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As a growing number of folks in the greater Ketchikan area are aware, the Ketchikan City Council is considering contracting out the oversite and management of our docks, berths 1 thru 4, to a private company for up to 30 years. I believe the main reason they are considering this is that they see the need to increase the capacity of the individual berths in order to accommodate the new larger cruise ships and to improve some downtown areas to better handle the additional passengers they would bring. These improvements would have a significant cost and the Council doesn’t believe the citizens of Ketchikan would support another bond issue. Frankly, I think they are correct. The visitor industry is a very important part of our economic fabric, but the ever increasing numbers of tourists is threating to, or already has begun to change the quality of life that year-round residents enjoy and value. I oppose the city implementing any such management contract for our port facilities for the following reasons:

* Most private companies are doing everything they can to eliminate middlemen and make their operations as cost effective as possible. Probably one of the most prominent examples of this is Amazon. The city is hoping to get a large cash infusion, in the neighborhood of 35 million, from the company that would be awarded this management contract. We all know that one of the first objectives of any private company is to make money, and certainly this management company would be no different. Where do you think that money would come from? It’s not going to come from the cruise ship companies. I believe the management company’s profits will come from funds that would have gone to the community of Ketchikan, in one form or another, over the period of the contract. The port management company would have to recoup the upfront 35 million in addition to their annual operating profits.
* The term of the management contract is to be for an estimated 30 year period. I know I don’t have the wisdom to see what would be best for our community for the next 30 years, and I really don’t believe our City Council members do either. Just think back to the past 30 years and the changes, good and bad, that have taken place. Who would have seen the change from the timber industry being the main economic activity 30 years ago to the tourism industry of today?
* I don’t want a company whose main concern is making as much profit as possible and whose employees don’t live here year around, making decisions about port operations that we Ketchikan residents wilI have to live with not just during the tourist season, but all year. Our city and borough governments make lots of decisions that I don’t agree with, but at least I know that they have to live with their decisions just like I do. That would not be the case if the city hires a middleman manager to control our port system.
* I have heard it expressed that some folks think this would be a good way to get our “pound of flesh” from the cruise industry, i.e., the 35 million the council wants for community development. Please see the first item above. In the long run, the management company that is hired, must cover its costs and make a profit, either that or it won’t be in business. My guess, sooner or later, those funds will come out of monies that could have gone to our community.

I am also concerned that most of the process concerning this proposal has been done in executive session and out of the public view. I ask the council to open the process up so we can have input and see what the considerations are.

I believe that the cruise ship industry needs Ketchikan and that Ketchikan needs the cruise ship industry. If this is true, then surely that can be the base for negotiations between the city and the industry and the result of those negotiations would be in the best interest of all of us. To the City Council, please abandon this concept of a long-term contract for the third party, middleman management of our waterfront.

Yours Truly,

Ken Duckett