

**Agency: Commerce, Community and Economic Development****Grants to Municipalities (AS 37.05.315)****Grant Recipient: Bristol Bay Borough****Federal Tax ID: 92-0029832****Project Title:****Project Type: New Construction and Land Acquisition**

# Bristol Bay Borough - Port of Bristol Bay Expansion and Pile Dock Replacement

**State Funding Requested: \$5,000,000****House District: 37 / S**

One-Time Need

**Brief Project Description:**

Replace the existing pile supported platform dock built in 1982 with a high capacity fill platform dock.

**Funding Plan:**

|                               |               |
|-------------------------------|---------------|
| Total Project Cost:           | \$16,000,000  |
| Funding Already Secured:      | (\$6,000,000) |
| FY2013 State Funding Request: | (\$5,000,000) |
| Project Deficit:              | \$5,000,000   |

*Funding Details:**FY 2010 Federal Legislation (HUD) \$1,000,000**FY 2010 Alaska State Legislature \$5,000,000**(\$2 million spent)**FY 2011 Alaska State Legislature \$2,000,000***Detailed Project Description and Justification:**

This project will replace the existing pile supported platform dock built in 1982 with a high capacity fill platform dock. The project will include demolition and salvage of the existing, deteriorating dock, as well as uplands grading and drainage, asphalt surfacing, relocation of outfall and safety fencing, reroute of the boat ramp and access road, as well as other associated work details.

The project is shovel-ready as the design is complete for the project. The Bristol Bay Borough currently has a \$6 million match and requires \$10 million to complete the project (see scope and budget in Attachment #1).

**Port of Bristol Bay**

Bristol Bay is home to the largest sockeye salmon fishery in the world. During our six-month seasonal operation, the Port of Bristol Bay ranks #4 in the U.S. for a monetary value of a seafood product crossing the dock (According to NOAA- See Attachment #2). Port expansion is needed to keep up with the increasing demand and shipping needs of the fishing industry who last year shipped 100.9 million lbs across the Port of Bristol Bay Dock to destinations around the country. An additional 200,000,000 lbs of cargo cross the dock every year as well, as the Port of Bristol Bay Dock is the shipping hub of the region, serving 30 communities (See Attachment #3).

The fishing industry in the Bristol Bay Borough is the economic engine of the region. The livelihoods of the region's

residents and wholesalers/retailers across the country depend on this income, as well as consumers who depend on this valuable food source. Bristol Bay fishery processors have invested over \$100 million in processing capacity improvements from 2004-2012. This capacity increase is straining Port operations as the dock facilities have not been large enough to handle the increased volume.

#### Existing Port Facility

The Port of Bristol Bay, located in Naknek in Southwest Alaska, has a 200-foot, pile-supported dock constructed of steel and concrete in 1982, and an additional 200 x 200 foot sheet pile cell dock completed in the fall of 2010. This latest dock provides a much needed additional dock face, storage, and some moorage, parking, and amenities for commercial fishing vessels. In 2011, upland storage land was improved and a big portion of the hill behind the dock was removed in order to increase dock acreage to meet the increasing demand of the Port.

The combined docks have a total face (width) of 400 feet and are subject to tidal influence, with large barges not able to approach the dock at low tides. Fishing vessels "raft" together, as there are no individual berths. Electricity, potable water, restrooms, trash and used-oil disposal are available. Dockage is charged by the day or by a season pass for unlimited docking.

The Port has approximately 6 acres of both owned and leased property that make up the Port of Bristol Bay terminal area. The Port shares a warehouse with Public Works that provides approximately 4,000 square feet of seasonal inside storage and distribution for smaller cargo.

#### Need for Dock Expansion

Fish processors operating in the Borough have substantially increased the volume of freight shipped across the Port. Containers crossing the dock increased from 5,541 in 2001 to 11,012 in 2009 (see Attachment #4). In response to increases in freight volumes, barges have gotten larger, from 200 feet to over 400 feet, and individual shipping containers have become heavier with the average weight now exceeding 60,000 pounds. This increase in freight volumes has created congestion and issues of safety especially during peak season operations.

