

16 April 2022

Dear Assembly,

I am Casey Knight, a resident and a member of the Harbor Board, but I represent myself. I'd like to share my thoughts about the issue of improving Papke's Landing, in light of the April 15th Harbor Board meeting. During that meeting, we discussed the conceptual drawings for Papke's improvements put together by Harai and Associates. Mr. Murph of Harai and Associates gave us a run-down. As a bit of summary, the total estimated project cost would be roughly \$6.4 million, spread out between four phases. The main estimated \$4.4 million phase would include construction of a new parking lot and approach on top of tidelands (estimated \$1.9 million), construction of a new gangway ramp and float (at another \$1.5 million), and construction of a new boat launch (at another \$1 million).

I'll begin by noting that I am not a user of Papke's, and I don't currently foresee using it. I am also a rate payer for a 32-foot stall at the North Harbor. So I come to this issue with a certain bias. My bias is probably in opposition to the bias that a constant user of Papke's who lives out the road might have.

Possibly as a result of my bias, I accept a couple of rules of thumb that I think should guide any expansion of the Harbor Department that is outside the primary Petersburg waterfront. First, the rate payers at the North, South, and Middle Harbors should not be expected to pay the cost of construction or maintenance of any such expansion; rates at our primary waterfront should not go up in order to subsidize such an expansion. Second, if a given resident stands to benefit more from the construction of an expansion, then that resident should pay more for it; and if an expansion benefits you less, then you should bear less of the burden. These seem to me to be bits of common sense.

At the April 15th Harbor Board meeting, the issue of how to pay for any Papke's improvements came up. The city manager tried to ease the worry by pointing out that we are not at that juncture yet: we were just looking at a conceptual plan; our goal should be to get a project plan ready so that if construction funding somehow comes available, then the Borough will be in a strong position to compete for it.

This is good as far as it goes, but I worry that it does not go far enough. We must have in mind not only the cost to construct such a project, but also the upkeep cost on the new facilities. There appear to be some tricky land ownership issues having to do with the road from Mitkof Highway down to the beach, as well as the tidelands under the existing float and trestle. In addition, the the existing boat launch, which is officially a log transfer ramp leased from DNR by the Forest Service, appears to be in a state of limbo: my understanding from the discussion on April 15th is that the Forest Service may want to terminate its lease; but we don't quite know. So it is hard to predict with any confidence whether, if the Borough were to construct a brand new boat launch, it would be in competition with the existing launch. The Borough would presumably have to charge a user fee to pay for the new boat launch, but the existing log transfer ramp is free — the Borough would lose this competition.

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As I see it, until these issues get resolved, the long-term upkeep costs of any Papke's improvements cannot be known. So, the Borough should aim for less rather than more. To begin, forget everything but the \$4.4 million main phase. In addition, forget the boat launch portion of this phase until we know what's going to happen with the existing boat launch. (On April 15th, Mr. Murph pointed out that the new boat launch could be phased-in.) That brings the estimated cost down to roughly \$3.4 million. It's still a significant up-front cost, which will have significant upkeep needs.

Let's suppose that this pared-down version of the project somehow came before the public for a vote. Even given the smaller price tag, I would still, personally, not feel comfortable voting for it, simply because of the risk that my own moorage fees might have to increase in order to pay for the long-term maintenance of an expansion project that I don't intend to use. Of course, this opinion presupposes that there is *not* some plan to insulate the rate payers at the primary waterfront from the upkeep expense of the Papke's expansion. (For the hint of an idea on how to insulate the primary waterfront rate payer from the upkeep cost of secondary waterfront expansion, see page 19 of the Waterfront Master Plan dated February 2016.) This is a discussion that we should have before pursuing the project.

The upshot of the April 15th Harbor Board meeting was (as I understood it) a somewhat nebulous bit of advice to the Assembly to pursue further public input on these conceptual drawings. My own personal bit of public input is this: Don't jump into the construction an expansion project, if the long-term maintenance of that expansion puts the rate payers of the North, South, and Middle harbor at a high risk of subsidizing it. In general, the bigger the project, the higher the risk. So, please, don't aim for the fence.

Sincerely,

Casey Knight  
606 Queen Street  
907-650-7345