



STATE DOCKS ISSUE ANSWERS

AS OF 10-31-2016

- 1) Should the Borough accept the State's offer to take over the ownership and maintenance of the facilities on Entrance Island, Papke's Landing, and Kupreanof?

Yes to all three docks = 8

Yes to Papke's & Kupreanof docks only = 3

Yes to Kupreanof dock only = 1

No to all three docks = 12

No to Entrance Island only = 3

- 2) The State is offering approximately \$700,000 of deferred maintenance dollars for all three facilities. If the Borough takes over the operation of these facilities how should the Borough spend this money?

Use on all three docks = 10

- use toward maintenance & upgrades = 5
- 1/3 for each dock = 1
- \$350,000 for Papke's, \$200,000 for Kupreanof, \$150,000 for Entrance Island = 1
- 50% for Kupreanof, 35% for Papke's, 15% for Entrance Island = 1
- Apportion money between Papke's & Kupreanof with the majority going to Papke's = 1
- Papke's is a priority, Kupreanof should maintain their own dock = 1
- Save & invest the money, don't spend it. Use interest for bare minimum federal required Repairs = 1
- Use for matching grant from State

Shouldn't accept it = 7

- \$2 million shy = 1
- Don't need added expense = 1
- State should take out Entrance Island & fix Kupreanof = 1
- Offer is unreasonable = 2
- Facilities need to be an asset to the community rather than a cash cow = 1

- 3) Please rank in order of importance, the three facilities? 1 being the highest priority, 3 being the lowest.

- a) Highest: Papke's – 14; Kupreanof – 7;
- b) Medium: Kupreanof – 12; Papke's – 6; Entrance Island - 2
- c) Low: Entrance Island – 17; Kupreanof – 1

Comments:

Papke's and Kupreanof are local use facilities – their respective futures should be determined outside of the Borough. If local users wish to pursue maintenance, etc., they should organize, fund, and proceed. Entrance Island is too remote for the Petersburg Borough Harbor staff to monitor and maintain. During August 2016, we ventured into Entrance Island, in the dark, and found the length of the dock on one side to be partially submerged, with one boat occupying the small portion on the side that was floating. The following morning provided an opportunity to observe that the docking side appeared to be in need of repair. The "bay" itself was uneven in depth and limited in terms of maneuverability.

Unfair question. Obviously Papke's & Kupreanof serve the most people, but Entrance Island is also very important. The Borough wanted to absorb that area. It should accept the responsibility of a necessary facility.

4) How should the Borough fund the repairs and ongoing maintenance on these facilities if they take over them?

User fees –

- Daily use fee of \$5 or annual fee of \$30 for an individual facility; or \$50 annually for use of all facilities. For lodges, charge \$5 per client and employee.
- dock use and launch permits sold annually
- Charge harbor moorage, boat launch, tie up and parking fees
- Regular users of Papke's and Kupreanof should pay the same rate as Petersburg harbor users pay for stalls.

Taxes –

- Boat registration tax
- Bed Tax
- A Service Area tax
- Sales taxes
- Use a percentage of the property tax collected from outliers and a percentage of bed taxes collected from lodges using the facilities.
- Additional property tax on residents outside Service Area # 1
- For Papke's tax lodges (they can't exist without that dock)
- Taxing senior citizens
- Through the taxes already in place. It is the responsibility of the Borough to maintain these dock facilities since they are now within the Borough.
- By using some of the "new" tax money the Borough receives for becoming a borough

Kupreanof Facility –

- Form a partnership with City of Kupreanof to share maintenance funding and responsibilities
- Give the Kupreanof dock to the City of Kupreanof
- Petersburg pay 10% and Kupreanof pay 90% of upkeep after initial \$200,000

- Sales taxes and rentals to tour ship people (bikes, cars, etc.)
- Kupreanof should contribute from their general fund
- Let Kupreanof set their own upkeep funding system

Papke's Facility –

- Possibly seek grant money for improvements (if none available use as-is until condemned)
- Area 1 pay 40% and Area 2 pay 60% of upkeep
- Consider development of a few camping spots on the recently purchased Borough properties at Papke's
- Concession opportunities appropriate to a harbor area (food, fuel, lodging, marine supplies, etc.)
- Use a percentage of the property tax collected from outliers and a percentage of bed taxes collected from lodges using the facilities.
- For Papke's tax lodges (they can't exist without that dock)

Other –

- Repairs should be paid fully by the State before we take ownership
- Use the State's lump sum and let nature reclaim the rest
- Allocation of some Kake-Petersburg road funds
- Using existing State funds, tier I or II grants, fish and game funds, Borough funds
- General Fund
- This is Alaska, you have to be creative
- The Borough should not fund the repairs or maintain these facilities

5) Would you agree or disagree with the following statements?

a) The Borough should refuse to take Entrance Island.

Agree – 17 (islands are a pain to maintain)

Disagree – 6 (We pushed to include the area in Petersburg Borough) (We could make it clear we may remove the facilities rather than maintain them)

Maybe – 1

Not sure – 2

b) The Borough should refuse to take Kupreanof.

