

City Postpones Pier I MOA With State

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Brianna Gibbs/KMXT

Last week the Kodiak City Council postponed a vote on a memorandum of agreement with the Alaska Department of Transportation and Public Facilities. The agreement dealt with the construction and ownership of a new Pier I, the pier where the state ferry Tustumena typically docks.

City Manager Aimee Kniazowski said the idea to replace the pier came about last year.

“Back in 2012 it was decided that the best use of the earmarked money that was remaining from Senator Stevens for a new Kodiak ferry terminal could be applied to a rebuild of Pier I, which is a wooden dock structure, aging and does require quite a bit of maintenance.”

She said DOT started designing a new dock this past year and nominated the project for the Statewide Transportation Improvement Program.

“And what that did was provide 100 percent state and federal funding without a requirement for any city funds whatsoever.”

Kniazowski said the designs for the pier are about 95 percent complete, and the city has been discussing a memorandum of agreement with the state about how that pier would be operated. She said it needs to be consistent with state requirements and federal highway administration standards.

“Consequently we’ve been in the process of negotiating this memorandum of agreement that would allow them to build a dock on our property and turn it back over to us under this MOA. And then any revenues that are collected in the future, the ferry would come, the Tustumena would come, or the Tustumena replacement, whatever that might look like whenever that might happen, and they would not pay fees but any other vessel that docked there would pay fees and those would go into what’s called a sinking fund.”

The sinking fund would save the money for use on any future maintenance or replacement costs. Kniazowski said the agreement would most likely be in place for the life of the facility, which she estimates to be between 20 and 30 years. But the length of the agreement is still being discussed with the state, which is why city staff recommended postponing last week’s ordinance.

“We’ve been back and forth with DOT, negotiating in teleconferences that have included our attorney each time. DOT started out with very high expectations, they’ve met us

more than halfway on several items and as a matter of fact as we proceed with this, with the recommendation to postpone this, is because they are trying very hard to accommodate some other requirements we'd like to see in the MOA and so they're in the process of having that legally reviewed."

Kniazowski said the state hopes to start construction on the pier sometime next year.