

**Memorandum of Agreement  
Between the CITY & BOROUGH OF JUNEAU  
and  
The Partnership, Inc.  
For Design of the Capital Civic Center**

**1. Purpose**

THE PARTNERSHIP, INC. (“Partnership”) and the CITY & BOROUGH OF JUNEAU (“CBJ”), mutually agree to the terms and conditions of this Memorandum of Agreement (“MOA”) for the design of the Capital Civic Center (“Project”).

This MOA is being executed to facilitate the planning and design of the Capital Civic Center. The parties will ensure that this facility is energy efficient and built with sustainable, durable, and easily maintainable systems and materials. The facility shall adhere to CBJ building standards outlined in Attachment A. The Partnership shall receive one million in funds from the CBJ for use solely for design. The CBJ authorized this agreement by resolution or ordinance and agreed that the CBJ will perform specific actions related to the Project.

**2. Project Scope:**

The Capital Civic Center is a composite of the renovated Centennial Hall and the addition of meeting rooms, a large meeting hall, a 299-seat professional theater, an art gallery, store, and café, and all necessary support spaces to facilitate use as a community convention and arts center. At the time of this Agreement, the project is conceived as a 44,000 SF addition plus partial renovation of Centennial Hall with construction cost currently estimated at \$45M and total project cost at \$60M. See Attachments C and Attachments D.

**3. The Partnership Acknowledgements:**

- a. The target maximum allowable construction cost (“MACC”) is \$45M with a \$60M total project cost as indicated by the budget documentation provided by the Partnership at the 1/27/25 Committee of the Whole (COW) meeting (Attachment C). Changes to the target MACC and total project cost shall be agreed upon by both parties in writing.
- b. The project shall be designed to achieve a minimum level of LEED Certified in accordance with the LEED v4.1 (or equitable newer version) for Operations and Maintenance (O+M) Certification process. LEED O+M Certification shall be achieved one year after occupancy and maintained for 3 years.
- c. The Project shall be designed to achieve an Energy Use Intensity (EUI) that meets or exceeds the Median Source EUI (kBtu/ft<sup>2</sup>) for Convention Centers (109.6

- kBtu/ft<sup>2</sup>) and Performing Arts Centers (112.0 kBtu/ft<sup>2</sup>) as published by the Energy Star, U.S. Department of Energy. Calculate the comprehensive source EUI by proportioning the EUI target by the corresponding square footage by use, unless otherwise agreed to in writing.
- d. The project must include stakeholder input and buy-in from Travel Juneau and the Juneau Chamber of Commerce.

4. **The Partnership Responsibilities:**

- a. Manage the Project in accordance with Federal and State laws and regulations. Proposed project manager to be approved by CBJ.
- b. Execute and manage any professional services agreements as necessary, including design and architecture services at the Partnership's expense.
- c. Upon completion of 35% Schematic Design documents and construction estimate, provide an updated business plan to be reviewed by a third party independent firm retained by CBJ. Business plan shall include, but not be limited to:
  - i. Market analysis
  - ii. Marketing strategy
  - iii. Financial Plan to include projected revenue, expenditures, net (gain/loss), projected timeline when total project costs are expected to be recouped. Expenditures shall be based on a Life Cycle Cost Analysis for the facility.
- d. Perform a Life Cycle Cost Analysis (LCCA) at 35% Schematic Design and updated at 65% and 95% design. It shall include an energy life cycle cost component to determine the heating, ventilation, and cooling (HVAC) system. It shall be used to determine the material and system selections. The LCCA shall consider development and initial costs, maintenance and operation costs, and replacement/demolition/disposal costs at end of life over the life of the facility. Estimated life of the facility shall be 60 years.
- e. Perform Value Engineering at 35% Schematic Design. Value Engineering shall be performed by a qualified third party firm, independent of the Design Team and Architect of Record. Value Engineering recommendations shall be incorporated into the project by mutual agreement of both parties in writing.
- f. Consult CBJ on building materials and systems selections prior to final design. See Attachment A – CBJ Standards and Design Requirements.
- g. Consult with the CBJ City Architect, Chief Engineer, and Facilities Maintenance Supervisor who shall have the opportunity to review and give input to the project at key submittal phases: Schematic Design (35%), Design Development (65%), and Construction Documents (95%) and associated cost estimates. CBJ shall be allowed a minimum of 14 calendar days to review and comment.

