



**CITY of
KUPREANOF**

PO BOX 50
PETERSBURG, ALASKA 99833
PHONE : 907-340-2400

December 19, 2015

Mr. Michael Lukshin, P.E.
State Ports and Harbors Engineer
3132 Channel Drive
Juneau, AK 99811-2500

Subject: State Float in the City of Kupreanof

Attachments: (1) Letter from the State of Alaska, Department of Transportation and Public Facilities to the City of Kupreanof dated February 17, 2010
(2) City of Kupreanof Resolution No. 11 – 4 dated December 20, 2010
(3) Letter from the State of Alaska, Department of Transportation and Public Facilities to the City of Kupreanof dated January 14, 2011

Dear Mr. Lukshin,

In February 2010 the Department of Transportation and Public Facilities offered to transfer ownership of the subject State Float to the City of Kupreanof subject to the approval of the State Legislature. See Attachment (1). This offer was consistent with the requirements of State of Alaska Statute 35.10.120.

The City of Kupreanof took the offer very seriously and set out to study the responsibilities of ownership to determine if the City had the long term capability and desire to accept these responsibilities. Financial, administrative, and legal aspects of ownership were all carefully reviewed by City Council Members. In addition the potential of unintended consequences of ownership were evaluated. After this detailed evaluation, the Kupreanof City Council unanimously voted to accept the State's offer. Resolution No. 11 – 4, Attachment (2), was passed in December, 2010. In January, 2011, the State acknowledged receipt of the City of Kupreanof's request to transfer ownership of the Float. See attachment (3). It was reported that this request of transfer of ownership would be sent to the Alaska Legislature for consideration during the 2011 session as a capital budget item. Unfortunately, the Legislature decided not to approve the transfer of ownership.

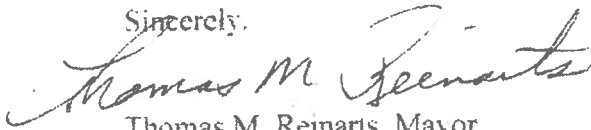
The City of Kupreanof remains committed to ownership of the Float. We believe we are the appropriate municipality to have ownership and responsibility of the facility.

1. The Float has not received any State funded maintenance and repair in many years. The City of Kupreanof annually budgets money for the maintenance and repair of the Float to keep it safe.
2. The Float is heavily used by area residents as well as many tour groups to access the City of Kupreanof loop trail, the Forest Service trails to Petersburg Creek and Petersburg Mountain, and the Petersburg Creek watershed.
3. The land at the access to the Float is owned and maintained by the City of Kupreanof.
4. The Float provides easy access to the City of Kupreanof Community Center, in addition to local residents to their homes.
5. The City of Kupreanof is financially stable and in a strong position to provide the required maintenance and repair so that all people can gain access to Kupreanof.

It is requested that the Department of Transportation and Public Facilities again recommend to the State Legislature that ownership of the Kupreanof State Float be transferred to the City of Kupreanof.

If you have any questions or desire additional information from The City please contact us so this transfer of ownership can be sent to the Alaska Legislature for consideration during the 2016 session

Sincerely,



Thomas M. Reinarts, Mayor

Copies to:

Governor Bill Walker
Lt. Governor Byron Mallott
Commissioner of Highways and Public Facilities: Marc Luiken
Senator Stedman
Representative Kreiss-Tomkins
Mayor Mark Jensen, Petersburg Borough

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

STATEWIDE DESIGN & ENGINEERING SERVICES DIVISION
Ports and Harbors Section

3132 CHANNEL DRIVE
P.O. Box 112500
JUNEAU, ALASKA 99811-2500
PHONE: (907) 465-2960
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February 17, 2010

Honorable Chris Ford, Mayor
City of Kupreanof
P.O. Box 50
Petersburg, Alaska 99833

Dear Mayor Ford:

As a long-standing policy, the Department of Transportation and Public Facilities encourages local ownership of public ports and harbors to the maximum extent possible. According to Alaska Statute 35.10.120, the City of Kupreanof is eligible to accept ownership of the state owned Kupreanof Float.