Disagree – 17 (I believe it is in our best interest and in the interest of good faith to residents to accept this facility.) (Take the dock and give it to Kupreanof. If Kupreanof doesn't want it, don't take it.)

Agree – 9 (Hold off for better cooperation with the State) (The community of Kupreanof should decide on this local use facility.)

c) The Borough should refuse to take Papke's.

Disagree – 17 (That appears to be a no-win game. I think we should accept it, especially because our "out the road" population is expanding and it provides for economic and recreational value. Nonsense.)

Agree – 8 (Hold off for better cooperation with the State) (This is a local use facility.)

Indifferent – 1

d) The Borough should accept Kupreanof and then give it to the City of Kupreanof.

Agree - 18 (If the State condones, agree; if shared maintenance, Borough should own) (If they pay to maintain it)

Disagree - 3 (unless they are first brought up to standard and a maintenance fee is collected; if Kupreanof wants to accept it) (The community of Kupreanof should decide how to proceed on this local use facility)

Possibly - 2 (Only if they were prepared to accept it. I don't think financially that that is a reasonable option, however.)

e) If the State makes it an all or nothing deal, the Borough should refuse to accept the State's offer.

Agree - 11 (Hold off for better cooperation with the State)

Disagree - 14 (Take all three and demolish or sell Entrance Island facility) (Negotiate with the State) (Not if they bring the facilities up to a well-maintained and safe condition prior to transferring ownership. Otherwise, if the offer is all or nothing in the current state, the answer has to be no.)

f) The State should continue to own and operate these facilities.

Agree - 10 (If properly maintained) (probably won't)

Disagree - 14 (The State should make a fair deal with Petersburg.) (Forget about it - those days are over.)

6) The biggest value for the Borough to own Papke's is:

- a) Papke's services many recreational and charter users and occasionally commercial fishing use, as well as Borough residents living along the Narrows and in Duncan. Its central location and road access is its greatest asset, perhaps the feeling that the Borough is helping outlying residents directly would be the strong value here.
- b) This facility is used extensively by people who live out and commute to town, as well as tourists who visit the lodges.
- c) It is a major part of the harbor infrastructure and benefit Borough residents.
- d) Access to the road system for those off the grid; important landing spot for winter hand trollers; and transition point for lodge employees, patrons, supplies.
- e) Fishing access and the connection it provides with those who live in town and those who live "out the road".
- f) The access it provides to not only Borough residents but Borough businesses, i.e. several lodges.
- g) Petersburg and Kupreanof residents use is common/frequent.
- h) Fulfill the Borough's obligation to support the transportation needs of Borough residents and tourists.
- i) Promote development.

- j) Safe harbor in poor weather; recreational access for residents that relieves pressure on other island facilities; access to commercial fishing, lodges, and other economic opportunities; and the possibility of additional economic opportunities with development of the adjacent Borough properties.
- k) Papke's is used extensively by borough-wide residents. It is a stop for commercial fishermen and a launching spot for recreational purposes. Outlying residents use it as access to their homes. It is the main access point for several fishing lodges and other commercial recreational businesses. It is a very important facility for the whole Borough.
- l) Service to residents, and revenue generation.
- m) Serves lower end of Wrangell Narrows.
- n) Value? Expense.
- o) No value. A majority of Borough residents do not use this local use facility. This facility is affected by weather, currents and tides that degrade the infrastructure. A breakwater would help diminish current and tide activity, however, this local facility would need a local use funding mechanism.
- p) It's not about value. All tax payers should be allowed to use a community owned dock/launch.

7) The biggest value for the Borough to own Kupreanof is:

- a) Multiple responses included mention of Kupreanof/Petersburg residents' access to each community, the benefit to businesses in both communities, access to recreation opportunities, and use by tourists.
- b) It is a major part of the harbor infrastructure and benefit Borough residents.
- c) They would be able to pass it through to Kupreanof. Kupreanof should own their dock.
- d) Self-management.
- e) No value. A majority of Borough residents do not use this local use facility.

8) The biggest value for the Borough to own Entrance Island is:

- a) Possible future tourism uses. Recreational access to Borough property. If Borough unwilling they should not have taken these lands into Borough holdings.
- b) Not much value - demolish it.
- c) Safe stopping point for travelers by boat to Juneau and fishermen (commercial and recreational boaters in rough weather).
- d) Good question. Bragging rights? Don't know.
- e) Liability. No value. A majority of Borough residents do not use this remote facility.