- h. Obtain and maintain proper insurance for the Project.
- i. Keep CBJ point-of-contact informed of the Project status with monthly reports of project budget and schedule status due the first day of each month.
- j. Communicate with the CBJ on any proposed changes that would affect the Project scope.

**5. The CBJ Responsibilities:**

- a. Contribute up to \$1 Million dollars toward bringing the project to 65% complete design documents.
- b. The CBJ City Architect, Chief Engineer, and Facilities Maintenance Supervisor shall have the opportunity to review and give input to the project at key submittal phases: Schematic Design (35%), Design Development (65%), and Construction Documents (95%), and corresponding cost estimates. CBJ shall provide review and comment within 14 calendar days of submittal.
- c. Upon completion of the CBJ staff review period, the Assembly shall have the opportunity to review and give input to the project at key submittal phases: Schematic Design (35%), Design Development (65%), and Construction Documents (95%), and corresponding cost estimates.
- d. CBJ representatives identified herein shall have the opportunity to attend all project meetings between the Partnership and the design firm.

**6. Project Administration and Reporting**

- a. The CBJ's primary representative for this agreement shall be the City Architect.....
- b. The Partnership's primary representative for this agreement shall be .....
- c. The Partnership shall keep The CBJ point-of-contact informed of the Project status with monthly reports, due on the first day of each month. Monthly reports will include, at a minimum, the following information:
  - i. A brief narrative of Project activity during the prior period.
  - ii. Budget status, including expenditures compared to overall design budget.
  - iii. Schedule status, indicating any variance from baseline schedule.
  - iv. If budget or schedule variance exceeds 5%, provide a brief explanation of the cause and any actions taken to regain baseline.
  - v. A brief narrative of planned Project activity for the subsequent period.
- d. The CBJ shall not be liable for the Partnership's expenses incurred in reliance on direction received from any CBJ officer employee other than the signatory authority or designated primary Project point-of-contact. Reliance by the CBJ on representations by any other person shall be at the CBJ's own risk.

- e. The CBJ shall not be liable for the Partnership's expenses incurred in reliance on directions received from any other municipal officer or employee. Reliance by the CBJ on representations by any other person shall be at the CBJ's own risk.

## **7. Disbursement of Funds**

The Partnership shall register as a vendor with CBJ's Purchasing Office in order to receive funding. Funds shall be disbursed as follows:

Upon completion of Business Plan (4.c.)	\$333,000	33.3%
Upon completion of Schematic Design 35%	\$333,000	33.3%
Upon completion of Design Development 65%	\$334,000	33.4%
<b>Total</b>	<b>\$1,000,000</b>	<b>100.0%</b>

## **8. Term**

This MOA shall become effective on the date of the last signature and shall apply until the Project achieves 95% completion of design.

## **9. Each Party is an Independent Contractor**

For the purposes of this Agreement and all services to be provided hereunder, each party shall be, and shall be deemed to be, an independent contractor and not a partner, agent, or employee of the other party. Neither party shall have authority to make any statements, representations, or commitments of any kind, or take any action, which shall be binding on the other party, except as may be explicitly provided for herein or authorized by the other party in writing.

## **10. Penalty for Breach of Obligations in this MOA**

### **A. Notification and Opportunity to Cure**

If notified by the CBJ in writing that it is in violation of any of the terms, conditions, or provisions of this Agreement, the Partnership shall have thirty (30) days from the date of such notification to remedy the violation; or, if the remedy will take in excess of thirty (30) days to complete, the Partnership shall promptly take responsive action necessary to achieve a satisfactory remedy as close as possible to the 30<sup>th</sup> day from CBJ's initial notice.

### **B. Remedies**

In the event of breach of the Partnership's obligations to design the project in accordance with the terms of this agreement, damages shall include, but are not limited to:

1. Cancellation of the agreement to assume ownership of the Project after completion.
2. Reimbursement of all funds already dispersed by the CBJ.
3. Withholding of approval of future funding for the project until such time as the Partnership puts the Project in a state of compliance with this MOA.

