

**Agency: Commerce, Community and Economic Development****Grants to Municipalities (AS 37.05.315)****Grant Recipient: Ketchikan****Federal Tax ID: 92-6000082****Project Title:****Project Type: Maintenance and Repairs**

# Ketchikan - Berths I & II Replacement Project

**State Funding Requested: \$7,000,000****House District: 1 / A**

One-Time Need

**Brief Project Description:**

Improvement of Berths I and II of the Port of Ketchikan.

**Funding Plan:**

Total Project Cost:	\$26,000,000
Funding Already Secured:	(\$19,000,000)
FY2013 State Funding Request:	<u>(\$7,000,000)</u>
Project Deficit:	\$0

*Funding Details:*

State funding in the amount of \$21,000,000 has been received over the past four years, \$2,000,000 (not counted in funding already secured portion) was used to fund interim repairs leading up to the replacement project.

**Detailed Project Description and Justification:**

The Port of Ketchikan recently determined that there is an immediate need to expend \$26,000,000 to replace the wooden sections of Berths I and II, which are exhibiting advanced stages of structural deterioration. Following a dive survey in the fall of 2007, emergency repairs were performed over the winter at a cost of \$1,959,565 to reopen the docks to tour bus traffic for the 2008 season. A second dive survey was conducted in the fall of 2008 and additional repairs were performed at a cost of \$396,453. A third dive survey was performed in the fall of 2009 and additional repairs were performed at a cost of \$264,220. A fourth dive survey was performed in the fall of 2010 and additional repairs were performed at a cost of \$224,400. PND Engineers, Inc. of Seattle has been retained to design a four-year project to replace the berths at an estimated cost of \$26,000,000.

**Project Benefits**

The structural deterioration of Berths I and II has become a critical issue for the community. These docks are essential to the continuing health of the local economy and must be replaced with modern and safe facilities. Given the decline of the timber and fishing industries in Southeast Alaska, tourism has become the mainstay of Ketchikan's local economy. In 2008 over 935,000 cruise ship passengers arrived in Ketchikan with over half of them disembarking at either Berth I or Berth II. In 2009 that number increased to over 940,000. The total number of passengers decreased to just under 829,000 in 2010 due to several lines pulling ships from the market during the head tax dispute; however, the passenger count is expected to rebound slightly in 2011 and markedly in 2012 as ships are scheduled to return to the market.

In their current condition, the wooden portions of Berths I and II have required repairs in excess of \$3,000,000 over the past three winters to restore weight limits adequate for emergency vehicles and tour buses to be able to operate on the docks. Continued preservation of the wooden portions of the docks does not constitute a cost effective solution as similar

off-season repairs will be necessary almost every year.

In addition to having strong support within the community, the Alaska cruise ship industry has also advocated for replacing the berths as soon as possible.

The City has initiated plans to begin replacement of the remaining wooden portion of the docks with steel piles and concrete decking following the 2011 cruise ship season. The project is planned for four phases over the off-seasons of 2011/2012, 2012/2013, 2013/2014 and 2014/2015 with the goal of having all of the work completed by May 2015. Dutra Construction of San Rafael, California has been awarded a contract for Phase I, which is scheduled to begin immediately following the end of the 2011 cruise ship season. The following is a brief summary of the four construction phases and the corresponding cost estimates.

**Project Timeline:**

Phase/Description/Schedule/Cost Estimate
I-Replacement of wooden portion of Berth II from Dock St to KVB-Winter 2011/2012-\$6,500,000
II-Replacement of wooden portion of Berth II from KVB to Front St Ext-Winter 2012/2013-\$5,500,000
III-Replacement of wooden portion of Berth I along Front St Ext-Winter 2013/2014-\$8,000,000
IV-Replacement of upland amenities on new sections of Berths I & II-Winter 2014/2015-\$6,000,000
Total-\$26,000,000

**Entity Responsible for the Ongoing Operation and Maintenance of this Project:**

The City of Ketchikan

**Grant Recipient Contact Information:**

Name: Karl R. Amylon  
 Title: City Manager/KPU General Manager  
 Address: 334 Front Street  
 Ketchikan, Alaska 99901  
 Phone Number: (907)228-5603  
 Email: karla@city.ketchikan.ak.us

