



United States Department of the Interior
NATIONAL PARK SERVICE

Glacier Bay National Park and Preserve

P.O. Box 140
Gustavus, Alaska 99826-0140

IN REPLY REFER TO:

Summary of Offers Memorandum

December 1, 1998

Glacier Bay National Park & Preserve

Subject: Cruise Ship Services Pursuant to Prospectus Issued February 19, 1998

To: Superintendent, Glacier Bay National Park & Preserve

From: David Nemeth, Rating Panel Chair
Jerry Case, Panel Member
Mary Beth Moss, Panel Member
Randy King, Panel Member
Stephen Crabtree, Panel member

Panel Recommendation

The Rating Panel recommends that the proposal from Holland America Line/Westours (HALW) be selected as the best offer. The panel believes the offer met all minimum criteria and was superior to all other offers in minimizing environmental impacts and providing additional services to enhance the park visitor experience.

We have not ranked the remaining offers, since it is possible that all available entries may be utilized by the recommended best offer and those offerors with an opportunity to amend their proposals (see below).

We also recommend that any *technical* problems (see below) be resolved prior to issuance of a permit to that operator.

Evaluation Process

Twelve proposals from the following entities were evaluated:

Celebrity Cruises Inc.
5201 Blue Lagoon Drive, Suite
Penthouse
Miami, FL 33126
Contact: Capt. Y. Miskis
Phone: 305-267-3557
Fax: 305-267-3501

Crystal Cruise Inc.
2121 Avenue of the Stars, Suite 200
Los Angeles, CA 90067
Contact: Gregg L. Michel
Phone: 310-785-9300
Fax: 310-785-0011

Cunard Line Limited
6100 Blue Lagoon Drive, Suite 400
Miami, FL 33126
Contact: Lyall J. Duncan, Esq.
Phone: 305-463-3136
Fax: 305-463-3030

Discovery Shipping, Inc.

2001 Western Avenue, Suite 300
Seattle, WA 98121
Contact: John Tillotson
Phone: 206-728-9400
Fax: 206-728-2301

Goldbelt, Inc.

9097 Glacier Highway, Suite 200
Juneau, AK 99801
Contact: Joe Beedle
Phone: 907-790-4990
Fax: 907-790-4999

Holland America Line-Westours Inc.

300 Elliott Ave. West
Seattle, WA 98110
Contact: Joe Valenti
Phone: 206-281-0584
fax: 206-286-3274

NCL Cruises Ltd.

d.b.a. Norwegian Cruise Line
7665 Corporate Center Drive
Miami, FL 33126
Lamarr B. Cooler
Phone 305-436-4930
Fax: 3054364140

Princess Cruises, Inc.

10100 Santa Monica Boulevard,
18th Floor
Los Angeles, CA 90067
Peter G. Ratcliff, President
Phone: 310-553-1770
Fax: 310-277-6175

Royal Caribbean Cruises LTD.

D.b.a. Royal Caribbean
International
1050 Caribbean Way
Miami, Florida 33132
Contact: Rick Strunk/Mike Ronan
Phone: (305) 539-6073
Fax: (305) 375-0711

West Travel, Inc.

d.b.a. Alaska Sightseeing/Cruise
West (AS/CW)
4th & Battery Building, Suite 700
Seattle, WA 98121
Contact: Tim R. Jacox
Phone: 206-441-8687
Fax: 206-441-4757

World Explorer Cruises

555 Montgomery Street, Suite 1400
San Francisco, CA 94111
Contact: Dennis Myrick
Phone: 415-393-1565
Fax: 415-391-1145

Yachtship Cruiselines, Inc.

d.b.a. American West Steamboat
Company
Two Union Square
601 Union Street, Suite 4343
Seattle, WA 98101
Contact: Robert Giersdorf
Phone: 206-292-9606
Fax: 206-340-0975

Preferences/Entries

Number of existing entries, entries requested and preferential status of each applicant. There are 68 entries available; 42 of these are unencumbered.

Applicant	Existing Entries	Requested Entries	Preference
Celebrity Cruise Line	0	21	No Preference
Crystal Cruises, Inc.	2	8	Preference on renewal
Cunard Line Limited	0 ¹	30 ²	No preference
Discovery Shipping	0	2	No Preference
Goldbelt, Inc.	0	19	ANILCA "local" preference
Holland America	0 ³	40	No Preference
Kloster Cruise Limited (NCL)	7	39	Preference on renewal
Princess Cruises (P&O)	13 ⁴	46	Preference on renewal
Royal Caribbean	0	26	No Preference
West Travel	0	14	No Preference
World Explorer Cruises	4	7	Preference on renewal
Yachtship Cruiselines	0	13	No Preference

Comparison of Offers

Except for the technical problems noted below, all offers were considered responsive to the prospectus. A gross summary of offers for each criteria is included in the attached *Summary of Evaluations Matrix*. This matrix highlights "problem" areas where additional information or

¹ Cunard Line lost their preference on renewal because they are operating during the 1998 & 1999 seasons.

² Cunard did not wish to compete in all categories (only in the competitive entries B-F).

