERDAM 11:00 - 19:00	1	1848	KTN CROWN PRINCESS 12:00 - 19:00	3	1590				KTN VIKING ORION 10:00 - 18:00	2	930	#4 WC Shuttle Buses 7:30-15:30	2	350			
			KTN SEVEN SEAS MARINER 12:00 - 19:00	WE	700							KTN KONINGSDAM 11:00 - 19:00	3	2650	KTN SERENADE OF THE SEA 14:00 - 22:00	3	2100			
			#4 WC Shuttle Buses 12:30-17:30	2	350							KTN NIEUW AMSTERDAM 13:30 - 21:00	1	2100						
			KTN NG VENTURE 15:00 - 20:00	2	70															
			Ship at Berth 2 is small.			Ship at Berth 3 arrives after shuttle operations.			No ship at Berth 2.			Berth 4 is preferred given ships at Berth 2 and Berth 3.			No ship at Berth 2.					
Sunday, September 25			Monday, September 26	Berth	Capacity	Tuesday, September 27	Berth	Capacity	Wednesday, September 28	Berth	Capacity	Thursday, September 29	Berth	Capacity	Friday, September 30	Berth	Capacity	Saturday, October 1	Berth	Capacity
			KTN OCEAN VICTORY 06:00 - 17:00	WE	200	KTN NORWEGIAN SUN 06:30 - 13:00	WW	2002	KTN QUANTUM OF THE SEA 08:00 - 17:00	2	4180	KTN NORWEGIAN SPIRIT 06:30 - 13:00	WE	2477	KTN WESTERDAM 07:00 - 13:00	1	1848	KTN NORWEGIAN JEWEL 13:00 - 20:00	WW	2376
			#4 WC Shuttle Vans 12:30-15:30	2	100	#8 WC Shuttle Buses 7:00-11:00	2	1001				#8 WC Shuttle Buses 7:00-11:00	2	1238	KTN NORWEGIAN ENCORE 07:00 - 13:15	WW	3998	#8 WC Shuttle Buses 13:30-18:30	2	1188
			KTN ZUIDERDAM 11:00 - 19:00	1	1848							KTN EURODAM 06:30 - 13:00	1	2100	#12 WC Shuttle Buses 7:30-11:00	2	1999			
												KTN NORWEGIAN BLISS 07:00 - 13:15	WW	4174	KTN NIEUW AMSTERDAM 10:00 - 18:00	3	2100			
												#12 WC Shuttle Buses 7:00-11:00	2	2087						
												KTN KONINGSDAM 11:00 - 19:00	3	2650						
			No ship at Berth 2.			No ship at Berth 2.			No ship at Berth 2.			No ship at Berth 2.			No ship at Berth 2.			No ship at Berth 2.		
Sunday, October 2	Berth	Capacity	Monday, October 3			Tuesday, October 4	Berth	Capacity	Wednesday, October 5	Berth	Capacity	Thursday, October 6	Berth	Capacity	Friday, October 7	Berth	Capacity	Saturday, October 8	Berth	Capacity
KTN REGATTA 07:00 - 17:00	WW	700				KTN NORWEGIAN SUN 06:30 - 13:00	WW	2002	KTN NORWEGIAN SPIRIT 07:00 - 16:00	WW	2477	KTN EURODAM 06:30 - 13:00	1	2100	KTN NORWEGIAN ENCORE 07:00 - 13:15	WW	3998	KTN NORWEGIAN SUN 07:00 - 13:15	WE	2002
#4 WC Shuttle Buses 7:30-15:30	2	350				#8 WC Shuttle Buses 7:00-11:00	2	1001	#8 WC Shuttle Buses 7:30-14:30	2	1238	KTN NORWEGIAN BLISS 07:00 - 13:15	WW	4174	#12 WC Shuttle Buses 7:30-11:00	2	1999	#8 WC Shuttle Buses 7:30-18:30	2	1001
												#12 WC Shuttle Buses 7:00-11:00	2	2087						
												KTN KONINGSDAM 11:00 - 19:00	3	2650				KTN NORWEGIAN JEWEL 10:00 - 18:00	WW	2376
																		#8 WC Shuttle Buses 13:30-18:30	2	1188
												No ship at Berth 2.			No ship at Berth 2.			No ship at Berth 2.		
Sunday, October 9			Monday, October 10			Tuesday, October 11			Wednesday, October 12			Thursday, October 13	Berth	Capacity	Friday, October 14	Berth	Capacity	Saturday, October 15		
												KTN NORWEGIAN BLISS 07:00 - 13:15	WW	4174	KTN NORWEGIAN ENCORE 07:00 - 13:15	WW	3998			
												#12 WC Shuttle Buses 7:00-11:00	2	2087	#12 WC Shuttle Buses 7:30-11:00	2	1999			
												KTN NORWEGIAN SUN 07:00 - 16:00	WE	2002	KTN NORWEGIAN JEWEL 09:00 - 18:00	WE	2376			
												#8 WC Shuttle Buses 7:30-14:30	2	1238	#8 WC Shuttle Buses 9:30-16:30	2	1188			
												No ship at Berth 2.			No ship at Berth 2.					
Sunday, October 16			Monday, October 17			Tuesday, October 18			Wednesday, October 19			Thursday, October 20	Berth	Capacity	Friday, October 21	Berth	Capacity	Saturday, October 22		
												KTN NORWEGIAN BLISS 07:00 - 13:15	WW	4174	KTN NORWEGIAN ENCORE 07:00 - 13:15	WW	3998			
												#12 WC Shuttle Buses 7:00-11:00	2	2087	#12 WC Shuttle Buses 7:30-11:00	2	1999			
												No ship at Berth 2.			No ship at Berth 2.					

