

**From:** [Mark Stopha](#)  
**To:** [Harbor Board](#)  
**Subject:** Comments for 9% harbor fee increase proposal  
**Date:** Tuesday, September 5, 2023 11:37:43 AM

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Dear Juneau Harbor Board:

Using the consultant's justification that because harbor fees are a small part of boaters expenses, all fees should increase by 9%, I'd like to suggest increasing the moorage fees for cruise ships by an ADDITIONAL amount suggested by the current 9% proposal, and to keep harbor fees the same as they are now (including the annual CPI increase as necessary) for Statter, Harris, Aurora and Douglas Harbor, where primarily resident Juneau boat owners moor their boats, as well as keeping launch ramp fees the same as they are now.

The additional surcharge I propose to the proposed 9% increase for cruise ship moorage fees would be equivalent to a dollar per passenger. Since we now have about 1.4 million passengers coming each year, this additional income of \$1.4 million would be double the \$700,000 the consultant estimates the new fees they suggest would raise across all fee increases, and therefore there would be no need to increase fees for local users at the harbors or ramps, other than for the CPI.

I talked to a person (Andrea, I think was her name) at the Port Office and got ballpark estimates for of an "average" larger cruise ship of \$25,000/day for moorage fees and about 4,500 cruise passengers per ship. If there is a 9% increase to the moorage fees, that would make an increase of \$2,250 to the moorage fees or  $\$2,250/4500$  passengers = 50 cents per passenger. An additional \$1 per passenger increase to that increase in moorage fees would be \$1.50/passenger.

This would be a specific surcharge on cruise ship moorage fees, and NOT an increase to the "head tax", since the head tax has specific things it can be spent on. The surcharge would be only to moorage associated fees to the cruiseship company, and not individual passengers, so the money would go to the harbor fund. If the fee can't be based on the specific number of passengers due to legal issues with the use of the money, then simply increase the dockage fees above the 9% proposed by the consultant based on some estimate of \$1/passenger that is based on past passenger capacity, cruiseship size, etc. Or just by using averages and the scenario in the previous paragraph, increase the fees by an average of \$6,750, or 27%.

This may seem like a large increase, but on a per passenger basis, it is not. A quick search for Holland America (which I used simply because it came up first in the search) showed the least expensive cruise next year is \$349/week. Adding an additional \$1.50 to a trip will add, at maximum, less than one half of one percent ( $\$1.50/\$349.00$ ) to the cost of a cruise. Of course, the percentage increase to the passenger fare would be even less for the higher fares offered on the cruise ship shown on the website.

A rational person could make the same conclusion to this tiny increase as the consultant and Port Director did to a blanket 9% increase to everyone's harbor fees: that cruise passengers will not be sensitive so such a modest rate increase. Surely, \$1.50/passenger is not going to be a deal breaker for a passenger to come to Juneau on a cruise.

Justification for this tiny increase per cruise ship passenger cost of moorage for Juneau Harbors is that much of the impacts to the harbors are driven by the cruise ship industry. Juneau, as a town, has not significantly increased in population over the past 2 decades. It's not local users that are driving harbor impacts.

The recent expansion to Statter Harbor, for example, was necessary to accommodate the ever increasing number of whale watch vessels, while Aurora Harbor, which is largely used by locals, remains unfinished. The Statter Harbor expansion, however, does not accommodate nearly the number of charter vessels using the harbors that are here to cater to the cruise industry, as many charter boats are smaller vessels that charter for both whale watching and sport fishing, and jockey for a tie up spot in the harbor with the rest of us.

Also of note is that while our daily and monthly moorage fees are not in the higher end of fees when compared to other harbors in the region, the annual fees - which have the most impact to full time resident commercial fishermen

and locals that keep their boats in the water year round - are among the highest in the region, and another reason not to increase those fees. In fact, a reduction in those fees should be considered. In addition, most of the charter vessels that cater to the cruise industry are hauled out in the winter, so do not continue paying moorage to the harbor fund in the off season.

Increasing the cruise ship moorage fees by a surcharge based on the number of passengers, in addition to the increases recommended by the consultant and staff, would proportionally mitigate the impacts to the harbors by the number of cruise ship passengers. It would also somewhat mitigate the impacts to Juneau resident boaters who find it difficult or impossible to find either a tie up spot or parking spot in the summer - especially in Statter Harbor - when their harbor is full due to the number of charter vessels moored there.

This seems like a simple solution to allow the cruise ship industry to help pay for impacts to our harbor system at a minimal financial impact to cruise passengers.

Thank you for your consideration.

Mark Stopha, North Douglas