



November 9, 2016

Alaska DOT&PF
Michael Lukshin, P.E.
3132 Channel Drive
Juneau, Alaska 99811-2500

Dear Mr. Lukshin,

Thank you for the opportunity to consider ownership of the Entrance Island, Kupreanof, and Papke's Landing docks. The Petersburg Borough Assembly discussed the reality of the State's offer and would like to submit to you the following offer:

Entrance Island

We respectfully decline transfer of ownership of this dock to the Petersburg Borough. The dock's current condition, the unknown cost to rehabilitate the facility, and the distance to travel from Petersburg to perform any maintenance tasks prevent the Assembly from seeking ownership.

Kupreanof

The Assembly received a letter from the City of Kupreanof Mayor, Thomas Reinarts, stating the City's desire to accept ownership of this facility. The Assembly will accept the Kupreanof dock under the following conditions:

- 1) The Petersburg Borough will convey ownership of the dock to the City of Kupreanof with DOT&PF approval
- 2) DOT&PF will work with DNR to convey ownership of the tidelands under the Kupreanof dock to the Petersburg Borough
- 3) DOT&PF will work with DNR to re-issue a Corps permit for the Kupreanof dock

Papke's Landing

The Assembly will accept ownership of the Papke's Landing dock facility under the following conditions:

- 1) DOT&PF will work with DNR to convey ownership of the tidelands under the Papke's Landing dock to the Petersburg Borough
- 2) DOT&PF will work with DNR to transfer the Corps permit for the facility to the Petersburg Borough

Harbor Deferred Maintenance Funds

The Assembly recognizes the State's fiscal situation and understands that all municipalities in Alaska will need to tighten their belts, reduce their budgets and be self-sustaining with less financial assistance from the State. Petersburg is actively working toward this reality.

In a healthy financial environment, the Assembly would request the State rehabilitate the Kupreanof and Papke's Landing facilities prior to transferring ownership to the Borough. The Borough would then fund future maintenance. With our current financial climate, the Assembly would ask the State to provide \$1,200,000 in harbor deferred maintenance funds along with the Kupreanof and Papke's Landing docks. \$1,200,000 is half of the engineering estimate to replace the facilities and would allow the Borough to apply for harbor matching grants if funding for the grants is provided by the Legislature.

The Petersburg Borough Assembly realizes the importance of the Kupreanof and Papke's Landing dock facilities to our area residents and hopes the State understands our desire to not only accept ownership of the facilities, but also afford to rehabilitate and maintain them.

Please feel free to contact me if you have any questions.

Respectfully,



Mark Jensen
Mayor

cc: Marc Luiken, Commissioner
City of Kupreanof Mayor Reinarts
Senator Bert Stedman
Representative Jonathan Kreiss-Tomkins