## **Miscellaneous Provisions**

### **A. Amendment or modification of Agreement:**

This MOA may only be modified or amended by written agreement signed by authorized representatives for both Parties.

### **B. The Whole Agreement:**

This MOA constitutes the entire agreement between the Parties. There are no other understandings or agreements between the Parties, either oral or memorialized in writing regarding the matters addressed in this MOA. This MOA may not be amended by the Parties unless an amendment is agreed to in writing, with both Parties signing through their authorized representatives. All parties mutually agree to the terms of this Memorandum of Agreement. The Memorandum of Agreement should not be construed in favor of or against any party. This Memorandum of Agreement contains the entire agreement between the parties; there are no other promises, terms, conditions, or obligations other than those contained therein; and this agreement and yearly work plans shall supersede all previous communications, representations or agreement, either oral or written, between the parties.

### **D. Third Parties and Responsibilities for Claims:**

Nothing in this MOA shall be construed as conferring any legal rights, privileges, or immunities, or imposing any legal duties or obligations on any person or persons other than the Parties named in this MOA, whether such rights, privileges, immunities, duties or obligations be regarded as contractual, equitable, or beneficial in nature as to such other person or persons. Nothing in this MOA shall be construed as creating any legal relations between the Partnership and any person performing services or supplying any equipment, materials, goods, or supplies for the Project.

**Equal Employment Opportunity.** The Partnership will not discriminate because of race, religion, color, sex, age, disability, familial status, sexual orientation, gender identity, gender expression, or national origin. The Partnership will include these provisions in any agreement relating to work performed under this agreement.

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

**Inspection and Retention of Records.** The CBJ may inspect, in the manner and at reasonable times it considers appropriate, plans, records, and activities having any relevance to this agreement. The Partnership shall retain financial and other records relating to the performance of this agreement for a period of six (6) years, or until the resolution of any audit findings, claims, or litigation related to the agreement.

**Insurance Requirements.** The Partnership must provide and maintain certification of proper insurance coverage or binder, along with the amendatory endorsement, to the City and Borough of Juneau. Proof of the following insurance is required:

**Commercial General Liability Insurance.** The Partnership must maintain Commercial General Liability Insurance in an amount it deems reasonably sufficient to cover any suit that may be brought against the Partnership. This amount must be at least \$1,000,000 per occurrence, and \$2,000,000 aggregate. This insurance policy is to contain, or be endorsed to contain, additional insured status for the CBJ, its officers, officials, employees, and volunteers.

**Indemnification.** The Partnership 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 the Partnership's performance of this agreement, 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 the Partnership arise immediately upon actual or constructive notice of any action, claim, or lawsuit. CBJ shall notify the Partnership in a timely manner of the need for indemnification, but such notice is not a condition precedent to The Partnership's obligations and is waived where the Partnership has actual notice.

**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. The Partnership specifically waives any

right or opportunity to request a change of venue for trial pursuant to AS 22.10.040.

**Applicability of Alaska Public Records Act.** The Partnership 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 agreement must be made available for the public to inspect upon request, unless an exception applies. It is the Partnership's sole responsibility to clearly identify any documents the Partnership 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 the Partnership the CBJ will notify the Partnership as soon as practicable prior to making any disclosure. The Partnership 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 the Partnership deems necessary in order to protect its interests. Should the Partnership fail to notify the CBJ of its objection or to file suit, the Partnership shall hold the CBJ harmless of any damages incurred by the Partnership as a result of the CBJ disclosing any of the Partnerships' documents in the CBJ's possession. Additionally, the Partnership may not promise confidentiality to any third party on behalf of the CBJ, without first obtaining express written approval by the CBJ.

**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.

**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.

**Joint Drafting:**

This MOA has been jointly drafted by the Parties, and each party has had the ability and opportunity to consult with its legal counsel prior to signature. The MOA shall not be construed for or against either party.