The new sheet pile cell dock completed in the fall of 2010, which added an additional 200 feet of dock face, satisfied the need to accommodate the substantial increase in the volume of freight shipped across the dock (see Attachment #5 ), and substantially decreased congestion and safety issues of the single pile dock. With the addition of an area specifically for fishermen, it eased the congestion and increased the capacity of the dock to cater to independent owner/operator processing vessels. Segregating the activity of shippers and fishermen at the port site is also a requirement of the port security requirements under Homeland Security guidelines.

However, the older pile supported dock (built in 1982) has exceeded its useful life. The steel pilings are failing below the concrete structure (see Attachment # 6). PND Engineers, Inc. recently stated, "Increased loads, frequency, and duration has put considerable stresses upon the 1982 pile dock which, given its current state, results in the need for significant annual repairs, or possibly failure". The Port of Bristol Bay now spends nearly \$200K per year for repairs of this aging structure, with future projected costs rising significantly each year.

The solution is to replace the 1982 dock with a high-capacity fill dock, which is the subject of this appropriation request (see drawing in Attachment #7). As the salmon season coincides with the construction season, the demolition and replacement of the 1982 dock will be a challenge when trying to continue the same level of service to the large marine carriers and expanding fishing industry achieved after completion of the 2010 dock. It is urgent this dock be replaced now in order to

keep up with increasing seafood processing plant production. As an example of increased production, the Borough has received Site Development Permits from three processing plants for three new bunkhouses in 2011 and 2012.

#### Summary of Recent Improvements

In 2009, the Borough began Phase I improvements by initiating construction of a new "open-cell" dock immediately downstream of the existing dock. This new dock addition, which is now complete, added approximately 3.9 acres of dock area and another 200 feet of dock face. Open cell design made use of earthen material behind a sheet pile bulkhead. This type of design provides a solid base to support the heavy loads that are typical at the Port. Phase I was completed in November 2010.

The Phase I Improvements included \$9,245,354 in State and non-State funding as follows:

\$2,445,354. Bristol Bay Borough

\$1,000,000. Bristol Bay Economic Development Corporation

\$2,400,000. State Legislative grants

\$1,700,000. Denali Commission

\$1,700,000. Economic Development Administration

\$9,245,354

#### Benefits of Improvements to the Port

The Port of Bristol Bay is a regional port and serves a vast area. The expansion of the Port will facilitate and support efforts to retain and grow the Bristol Bay region's economic status through providing a cost effective method of transportation to ship increasing cargo and tremendous volumes of salmon to market. The expansion improvements will provide a safe work place for Borough employees, as well as safety for the fishermen that utilize the facility.

Besides serving multiple rural communities in the region, the Port of Bristol Bay is situated to accommodate resource development prospects such as the proposed mining projects located in the Lake Iliamna area. Oil & natural gas prospects to the south and west of the Port of Bristol Bay hold significant resource development opportunities as well. Development of any of these resources will significantly increase the volume of marine cargo into and out of the Bristol Bay region through the Port of Bristol Bay.

The entire Bristol Bay region depends on the Port of Bristol Bay for cargo, some fuel, and shipment of the valuable fish product produced in Bristol Bay. This dock is the economic engine that supports over 30 communities in the region, and not just the Bristol Bay Borough. Failure to advance port expansion and repairs in response to the demand placed on the Port of Bristol Bay will result in a reduction in cargo handling ability, increased costs to operators, and possible inability to accommodate all of the shipping needs of the entire salmon industry.

#### Project Timeline:

2012: Project funding award from Legislature. Bid, contracting and initiate construction.

2013: Complete construction and initiate operation.

2014: 1st full year of operation.