³ Holland America also has 39 additional entries based on ANILCA 1307 historic rights.

⁴ Princess parent company (P&O) has 32 additional entries based on ANILCA 1307 historic rights.

clarification is needed to insure that the offeror would meet minimum requirements for the service.

Unless noted, all offers included the following elements:

1. Offered to meet the minimum requirements set forth in the prospectus.
2. Evidence of extensive experience in the cruise industry
3. Evidence of financial capability to provide the services indicated.
4. Desire to compete in all entry categories.
5. Offered to participate in the NPS Interpretive program (on a cost recovery basis).
6. Offered to operate under the “optimal itinerary.”
7. Would monitor stack emissions via video system.
8. Offered to not operate incinerators while in Glacier Bay.
9. Offered to not discharge sewage (treated or untreated), gray water or bilge wastes while in the park.
10. Offered to operate vessels in a manner which would “minimize underwater noise.”⁵
11. Did not have uncorrected safety or public health problems.

Holland America Line-Westours Inc. (HALW) [Recommended best offer]

There were no technical problems with the proposal.

Visitor Services: HALW had the strongest proposal regarding enhancement of visitor services. It included an innovative Native cultural program, a well developed children’s program and a commitment to provide *specific* park related reference materials in ship libraries.

Environmental Protection: HALW provided well developed basic Pollution Minimization Plan equal to or better than other offeror’s plans. Significant additional elements of their proposal included emissions monitoring, oil spill contingency program, passenger and crew environmental awareness program, comprehensive waste management/litter control program, helicopters not used without park approval.

Perhaps most significantly, HALW offered to provide NPS with the following information:

1. Stack opacity readings keyed to ship’s position.
2. Detailed sound signature from one HALW ship.

There was a significant pollution violation (involving multi-million dollar settlement) which was not considered because it occurred over three years ago and subsequent company action indicated contributing causes have been corrected.

Celebrity Cruises Inc.

No technical problems.

⁵ Relative benefits of various noise reduction schemes has not been entirely settled.

Visitor services: Celebrity offered a good basic program for ship personnel. Average provision for disabled passengers (less than 1% of cabins accessible). The offer lacked specifics about some proposed interpretive service enhancements.

Environmental protection measures were well developed and showed an intent to take appropriate actions to insure normal pollution minimization. Celebrity did not offer to provide baseline data to the NPS.

Crystal Cruise Inc.

Technical problems:

(1) Crystal Cruises did not submit information on all marine casualties.

The proposal was average in describing additional visitor service measures with some strong elements. There was little detail in areas such as what Native handcrafts would be offered and some indication of lack of awareness of park values (the examples of shipboard lectures were on unrelated topics). Offer described a good passenger & crew environmental awareness program. Few details on children's programs (this company probably has fewer children passengers).

Pollution minimization: Crystal offered a good basic plan for pollution minimization, but with few innovative elements. The corporate "Crystal Clean" program is well developed and comprehensive. Offer included **previous** opacity readings, but no other baseline information.

Crystal proposed a higher franchise fee (\$7.00) which could not be accepted under current law.

Cunard Line Limited

Technical problems:

- (1) The same individual signed the offer letter and *certificate of corporate officer* statement. Explanation or revised statement needed.
- (2) The Cunard Line Pollution Minimization Plan requires clarification.
- (3) Explanation needed regarding unaudited financial information.

The offer met minimum requirements, but was not specific about what additional visitor or interpretive services would be offered.

Environmental protection measures were below average, and were clearly inferior to HALW (e.g. no stack opacity meters, not enough boom to encircle ship,, etc.). Offered to provide baseline data to the NPS, but did not provide specifics of what would be provided.

Cunard proposed a higher franchise fee (\$6.00) which could not be accepted under current law for at least one of the proposed vessels.

Discovery Shipping, Inc.

Technical problems:

- (1) Discovery Shipping proposal includes references to *Society Expeditions* but needs to clarify the function of that entity;
- (2) Information on ownership of parent company (CSSMN) requires clarification.

- (3) Financial situation of Discovery Shipping needs to be comprehensively addressed
- (4) Explanation needed regarding a “reorganization plan” which was mentioned.
- (5) Information regarding the parent company is needed.
- (6) Explanation for unaudited financial statements is needed

The offer was not specific about what additional visitor or interpretive services would be offered. Most elements couched in generalizations (“many books,” “recognized experts,” etc.). Above average lecture program, but specific commitments to operations under the permit are lacking. References made to company standard operating procedures, but copies of procedures not provided. The offer is below average in this area, largely due to lack of supporting materials or specific operational commitments.

Environmental protection measures were below average, and were clearly inferior to HALW (e.g. no stack opacity meters, not enough boom to encircle ship, etc.). Does not offer to limit sewage, gray water or bilge water discharge while in Glacier Bay. Did not offer to provide baseline data to the NPS.

Discovery Shipping proposed a higher franchise fee (\$10.00) which could be accepted since the proposed vessel capacity is under 500 passengers.

Goldbelt, Inc.

Technical problems:

- (1) Information on some (tour vessel) marine casualties needed.
- (2) Information regarding financing of the new vessel to be built is needed.

