



CHOGGIUNG, LTD.

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January 16, 2026

TO: University of Alaska
Land Management
2025 Yukon Drive, Suite 207
Fairbanks, AK 99775

FROM: City of Dillingham & Choggiung Limited Jointly

RE: Intent to Sell University of Alaska Bristol Bay Campus Applied Sciences Building

Dear President Pitney and Members of the Board of Regents,

We write on behalf of the Bristol Bay Region as regional hub community partners, in coordination with the City of Dillingham and Choggiung Limited, to formally oppose the proposed sale of the University of Alaska Fairbanks Bristol Bay Campus Applied Sciences building.

We respectfully request that the University:

- Halt the proposed sale of the Bristol Bay Campus building
- Convene a local, in-person meeting in Dillingham with the University President and members of the Board of Regents to allow for meaningful community engagement.
- Establish a local working group of regional partners to advise and assist in developing and implementing strategies for enhancing participation at the Bristol Bay Campus.

First and foremost, we object to the rushed nature of the announcement and movement toward a sale. Without asking for community support and time to solve utilization rates, or financial commitments, clear plans to accommodate programs in the main campus, and timelines for those to be met, it is highly unlikely an understanding between the University and Community could be had.

In our view, the Applied Science building is not excess or underutilized space. It is a core piece of regional infrastructure that directly supports programs essential to the Bristol Bay

economy and workforce. The Sea Grant Program, Bristol Bay Regional Career and Technical Education programs, and nursing and healthcare training operations rely on this facility to function effectively. These programs require significant classroom, laboratory, storage, and staging space to support courses aligned with regional industry needs—particularly fisheries and healthcare, the two pillars of our local economy.

The building's configuration allows the University to house instructors, visiting professionals, and subject-matter experts on site. This significantly reduces costs associated with temporary housing elsewhere in the community and enables the delivery of classes, certifications, and workforce trainings that would otherwise be cost-prohibitive or logistically impossible. Apartment rental income further offsets operating costs, making the facility unusually efficient compared to many other University assets. That income could be increased if a reasonable plan for use was applied. From community meetings and other meetings we have learned that the income potential is not maximized due to poor tenant behavior causing apartment damage delaying renting to others once a tenant moves out. It would make sense for the University to seek a qualified local third party to support the rental of the apartments and required maintenance through a management agreement. This would maximize income potential, lower rental risks and associated expenses, and improve the building's financial support/independence. That type of service is available in the community.

For the amount of usable space it provides, this building appears to be one of the most operationally efficient assets the University owns. The community benefit derived from it is outsized when compared to any financial savings that could realistically be achieved through its sale. In our estimation – it would amount to merely tens of thousands of savings annually in contrast with multimillion dollar real estate budgets Statewide against the innumerable educational benefit our communities receive. **The sale represents a grain of sand in an ocean of costs – it will not improve the financial picture for the University or State as a whole; it will make it worse.**

The math that is being used to justify the University's intent to sell ignores the operational efficiency of the building. It is LEED Certified. The University does not account for individual building costs to operate. Rather it uses an allocation method that ignores actual energy usage, and actual maintenance activity on this individual building. The University is currently accounting for Facility costs in a single bucket for all Bristol Bay Campus facilities. The other buildings are not LEED Certified and the actual amount of time technicians spend on each facility is unaccounted for. Rather the university allocates an aggregated cost to the building based on that building's square footage. How can a

decision be made that claims a financial benefit from a sale when the actual costs a building incurs are not known?

We are also concerned with the information presented by the University on the building's condition and the characterization of 'deferred maintenance'. The information presented was misleading. The heating system has an estimated remaining operational life of approximately 20 years, and the parking lot is fully serviceable in its current condition. These components should not be categorized as "deferred maintenance" And used as justification of a 'dire' financial picture when neither is likely necessary, near term, or urgent. Since acquiring the building in 2010, the University has operated it successfully as-is, without these issues rising to a level that justified disposal until now.

Along with the financial analysis that was presented to the community at a recent public meeting, offsetting rents were not considered. In any regular business, a standard practice is to look at the subject property on its own, with all costs that it actually incurs, and all of the income it generates. In this case, the University fails to recognize income attributable to this specific asset, it is ignored. The decision to announce an intent to sell is based on incomplete information and ignorance.