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

Port of Bristol Bay

**Grant Recipient Contact Information:**

|               |                                      |
|---------------|--------------------------------------|
| Name:         | Patrick Jordan                       |
| Title:        | Borough Manager                      |
| Address:      | P.O. Box 189<br>Naknek, Alaska 99633 |
| Phone Number: | (907)246-4224                        |
| Email:        | pjordan@bbbak.us                     |

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



*Bristol Bay Borough*  
**BRISTOL BAY BOROUGH PLANNING COMMISSION  
RESOLUTION 04-2011**

**A RESOLUTION OF THE CAPITAL IMPROVEMENT PROJECT PRIORITIES TO  
THE BRISTOL BAY BOROUGH ASSEMBLY FOR SUBMITTAL TO THE 2012  
LEGISLATIVE SESSION FOR PROJECT FUNDING.**

**Whereas**, the Bristol Bay Borough has a 5-Year Capital Improvement Program and;

**Whereas**, the projects included in the Capital Improvement Program are re-evaluated, prioritized, and updated annually in an effort to secure financial assistance for the most critical projects; and

**Whereas**, projects identified in the annual Capital Improvement Program have received the highest rating for social and economic well-being; and

**Whereas**, the Planning Commission has reviewed the 2012 Capital Improvement Program in their December 13, 2011 regularly scheduled meeting as part of the continued effort to help improve the quality of life for the entire Bristol Bay Region; and

**Whereas**, the Planning Commission in their review of the capital improvement projects, considered and approved a request from School Superintendant Jack Walsh to add a school improvement project to the list of five CIP projects to be submitted by the Bristol Bay Borough to the State Legislature in February 2012 for appropriations; and

**Now Therefore Be It Resolved**, that the Bristol Bay Borough Planning Commission hereby recommends the following five Capital Improvement Projects to the Bristol Bay Borough Assembly as the highest priority projects to be considered for State financial assistance for Fiscal Year 2012/2013:

- |  |                  |
|--|------------------|
| 1. Port of Bristol Bay Expansion- Phase 2  | \$10,000,000     |
| 2. Naknek Sewer Line and One Lift Station Replacement and Relocation from Peter Pan to the Sewage Lagoon (planning, feasibility, and design)   | TBD by submittal |
| 3. Rehabilitation of the Alaska Peninsula Highway between Naknek and King Salmon, including shoulder improvements and the bridges over Leader Creek, Paul's Creek and King Salmon Creek (STIP) | TBD by submittal |
| 4. School Facility Needs (energy conservation audit and retrofits, Repair and replace the doors and roofing at the school's front entrance, paint  |                  |

the exterior of the school and administrative facilities

Improve the grounds, playgrounds, and activity areas around the school  
to make safer for students and the community.