Goldbelt was above average in additional visitor services offered. Their vessel design included a dedicated Interpretive center and desk and they proposed a very well developed local Native handcraft and cultural program. Details regarding the overall interpretive program were lacking however.

Environmental protection measures were below average (e.g. no stack opacity meters, not enough boom to encircle ship, etc.). Goldbelt offered to provide baseline data “normally collected” to the NPS, but did not indicate what this would include.

Goldbelt offered a higher franchise fee (\$10-\$14) which could be accepted since the proposed vessel capacity is under 500 passengers.

NCL Cruises Ltd.

Technical problems:

- (1) NCL offer letter did not include *certificate of corporate officer* statement.

NCL had a well developed Native handcraft program and employee training/passenger orientation program. Children’s programs examples were not related to park themes (polar bear & Eskimo activities). Detailed information and specific commitments were not provided (“expanded” library gives no clue what will be available).

NCL proposed a very complete environmental program. NCL will install additional stack emission monitoring, alarm and NOX analyzer equipment (but does not indicate they will share this data). Offeror will conduct underwater noise measurements for each ship. With the exception of NCL not sharing stack opacity data, the NCL environmental program is on par (and in some cases superior to) the HALW offer.

Princess Cruises, Inc.

No technical problems.

Princess offered some innovative ideas regarding additional visitor services, but did not adequately detail some of these programs to allow full evaluation (e.g. a proposed children's program is described, but no details or specific commitments made other than statements such as "Princess offers to support this facilitation process"). Princess commissioned (for sale) an excellent book (*The Alaska Cruise Companion*) detailing the natural and cultural history of the Inside Passage cruise.

Princess proposed a comprehensive environmental program at least equal to the HALW offer, except that Princess did **not** offer to provide vessel baseline data to the NPS.

Royal Caribbean Cruises LTD. (Royal Caribbean International)

Technical problems:

(1) RCI submitted only one copy of their proposal (two were requested).

RCI offers a well developed visitor service program including passenger reference material (not as strong as HALW), Native art and handcrafts, a comprehensive "Hotel & Marine Operating Plan" for ship's personnel, and a well developed environmental program. They offered better than average facilities for guests with disabilities. The children's program is above average, but not as well developed as HALW (minimal details provided on activity design or staff qualifications/training).

RCI offered a well developed pollution minimization package. Some noteworthy items include: switching to diesel oil when in the park (only operator offering to do so, benefits of this are presumed reduced stack emissions). RCI did **not** offer to share baseline data with the NPS.

RCI reported a pollution violation (involving multi-million dollar settlement) which was not considered because it occurred over three years ago and subsequent company action indicated contributing causes have been corrected.

West Travel, Inc. (Alaska Sightseeing/Cruise West)

Technical problems:

- (1) The same individual signed the offer letter and *certificate of corporate officer* statement.
- (2) AS/CW does not appear to own the vessel to be operated and did not provide information regarding the lease or purchase of the vessel.

The offer included a good visitor service program, though lacked details on specific aspects. AS/CW proposal included limited provisions for disabled passengers but offered innovative ideas to improve on the NPS optimal itinerary.

The pollution minimization program was average and did not include specific details regarding training, passenger orientation, etc. AS/CW did offer to share “fuel flow scan system” data which would likely be useful information.

AS/CW offer a higher franchise fee (\$7.00-8.00) which could be accepted since the proposed vessel capacity is under 500 passengers.

World Explorer Cruises

Technical problems:

- (1) The same individual signed the offer letter and *certificate of corporate officer* statement.
- (2) The offer did not include owner information and lacked some required information about management personnel.

WEC proposed a very good visitor service environmental program including a highly developed lecture program and strong cultural program, but only a basic youth program. The proposed vessel has a very high proportion of wheel chair accessible cabins. There was inadequate details on how lecture program will mesh with park themes and NPS Interpretive program, however.

Pollution minimization program was about average. WEC **did not** offer to limit discharge of gray, black or bilge water while in Glacier Bay. The proposed vessel uses steam turbine propulsion (shown in some research to have lower underwater noise than internal combustion engines). The offeror provided relatively few additional strategies aimed at reducing environmental impacts. WEC offered to share baseline data but did not indicate what data would be available.

Yachtship Cruiselines, Inc. (American West Steamboat Co.)

Technical problems:

- (1) The same individual signed the offer letter and *certificate of corporate officer* statement.
- (2) American West experienced a high number of marine casualties for a vessel similar to the one proposed to be built to operate in the park. Additional information is needed to assure that the proposed vessel would not suffer a similar pattern of marine casualties.
- (3) Information lacking on how AWSC will finance the new vessel construction.

AWSC offered an average visitor program with few specific details provided. They proposed stopping at Bartlett Cove (where there are inadequate facilities for the 200+ passengers that would be aboard).

Pollution minimization program was about average. AWSC offered to share baseline data but provided few specifics on what data would be available.

AWSC offered a significantly higher franchise fee (\$15.00 - \$20.00) which could be accepted since the proposed vessel capacity is under 500 passengers.