The department is prepared to budget a lump sum amount of \$1,065,000 for the deferred maintenance condition of the Kupreanof Float payable to the City of Kupreanof upon transfer of ownership. This amount is based on a cost estimate to bring this facility up to a fair or better condition by replacing the entire harbor facility and thereby address its deferred maintenance condition. If the City of Kupreanof is interested in this offer, please provide me with a resolution that supports the transfer of ownership for the amount specified above. I have enclosed an example city resolution for your consideration. After I receive the resolution, the department will request inclusion of the transfer amount as a capital budget item.

To be considered during the current legislative session, I would need a positive city resolution as soon as possible so that it can be submitted by the Commissioner's Office. In order to be considered during next year's legislative session, then I would need your resolution by September 1, 2010.

If you have any questions as to how the deferred maintenance funding was calculated, or how the deferred maintenance and transfer program works, please contact me at (907) 465-3979.

Sincerely,



Michael Lukshin, P.E.
State Ports and Harbors Engineer

Enclosure

"Providing for the movement of people and goods and the delivery of state services."

CITY OF KUPREANOF

Resolution No. 11-4

A RESOLUTION OF THE CITY COUNCIL, KUPREANOF, ALASKA, ACCEPTING FROM THE STATE OF ALASKA THE TRANSFER IN OWNERSHIP OF THE KUPREANOF FLOAT FOR DEFERRED MAINTENANCE FUNDS (\$1,065,000).

Whereas, the State of Alaska built and owns many of the public harbor facilities in Alaska's communities; and

Whereas, under State of Alaska ownership, the maintenance and repair of these harbor facilities was minimal; and

Whereas, Alaska Statute 35.10.120 provides for the sale of harbor facilities to incorporated areas, so that they may enforce municipal ordinances and legally assess fees to meet maintenance costs; and,

Whereas, the City of Kupreanof is willing to assume financial and maintenance responsibility for its ownership role; and

Whereas, local governments are finding that municipal ownership of harbor facilities means that moorage rates to the public must be increased several fold to restore these harbors to good condition; and

Whereas municipalities seek financial assistance from the Alaska State Legislature to prevent Alaska's harbor facilities from falling into disrepair; and

Whereas an appropriation from the Alaska State Legislature is necessary to complete the intent of this resolution;

NOW THEREFORE BE IT RESOLVED that the Kupreanof City Council accepts transfer of ownership of the Kupreanof Float for the amount of \$1,065,000 in State of Alaska deferred maintenance funds payable to the City of Kupreanof upon transfer of ownership.

PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY OF KUPREANOF, THIS 27th DAY OF November, 2010.

ATTEST:

Judy R. Remarts

Printed name, Clerk

Dana Thynes

Printed name, Mayor

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

STATEWIDE DESIGN & ENGINEERING SERVICES DIVISION
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January 14, 2011

Honorable Dana Thynes, Mayor
City of Kupreanof
P.O. Box 50
Petersburg, Alaska 99833

Dear Mayor Thynes:

Thank you for your letter dated January 3, 2011 concerning the city resolution no. 11-4 requesting the transfer in ownership of the department's Kupreanof Float to the city for \$1,065,000 in deferred maintenance funds.

We will send your request to the Alaska Legislature for consideration during this session as a capital budget item. I encourage you to contact your state representative and senator for their legislative support on this matter.

Sincerely,



Michael Lukshin, P.E.
State Ports and Harbors Engineer

cc: Pat Kemp, P.E., Deputy Commissioner of Highways and Public Facilities
Roger Healy, P.E., Chief Engineer
Laura Baker, Director, Administrative Services
Mary Siroky, Special Assistant to the Commissioner

Providing for the movement of people and goods and the delivery of state services