At the Public meeting held on December 18, 2025 in Dillingham, it was reported that the building was acquired for about \$770,000 in 2010 and subsequently an additional \$2,500,000 was invested through federal grants to achieve a LEED Certification for the building. A total of \$3,270,000 has been invested in the facility so far. It is the first and only building in Bristol Bay with such a designation. However, the Vice Chancellor for Rural Campus' stated that the indicated value via a recent appraisal was about \$870,000. A sale at that price, when compared with the amount invested, would amount to a loss of \$2,400,000 not adjusted for inflation. If we tried to complete the same purchase and improvements today – it would likely be closer to \$5 million. This doesn't include the value of the lost programs and/or the cost to lease/rent space in the community for programs once re-established.

The Vice Chancellor's comments included an idea that the money generated from a sale of the real estate 'could' be plowed back into the main campus to accommodate the programs this building already provides space for. This idea was shared without evidence and homework completed to prove that it could be done or would be done. No floor layouts that would accommodate all of the programs and necessary equipment was provided, no estimates for renovations matching the indicated sale amount, or a schedule for completion were presented at the meeting. In other words, there were no 'good faith' statements made with the presentation of this idea.

Further, the Vice Chancellor made statements that a sale of this facility would enable an expansion of programs at the Bristol Bay Campus. Again, no mention of what new programs would be enabled, where or how they would be housed, or the costs or investments that the campus would make in new programming. On its face, a good faith argument of additional programming could not be made juxtaposed with this intent to sell. Can programs be expanded in a smaller space while absorbing the Sea Grant and Nursing programs?

Additionally, transferring this property to another State agency does not eliminate financial burden—it merely shifts it. Passing the building to the Alaska Housing Finance Corporation, which expressed interest in the purchase of this building, would require additional State funds for renovation, maintenance, and ongoing operations. At a time when Alaska faces serious fiscal constraints, this approach increases total public cost rather than reducing it.

During the meeting held on January 14, there were representatives of regional organization present who expressed concern about the lack of contact with their organization prior to the decision to dispose of the building. BBNA, BBAHC, the City of Dillingham and the Dillingham City Schools indicated the critical value of the programs that are housed in the space, the critical need for the space and their willingness to work with the University to address the decline in participation.

Again we respectfully request that the University:

- Halt the proposed sale of the Bristol Bay Campus building
- Encourage and allow for meaningful community engagement
- Convene a local, in-person meeting in Dillingham with the University President and members of the Board of Regents
- Establish a local working group of regional partners to advise and assist in developing and implementing strategies for enhancing participation at the Bristol Bay Campus.
- Prior to a sale determination, give the Community time and effort to increase utilization rates, and share what those rates need to be so as to not be on the chopping block
- Prior to making a sale determination, use Good Faith Efforts to show commitment to statements being made about re-investing the money in the Bristol Bay Campus to rehouse programs, show the community that commitment with a timeline of completion

- Prior to a sale determination, partner with local entities with the capability to manage the apartment rentals leading better financial outcomes
- And if the University must sell, sell to a local owner where money generated from the operation of this building could be circulated locally

Decisions of this magnitude to a community of our size should be informed by direct dialogue with the communities they affect. This building sustains workforce development, economic resilience, and educational access in one of Alaska's most productive regions regarding renewable resources. It should not be treated as a disposable asset.

Thank you for your consideration. We look forward to continued discussion and collaboration in support of Bristol Bay's students, workforce, and economy.

Sincerely,

Cameron Poindexter

Cameron Poindexter
President & CEO
Choggiung Limited



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Alice A. Ruby

Alice Ruby
Mayor
City of Dillingham



Cc: Pat Pitney, President UA System

UA Regents

UAF Vice Chancellor of Rural Campus

Alyssa McDonald, UAF Bristol Bay Campus Interim Director

Representative Bryce Edgemon

Senator Lyman Hoffman

1-16-26 Chog - COD Letter UAF Building (sign)

Final Audit Report

2026-01-17

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