**ATTACHMENTS INCLUDED**

Attachment A – CBJ Standards and Design Requirements

Attachment B – Capital Civic Center Joint Venture Project Management Org. Chart, 1/27/25

Attachment C – Capital Civic Center Project Budget, 1/27/25

Attachment D – Capital Civic Center Plans, 1/27/25

Attachment E – Project Funding as Presented by the Partnership, 1/27/25 COW

## Contacts

The undersigned agree to the terms of this Memorandum of Agreement:

Dated: \_\_\_\_\_ By: \_\_\_\_\_  
Bruce Botelho, Co-chair

Dated: \_\_\_\_\_ By: \_\_\_\_\_  
John Clough, Co-chair

SUBSCRIBED AND SWORN TO OR AFFIRMED before me by \_\_\_\_\_, who is Regional Director for the Southcoast Region of the Alaska Department of Transportation & Public Facilities, an agency established under Alaska law, on this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Notary Public, State of Alaska  
My commission expires: \_\_\_\_\_

### CITY & BOROUGH OF JUNEAU

Dated: \_\_\_\_\_ By: \_\_\_\_\_  
Katie Koester  
City Manager, CITY & BOROUGH OF JUNEAU

SUBSCRIBED AND SWORN TO OR AFFIRMED before me by Katie Koester, who is City Manager of the CITY & BOROUGH OF JUNEAU, a Municipality established under Alaska law, on this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Notary Public, State of Alaska  
My commission expires: \_\_\_\_\_



ACKNOWLEDGMENT OF AUTHORIZATION BY THE CITY & BOROUGH OF JUNEAU  
ASSEMBLY

By adoption of CBJ & BOROUGH OF JUNEAU Resolution Serial No. XXXX, adopted on [month day, year], the CBJ Assembly authorized execution of this agreement and committed to providing match funds for this Project to the extent permitted by the CBJ charter, and acknowledged the CBJ's promise to perform specific actions related to the Project.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Clerk, CITY & BOROUGH OF JUNEAU

## Attachment A: CBJ Standards and Design Requirements<sup>1</sup>

Exterior Doors to be fiberglass.

Toilet Partitions – consider phenolic partitions in lieu of stainless steel currently specified for potential cost savings.

Fire Alarm System – shall be compatible with Simplex system at Centennial Hall, recently upgraded with 2022-23 Ballroom Renovation. Alternatively will consider other fire alarm systems if all of Centennial Hall is wholly retrofitted with alternative fire alarm system.

Exterior Siding - Durable, low maintenance, exterior siding system. Preferably not wood.

HVAC Controls – DDC system shall be Automated Logic, which ties into a head-end at CBJ Facilities Maintenance shop in Douglas, AK.

Energy Use Intensity (EUI) – meet or exceed the Median Source EUI (kBtu/ft<sup>2</sup>) for Convention Centers (109.6 kBtu/ft<sup>2</sup>) and Performing Arts Centers (112.0 kBtu/ft<sup>2</sup>) as published by the Energy Star, U.S. Department of Energy.<sup>2</sup> Calculate the comprehensive source EUI by proportioning the EUI target by the corresponding square footage by use.

Light fixtures and bulbs - limit specialty light fixtures. Prefer fixtures and bulbs whose parts, components, and full replacements are readily available.

Exterior Light Fixtures – to be controlled by photocell v. an astronomical clock.

Access Control – Must integrate and be compatible with CBJ's standard access control system, Millenium.

Intrusion Detection System – System specified shall be non-proprietary and able to be programed by CBJ Facilities Maintenance staff.

Video Surveillance (CCTV) – Must integrate and be compatible with CBJ's standard video surveillance system, Verkada.