May 5, 2022

Acting City Manager Simpson reminded the Council, shortly after the beginning of the year they gave staff direction to develop a Request for Proposal (RFP) for a Grant Writer. She indicated the process was started, and then staff attended this grant symposium and had further conversations with some federal agencies, and they concluded that the RFP was not necessarily in the best interest in the advancement of these projects. She reported it would be on a case-by-case basis, and she appreciated comments made by Councilmember Bradberry of engaging a grant writer when the time comes. She pointed out some projects can be handled by staff, and the larger specific projects may need a grant writer.

Motion passed with Kistler, Zenge, Gage, Flora, Bradberry, Mahtani and Gass voting yea.

Resolution No. 22-2848 – Providing for the Sale of Certain Surplus Tax-Foreclosed Property Previously Offered for Sale

Moved by Mahtani, seconded by Gass the City Council approve Resolution No. 22-2848 providing for the sale of certain surplus tax-foreclosed property previously offered for sale; and establishing an effective date.

Councilmember Gass questioned the timeframe in regards to the remaining properties that were not included in the list provided by staff.

Public Works Director Hilson answered questions from the Council.

Mayor Kiffer suggested the possibility for those properties that are not buildable to divide up and auction off in small pieces to folks who want to own a piece of Alaska.

Councilmember Bradberry stated that is being done on Gravina at \$80 per piece.

Motion passed with Flora, Bradberry, Zenge, Gage, Mahtani, Kistler, and Gass voting yea.

VOUCHERS - None

CITY MANAGER’S REPORT

Acting City Manager Simpson said the only thing she had tonight was receiving direction from the Council on the laid on the table regarding the Ward Cove Dock Group bus shuttle operation to unload passengers on the Port of Ketchikan.

Mayor Kiffer asked if there were four hands to give staff direction to bring this back at the next Council meeting, and at least four hands were shown.

Councilmember Bradberry asked if there was support from other Councilmembers to hold a special meeting on this topic. She said there was absolute chaos down at Berth IV with cars, buses and passengers. She said she was very concerned about the safety aspect and if we would ultimately be responsible.

Councilmember Mahtani agreed with comments made by Councilmember Bradberry, and added he saw folks that were in distress. He felt this deserves to be addressed as soon as possible.

Acting City Manager Simpson stated she has not received a formal proposal from the Ward Cove Dock Group, and it is not expected until sometime next week. She advised if the Council is interested in holding a special meeting, we need to keep in mind that staff will need to review that proposal, and she didn’t know exactly when that would be.

May 5, 2022

Councilmember Gass agreed with comments made by Councilmember Bradberry, but he didn't see the benefit in trying to schedule a meeting a few days earlier. He felt staff needs time to review the proposal before it comes back to the Council.

Mayor Kiffer asked for a show of four hands for the Council to hold a special meeting, and none were shown.

Councilmember Gass said that during the budget deliberations there was a proposed property tax increase to be presented in June. He asked for an update on where we stand on this from staff.

Acting City Manager Simpson said she has spoken with the Finance Director about the property tax increase that is incorporated into the 2022 budget. She said the cruise season has just started and the numbers are lower than what staff was anticipating. She indicated staff is hopeful the revenues will build and stabilize, but it makes it difficult right now to predict what level of revenue the City will be receiving for 2022 in order to plan for the 2023 budget.

Finance Director Johansen said it is too early to tell where we are going to be. She said we tried to estimate low, but one of the ships has canceled the majority of their stops, and the passenger count is lower than expected. She informed she did get the property tax report today, but this needs to be balanced with what was projected in the budget. She said there will be an agenda item at either of the next two meetings, as it has to be approved by June 15, 2022.

Councilmember Bradberry encouraged staff to reach out to the cruise lines to make sure everything is ok, since we have had so many schedule changes recently that did not benefit Ketchikan.

Councilmember Bradberry also questioned where staff is regarding the Tourism Director position and offered her services.

Acting City Manager Simpson said staff is working on a job description. She reported the Human Resources Division is understaffed so we are delayed in bringing this forward to the Council, but it is still on staff's radar.

Schedule of General Government and KPU Appropriated Reserves Through the City Council Meeting of April 21, 2022

Acting City Manager Simpson attached for Council review a schedule of the current balance of Appropriated Reserves of the various funds of General Government and KPU through the City Council meeting of April 21, 2022.

2022 Sales Tax Report No. 3

Acting City Manager Simpson provided the 2022 Sales Tax Report No. 3 sales tax collections, which includes a ten (10) year sales tax comparison.

Public Works Director's Project Status Report – April 2022

Acting City Manager Simpson included for Council review the project status report of the Public Works Director for the month of April 2022.

City-PeaceHealth Healthcare Advisory Committee (HAC) – March 24, 2022 Meeting Minutes

Acting City Manager Simpson attached for Council review the approved minutes from the March 24, 2022 meeting of the City-PeaceHealth Healthcare Advisory Committee (HAC).