



Dear Visitor Industry Task Force Members:

On behalf of our employee owned company, I want to thank you for your leadership and time commitment to help plan for future growth of the visitor industry in Southeast Alaska. The visitor industry continues to be an important contributor to our local and statewide economies.

Following is a background on our company, what we have been doing to minimize impacts of increased visitor volume, and where we believe the Juneau Industry Task Force can be an effective leader for continued responsible growth in the visitor industry.

Company Background

Alaska Coach Tours was formed in November of 2004 under the concept to be an Alaskan owned tour operator for cruise lines visiting Southeast Alaska. Our primary customer is Royal Caribbean Cruise Ltd which has 3 brands cruising Alaska; Royal Caribbean, Celebrity, and recently acquired Silver seas. We provide motorcoach tours and transportation for other vendors in the ports of Juneau, Ketchikan, Sitka, and Skagway. We also provide similar services for Regent, Oceania, and Viking Cruise Lines. Small ship operators such as UnCruise, Lindblad, and American Cruise Line contract with us to provide turnaround and tour services for their guests. In 2015, Alaska Coach Tours became employee owned. The majority of our owners are residents of the Juneau-Douglas area. Juneau serves as our company headquarters.

Minimizing Growth Impacts

Our company has four core values; **Safety, Quality, Teamwork, and Environmental Responsibility**. We are adding a 5th core value in 2020; **Sustainability**. Core values are only effective if they are acted on. Our ownership who live and play in Juneau want a place where their families can prosper and enjoy the community. Our commitment to be good community partners comes from our employee owners. Following is a brief summary of actions we have taken:

Fleet Capacity/Emissions- 12 years ago, we ceased purchasing any new equipment with 2-stroke engines. Any fleet expansion has new diesel engines with significantly reduced emissions compared to the older engines. We have also been removing the existing 2-stroke motorcoaches from service and replacing them with newer equipment. All of the additional fleet are going through a seat expansion by removing the restrooms which increases the capacity from 47 to 53 seats. Combined, this will be an \$1million re-investment just for our Juneau fleet. However, the end result will be significantly reduced emissions and less trips in the downtown corridor. We also continue to pursue zero emission solutions which will always be our ultimate goal.

Asset Investment

We built our motorcoach facility at the rock dump area, which is near the cruise ship piers with the intent on reducing the number of trips through town and reduced fuel burn. We purchased the Rock-Climbing Gym building several years ago after it went out of business allowing for a non-profit to re-emerge and use the majority of space to continue as a recreational option for local residents. Alaska Coach Tours has its offices in the building. Recently, we acquired land adjacent to the facility to allow for additional growth in the future.

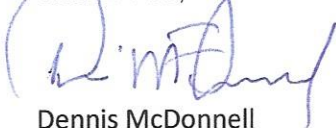
Sustainability

Our employees recognize and take action on the importance of what sustainability means. The team embarked on an ambitious plan to become the first company in Alaska to be certified by the Global Sustainable Tourism Council (GSTC). The process began over a year ago. We recently were audited by an inspector and are being recommended to become GSTC certified. This will be a historical moment but one that comes with continued responsibility to be leaders of our industry in pursuing best practices for our community and environment.

Sustainability also encompasses ensuring what you do as a business is adaptable to the community where you operate as you grow. The first question we ask when developing new product is, "How does this product work with community?" One example is our partnership with Eaglecrest Ski area. We will be operating a tour there where guests can step out into the wilderness with a guide and enjoy a refreshment at the lodge while learning about the history of the area. This new tour will help contribute to the sustainability of Eaglecrest Ski area. But first, we brought local ownership to the site and discussed how we can do the tour with minimal impact to the local community. We discussed the popular berry picking areas and times of the year where locals might visit the area. When developing a new tour to include the recently opened brewery in Auke Bay, we discussed with the owners, the best times to arrive as to not affect locals.

In summary, many local businesses such as ours have been planning for future growth with our community's best interests in mind. There can be future growth in Juneau and the new cruise ship pier proposal can have a positive impact if we work together with the developers who are wanting to include local community benefits. It is my hope this Visitor Industry Task Force will embrace this opportunity to be leaders of positive growth and work with local businesses working in the visitor industry to develop our future.

Thank You,



Dennis McDonnell
President