



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Transportation and
Public Facilities

OFFICE OF THE COMMISSIONER
Marc Luiken, Commissioner

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February 11, 2016

Mark Jensen, Mayor
Petersburg Borough
P.O. Box 329
Petersburg, Alaska 99833

Dear Mayor Jensen:

Thank you for your letter dated January 21, 2016 regarding the Petersburg Borough's request to transfer the Department of Transportation and Public Facilities' (DOT&PF) harbor facilities located at Papke's Landing, Kupreanof, and Entrance Island to the Petersburg borough. I applaud and appreciate the borough's willingness to accept responsibility and stewardship for these harbor facilities.

Petersburg has a long history of supporting the interests of regional fishing and recreational boaters as demonstrated by the transfer of the South and Middle Harbors in 2003 and of the North Harbor in 2006. Previously, DOT&PF was able to provide, with the approval of the Alaska Legislature, large cash offers or GO bonds to address the deferred maintenance condition of transferred harbors. The city received from the state \$3,729,000 in 2003 for Middle and South Harbors and an additional \$2,500,000 in 2006 for North Harbor. The state's financial situation has changed with the declining price of oil and we are unable to make those kinds of cash offers.

I understand that representatives of the Petersburg Borough will meet on February 15th with the department's State Ports and Harbor Engineer, Michael Lukshin, to discuss and answer questions about a transfer of the Papke's Landing, Kupreanof, and Entrance Island Float harbor facilities. Therefore I am delegating further discussions on this matter to him. He can answer any questions that you or the assembly may have about the harbor transfer process. Mr. Lukshin will send you, under a separate letter, the department's harbor transfer offer, including a Bill of Sale and a Transfer Agreement, for the Papke's Landing Float, the Kupreanof Float, and the Entrance Island Float harbor facilities.

Sincerely,

A handwritten signature in black ink, appearing to read "Marc Luiken".

Marc Luiken
Commissioner

cc: The Honorable Bill Walker, Governor
The Honorable Byron Mallott, Lieutenant Governor
The Honorable Bert Stedman, Senator
The Honorable Jonathan Kreiss-Tomkins, Representative
The Honorable Thomas Reinarts, Mayor, City of Kupreanof
Michael J. Coffey, Southcoast Region Director, DOT&PF