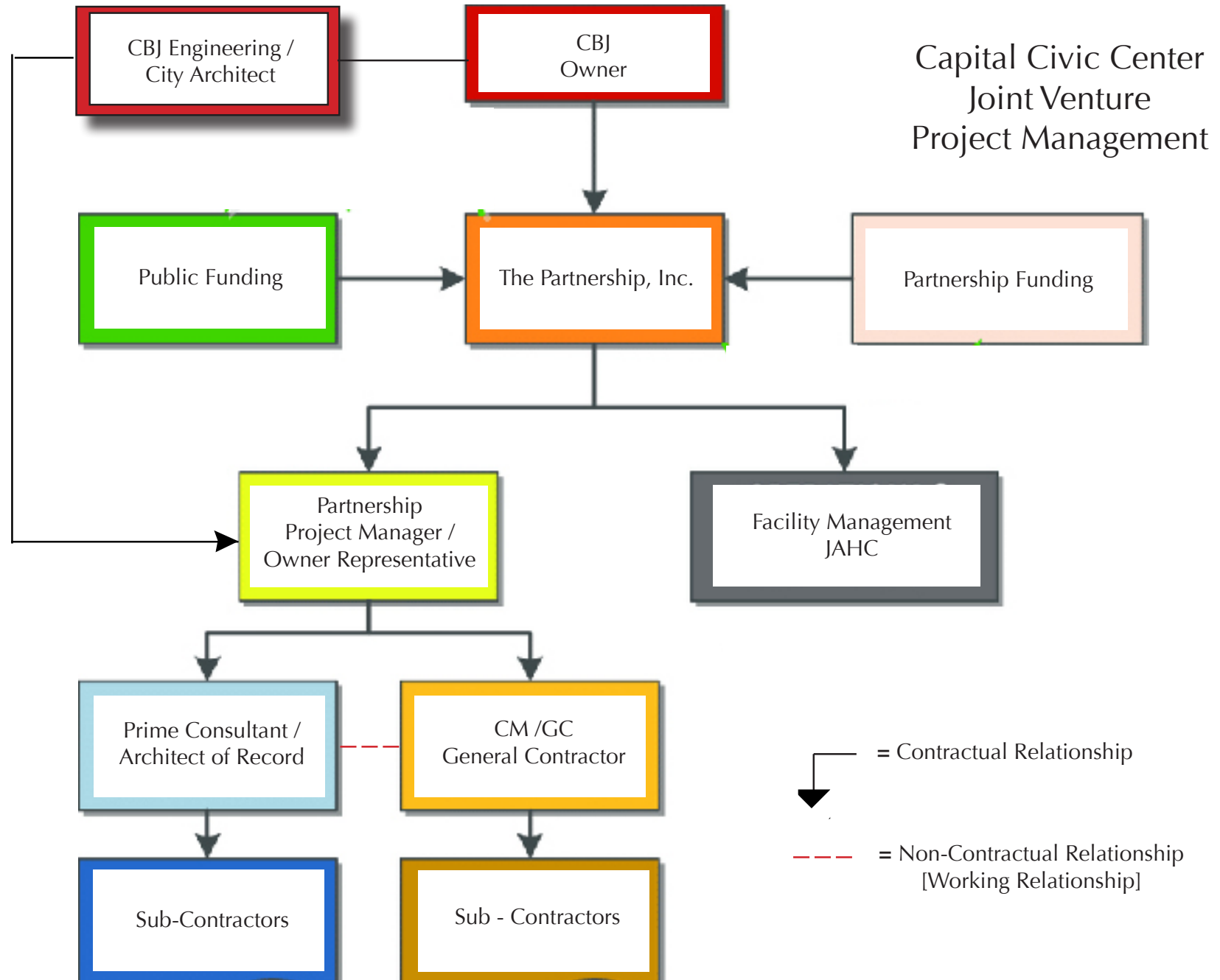
Elevator – prefer Thyssen Krupp based on maintenance service agreement. Thyssen Krupp can service Otis elevators as well.

IT Issues: the design will need to account for connectivity to Zach Gordon Youth Center and the Docks & Harbors Office during and potentially after construction. Centennial Hall connectivity needs to be addressed as well.

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<sup>1</sup> Refers to specifications in the [New Junea Arts Culture and Civic Center \(NJACCC\) Estimator Draft prepared by NorthWind Architects LLC 11/11/24](#).

<sup>2</sup>Energy Star PortfolioManager, U.S. Energy Use Intensity by Property Type, <https://portfolioenergymanager.gov/pdf/reference/US%20National%20Median%20Table.pdf>



# Attachment C

Capital Civic Center Project Budget			
Hard Costs	Construction 44,000 Sq. Ft		\$41,227,596
	Site Preparation		\$1,960,337
	Landscaping		\$900,000
	Parking		\$1,100,000
		Sub Total	\$45,187,933
Soft Costs	Architect / Engineering		\$4,518,793
	Permitting and Fees		\$451,879
	Specialty Consultants		\$903,759
		Sub Total	\$5,874,431
FFE	Theater		\$2,090,300
	General Facility		\$1,112,428
		Sub Total	\$3,202,728
Project Management	Administration		\$451,879
	Construction Management		\$677,819
	Testing / Special Inspections		\$451,879
		Sub Total	\$1,581,578
Contingency		Sub Total	\$4,518,793
Project Cost		Total	\$60,365,463