Additional Comments:

- a) The best case for our borough would be the State to continue to own/operate and maintain these facilities, but this is not a very likely outcome. I believe the State would simply close these facilities and remove the existing structures. The Borough should work to accept the Kupreanof facility with the understanding that the City of Kupreanof will play a large role in maintenance and upgrades. Papke's has been and remains heavily used by our Borough residents. The facility should be improved when and if financially possible with matching grant monies or other "windfall" opportunities. If no money is available for this facility, perhaps the Borough could work out a partnership with commercial users to help generate funds, or perhaps the facility would be simply used until its eventual demise. Entrance Island facility is a unique opportunity that would lend itself to private ownership best. If the State would let the Borough acquire it and then sell the facility on the open market, it could make the other two facilities more attractive. Standing alone, this facility is not practical or financially feasible for the Borough to acquire and maintain. The expense involved with its maintenance and periodic upgrade and observation would exhaust the \$700,000 very quickly and continue to drain the harbor funds adversely impacting the remaining harbor facilities.
- b) My friends and I currently contribute about \$5 per use to the repair and maintenance fund that is arranged by volunteers. So far this year it has been \$100. By the end of the season I anticipate it will be another \$100. I use this facility about as much as I use the port facilities and see the value in having improved conditions at this dock and am willing to pay my share.
- c) There is insufficient information in this document to rationally rank and address this issue. Citizens should know and understand Borough's strategic plan for citizens who do not reside on Mitkof Island. Is there consideration to build a dock at Pt. Agassiz? How about a good dock at Banana Point? Are we only building docks, ramps, etc. for the commercial fleet, or also for taxpayers with recreational vessels? Are the harbor department and parks & rec department jointly planning?
- d) Be sure that any money State gives us is used for upkeep of those facilities only.
- e) As a taxpayer and outlier, I would like to see my money used for something that affects me.
- f) The Borough needs to provide service to the newly acquired Borough properties that were formerly outside city limits. If unwilling to do so, those properties should revert to their former status and not be taxed by the Borough. It's a cut and dry issue. Taxation without representation is not the American way.
- g) Unless there is a plan to bring these docks to standard and a revenue in place to maintain them, then I wouldn't touch them. They are the State's responsibility and liability until they are fixed.
- h) The Borough exists not for just the benefit of Service Area 1. It exists to support and benefit all Borough residents. The Assembly needs to review what was proposed when the Borough question was presented to the people for a vote.
- i) Having launched at Papke's yesterday, I have the following comments: 1) The area is one of high use. Numerous trailers are parked there and there is a lack of available parking for vehicles with boat trailers. 2) Given the above, the community would benefit from Borough ownership. 3) Improvements and upkeep to the area will be a significant expense. Assuming that the State will not offer adequate funding even for the necessary improvements, then the Borough should only accept the facility if there is a plan in place to fund its needs. One way would be to have a personal property tax on boats, and this should include those outside of the Service Area 1 as many of them

use the landing. Good luck to those of you on the Assembly making decisions in this area. No matter what you do, some folks are not going to be pleased.

j) DOT's hardball approach is disappointing and a turn off. We all need to cooperate; if the State refuses to better cooperate, they are incurring extraordinary liability. Patience and continued negotiation will favor Petersburg. Timely conveyance of the Papke's ramp facility to Petersburg from DNR should also be considered. Responsibility to develop Papke's dock and ramp by the Petersburg Borough came with Borough formation. The challenges of funding and management should be no surprise. That said, try best to keep working together. There is nothing wrong with "I don't know" to above questions. This questionnaire concept is good communication, please continue. Thank you.

k) Above all else, don't turn these areas into a cruise ship place. Or any tourist destination. Or even an educational field trip spot. Allow the public access to trails, but quash all development pursuits. There are things more important than profit, and Kupreanof is more untouched than the national parks and should remain that way. If needed, I will offer my own time and energy to preserve these ideals - likewise, I would fight tooth and nail against a Kupreanof hunting lodge for the political and economic elite.

l) Don't delay.

m) With the formation of the Borough, Petersburg accepted the responsibility for governing these lands. It is time they step up to that task and start acting like a Borough instead of a City. The question should be how to best take over these facilities, not if they should! Follow the lead set by Wrangell and Sitka. Juneau manages a number of remote docks.

n) Kupreanof has funds to maintain and operate their dock. Entrance Island should be sold as is and then be on the tax rolls if the Borough accepts it. Papke's and upland needs to be functional for south Mitkof/Kupreanof residents, there should also be a user fee for that dock and upland parking area.

o) The Petersburg Borough has a myriad of assets, each with its own maintenance and long-range retrofit, repair or rebuild timeline. The hospital has been discussed at numerous Council/Assembly meetings and has a number of repair priorities.

The State and Federal governments, respectively, have limited funds to offer, whether through matching or outright grants. The Borough has bonded several high value ticket items with eventual payoff, respectively, far into the future. The above referenced State-owned docks may appear attractive for Borough ownership, however, they should be evaluated individually as to user group, local use versus majority of Borough resident use, and long-term maintenance and repair/rebuild valuations, versus what other competing Borough projects are in the pipeline requiring 100% Borough funding, e.g., hospital, school, harbor, etc. Not previously mentioned but a consideration would be the need and justification for additional Harbor staff that may be needed for maintaining and monitoring these docks. Consideration should be given to how the State has carried out these tasks during their ownership.

Personally, I believe the Borough should pass on all three State-owned dock facilities. As a community, we are carrying a lot of debt. We need to keep our expenses/obligations in check in order to attract new residents and/or businesses, and help retain the population we have without adding to the property tax and/or sales tax obligation. Currently, Area 1 residents are bearing the expense of the library bonding - this was not a well thought out decision since the library is open to all. Thank you for this opportunity to present my views.