\$250,000

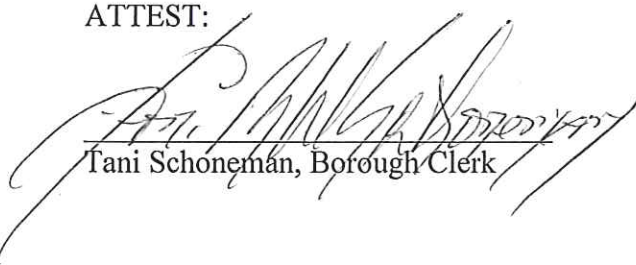
5. Small Boat Harbor

\$6,000,000

**Adopted and approved on this 13<sup>th</sup> day of December, 2011.**

  
\_\_\_\_\_  
Steve Jones, Chairman

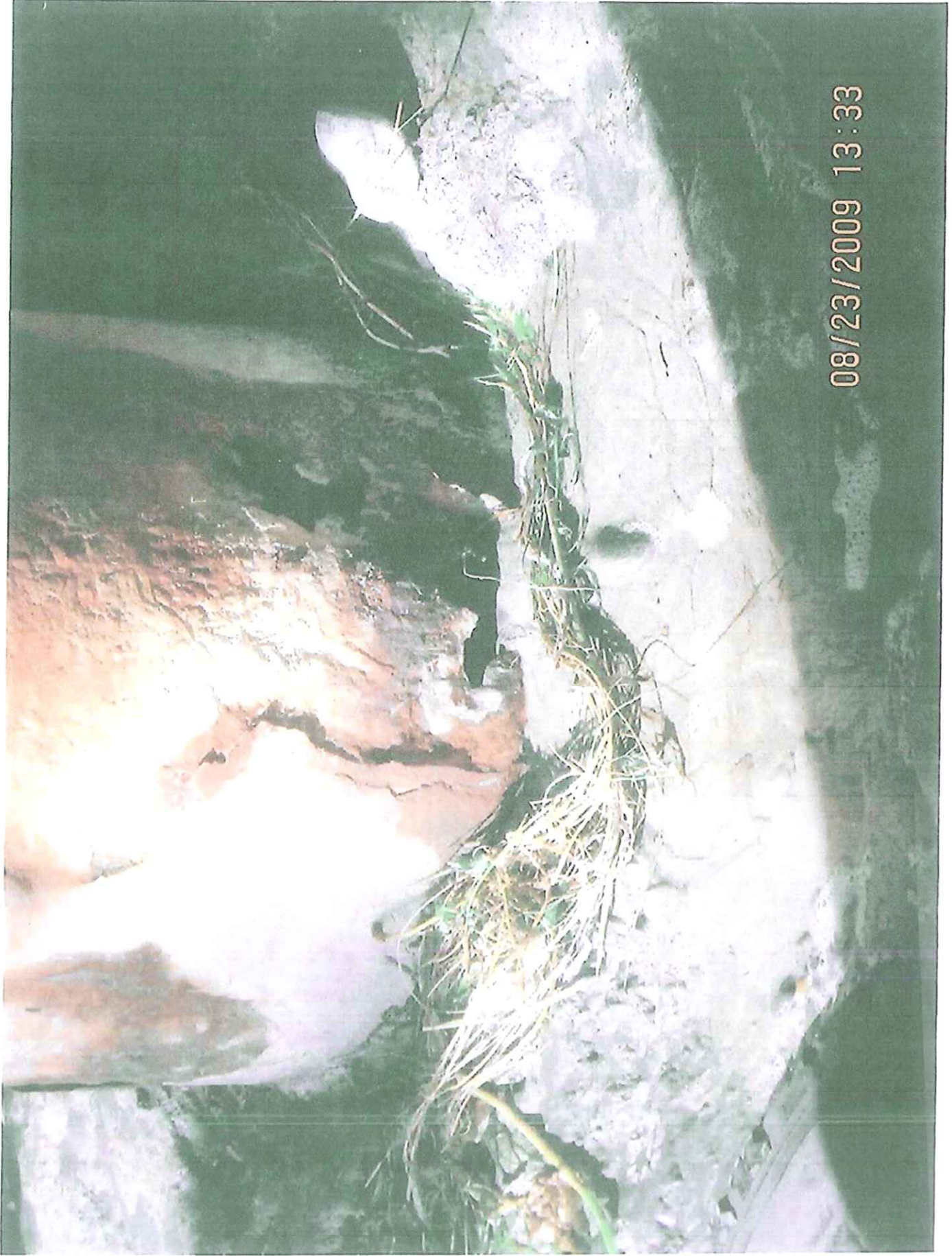
ATTEST:

  
\_\_\_\_\_  
Tani Schoneman, Borough Clerk





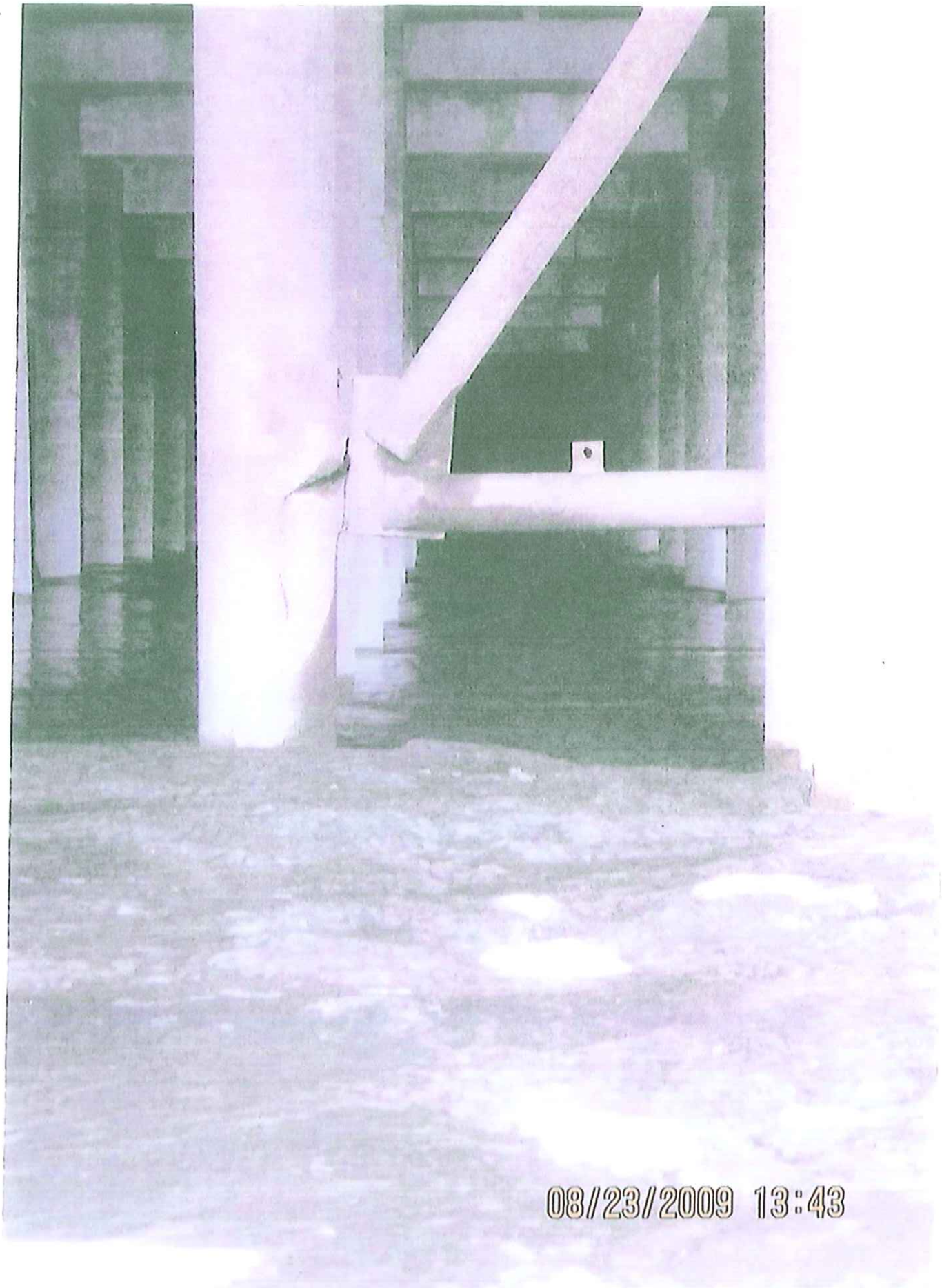




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1982 Dock- Piling Deterioration





1982 Dock- Piling Deterioration

**PORT OF BRISTOL BAY**  
**(During 2010 Construction of Fill Platform Dock)**





Containers moved through the Port of Bristol Bay 2001-2009

| YEAR | Herring | Canned Salmon | Frozen Salmon | General Cargo | Total Containers |
|------|---------|---------------|---------------|---------------|------------------|
| 2009 | 320     | 1,180         | 1,297         | 8,215         | 11,012           |
| 2008 | 284     | 1,044         | 1,117         | 7,917         | 10,362           |
| 2007 | 103     | 1,195         | 1,026         | 7,158         | 9,482            |
| 2006 | 203     | 1,231         | 961           | 8,160         | 10,555           |
| 2005 | 314     | 791           | 956           | 4,885         | 6,946            |
| 2004 | 171     | 1,065         | 817           | 4,648         | 6,701            |
| 2003 | 216     | 617           | 316           | 5,119         | 6,268            |
| 2002 | 173     | 446           | 228           | 2,301         | 3,148            |
| 2001 | 448     | 644           | 270           | 4,179         | 5,541            |