10%

1%

2%

1%

1.50%

1%

10%

Load total

26.500%

Potential Additive

Alternates:

	construction	project
2nd floor on Centennial Hall	\$7,501,712	\$9,489,666
Demolish the existing Armory (JACC)	\$1,702,300	\$2,153,410
Paint Centennial Hall to match	\$198,008	\$250,480
New front Canopy at Centennial Hall	\$209,597	\$265,140
Add for Orchestra Pit Lift instead of platforms	\$310,000	\$392,150

SUBTOTAL \$12,550,846

TOTAL \$72,916,309





## Attachment E

### Where Do We Stand Today

prepared on 1/16/2024

#### Cash On Hand:

1) Merrill Lynch net worth:		
a. Partnership Operating account:	\$ 403,663.00	
b. Partnership Investment account:	\$ 2,287,983.00	
		\$ 2,691,646.00
2) Wells Fargo Partnership account:		\$ 82,343.00
3) Juneau Community Foundation:		
a. Capital Civic Center Designated account:	\$ 120,494.55	
b. Fred K. Koken Fund:	\$ 1,000,000.00	
c. Shelton Fund	\$ 100,000.00	
d. Bill and Katie Corbus - Performing Arts Center Fundraising and Operating Endowment Fund yields \$50,000 annually for fundraising/planning, and then for operations after built.		
\$52,000 annual Corbus distribution not included here		\$ 1,220,494.55
<b>Total Cash:</b>		<b>\$ 3,994,483.55</b>

#### Matching Grants:

1) NEH \$750,000 – Match completed 2024	<b>Total:</b>	<b>\$ 750,000.00</b>
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#### Corporate, Foundations, Government, or Personal pledges to be paid :

1) CBJ CLIA Marine Passenger Fees:	\$ 10,000,000.00	(3,000,000 – completed)
CBJ Design Funds	\$ 1,800,000.00	
CBJ Federal Match	\$ 5,000,000.00	
2) Murdock Foundation approved	\$ 650,000.00	
3) Rasmuson Foundation	\$ 1,500,000.00	*
* We must match \$1,000,000		
4) Richard L and Diane M Block Family Foundation	\$ 250,000.00	*
* To receive the first \$100,000 we must raise \$300,000		
5) Carr foundation	\$ 150,000.00	
5) Individual pledge balances due: (Groundbreakers, Block Builders, 50 for the Future donors)	\$ 424,075.00	
	<b>Total:</b>	<b>\$ 19,774,075.00</b>

**Sub Total Cash + Commitments: \$ 24,518,558.55**

#### Targeted Donations from other Foundations, Governments, Private:

1) Government request postponed to 2025	\$ 15,000,000.00
2) Private Individual (in negotiation)	\$ 1,500,000.00
3) Private Family (in negotiation)	\$ 1,000,000.00
4) Private Foundation (s) being researched	\$ 13,000,000.00
5) Contractor Inkind Armory tear down and site prep	\$ 5,000,000.00

**Sub Total Pending Requests and Research: \$ 35,500,000.00**

**Total: \$ 60,018,558.55**

#### Funds spent so far on project:

**\$2,817,071** (does not include the Centennial Hall reno)

#### Accomplished:

Active fundraising activities and campaigns resulting in the funds to date  
Drawings, initial Centennial Hall renovations completed  
Embarking on final designs.

Note that future operating and fundraising expenses come from the Operating Account funds provided by the JCF fund

Donors	Juneau	Statewide	Out of State	Total
Major donors (>\$10,000)	34	2	7	43
Groundbreakers (Pledged \$10,000, some paid some pending)	80	5	10	95
50 for the Future (Pledged \$600, some paid some pending)	14		4	18
Block Builders (donations toward the Block challenge)	8			8
Rasmuson Matchmakers (new program)	1			1
Donors to the JCF Capital Civic Center fund	10			10
Other donors	495	32	64	591
<b>Total</b>	<b>642</b>	<b>39</b>	<b>85</b>	<b>766</b>