Has this project been through a public review process at the local level and is it a community priority?  Yes  No

*For use by Co-chair Staff Only:*

3:14 PM 5/2/2012

# City of Ketchikan, Alaska

## Berths I and II Replacement Project

---

**Owner:** City of Ketchikan  
334 Front Street  
Ketchikan, Alaska 99901

**Contact:** Karl R. Amylon, City Manager  
(907) 228-5603  
karla@city.ketchikan.ak.us

**Start of Construction:** 2011  
**Completion Date:** May 2015  
**Estimated Cost:** \$26,000,000  
**Funding Request** \$ 7,000,000



Port of Ketchikan

**Priority Ranking:** 3

### Project Description

---

The Port of Ketchikan recently determined that there is an immediate need to expend \$26,000,000 to replace the wooden sections of Berths I and II, which are exhibiting advanced stages of structural deterioration. Following a dive survey in the fall of 2007, emergency repairs were performed over the winter at a cost of \$1,959,565 to reopen the docks to tour bus traffic for the 2008 season. A second dive survey was conducted in the fall of 2008 and additional repairs were performed at a cost of \$396,453. A third dive survey was performed in the fall of 2009 and additional repairs were performed at a cost of \$264,220. A fourth dive survey was performed in the fall of 2010 and additional repairs were performed at a cost of \$224,400. PND Engineers, Inc. of Seattle has been retained to design a four-year project to replace the berths at an estimated cost of \$26,000,000.

### Project Benefits

---

The structural deterioration of Berths I and II has become a critical issue for the community. These docks are essential to the continuing health of the local economy and must be replaced with modern and safe facilities. Given the decline of the timber and fishing industries in Southeast Alaska, tourism has become the mainstay of Ketchikan's local economy. In 2008 over 935,000 cruise ship passengers arrived in Ketchikan with over half of them disembarking at either Berth I or Berth II. In 2009 that number increased to over 940,000. The total number of passengers decreased to just under 829,000 in 2010 due to several lines pulling ships from the market during the head tax dispute; however, the passenger count is expected to rebound slightly in 2011 and markedly in 2012 as ships are scheduled to return to the market.

In their current condition, the wooden portions of Berths I and II have required repairs in excess of \$3,000,000 over the past three winters to restore weight limits adequate for emergency vehicles and tour buses to be able to operate on the docks. Continued preservation of the

wooden portions of the docks does not constitute a cost effective solution as similar off-season repairs will be necessary almost every year.

In addition to having strong support within the community, the Alaska cruise ship industry has also advocated for replacing the berths as soon as possible.

### **Schedule and Cost Estimate**

---

The City has initiated plans to begin replacement of the remaining wooden portion of the docks with steel piles and concrete decking following the 2011 cruise ship season. The project is planned for four phases over the off-seasons of 2011/2012, 2012/2013, 2013/2014 and 2014/2015 with the goal of having all of the work completed by May 2015. Dutra Construction of San Rafael, California has been awarded a contract for Phase I, which is scheduled to begin immediately following the end of the 2011 cruise ship season. The following is a brief summary of the four construction phases and the corresponding cost estimates.

Phase	Description	Schedule	Cost Estimate
I	Replacement of wooden portion of Berth II from Dock St to KVB	Winter 2011/2012	\$6,500,000
II	Replacement of wooden portion of Berth II from KVB to Front St Ext	Winter 2012/2013	\$5,500,000
III	Replacement of wooden portion of Berth I along Front St Ext	Winter 2013/2014	\$8,000,000
IV	Replacement of upland amenities on new sections of Berths I & II	Winter 2014/2015	\$6,000,000
Total			\$26,000,000

### **Funding Request**

---

State funding in the amount of \$21,000,000 has been received over the past four years, \$2,000,000 of which has been used to fund interim repairs. The City of Ketchikan is seeking an additional \$7,000,000 in Commercial Passenger Vessel (CPV) funding or from other sources, in order to complete the funding package that is necessary to bring this critically important project to fruition.