Totals, including but not limited to, freight for the following:

Outer Ports:

Togiak Aleknagik  
 Egegik Ekuk  
 Levelock Manokotak  
 Portage Creek Igiugig  
 Ugashik Koliganek  
 Clarks Point New Stuyahok  
 Ekwok Iliamna  
 South Naknek Port Alsworth  
 Dillingham Port Mollar  
 Pilot Point Wrangle  
 Port Heiden Nome  
 Twin Hills Kotzebue  
 Coffe Point Gamble  
 Bethel King Salmon  
 Hooper Bay Platinum  
 Chevac Pederson Point

Land Processors:

Leader Creek Fisheries  
 Yard Arm Knot  
 Trident-Naknek  
 Trident- South Naknek  
 Alaska General Seafoods  
 Ocean Beauty Seafoods  
 Baywatch Seafoods  
 Pederson Point  
 Peter Pan Seafoods  
 Iccle- Egegik  
 Togiak Fish  
 Ekuk Fish  
 Coffee Point Seafoods  
 Naknek Family Fisheries  
 Great Ruby Fish Co.  
 Wild Alaskan Salmon

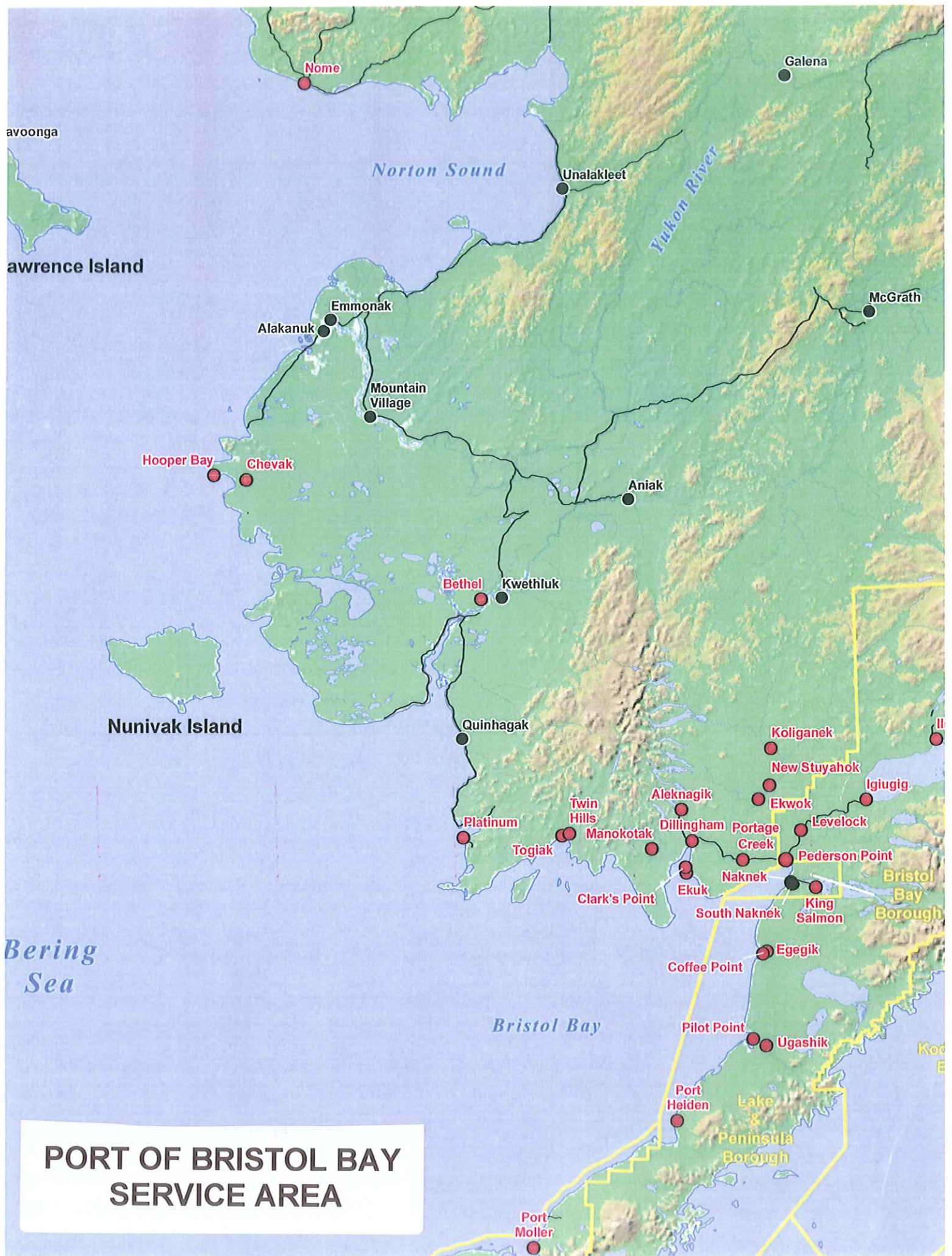
Offshore Processors:

Bering Star-Iccle  
 Stellar Sea-Iccle  
 Arctic Star-Iccle  
 Pribalof- Norquest  
 Aluetian Falcon-Norquest  
 Innovator-SnoPac  
 Alaska Packer-Trident

Construction Companies:

Quality Asphalt  
 BC Contractors  
 Kelly Ryan  
 L & M Equipment  
 Knik Construction  
 Glacier Construction  
 Naknek Geothermal  
 R & R Drilling  
 Bristol Bay Contractors  
 Harris Creek Co.  
 Bay Materials  
 ODW & Son  
 Paug-Vik Development  
 Aqua Drilling  
 Chugach Support Services  
 BBHA





**PORT OF BRISTOL BAY  
SERVICE AREA**





# NOAA

**TOP 10 COMMERCIAL FISHERY VALUES AT MAJOR U.S. PORTS, 2009-2010**  
**Figures in Millions of Dollars**

| Port                          | 2009  | 2010  |
|-------------------------------|-------|-------|
| New Bedford, Mass.            | 249.2 | 306.0 |
| Dutch Harbor-Unalaska, Alaska | 159.7 | 163.1 |
| Kodiak, Alaska                | 103.8 | 128.1 |
| Naknek-King Salmon, Alaska    | 76.1  | 100.9 |
| Cordova, Alaska               | 32.8  | 84.3  |
| Cape May-Wildwood, N.J.       | 73.4  | 81.0  |
| Hampton Roads Area, Va.       | 68.1  | 75.4  |
| Honolulu, Hawaii              | 59.4  | 71.6  |
| Seward, Alaska                | 33.1  | 69.2  |
| Sitka, Alaska                 | 51.3  | 62.2  |

Note: To avoid disclosure of private enterprise, certain ports have not been included.



ENGINEERS, INC.

**PORT OF BRISTOL BAY EXPANSION - PLATFORM DOCK REPLACEMENT  
(65% design) ROUGH ORDER OF MAGNITUDE ENGINEERS ESTIMATE  
12/5/2011**

| ITEM | WORK DESCRIPTION  | Cost Estimate |
|------|---|---------------|
| A    | Site Prep, demolition and salvage of platform Dock & Utilities  | \$2,200,000   |
| B    | Construct high capacity fill dock   | \$8,300,000   |
| C    | Construct dock cap - fendering, mooring, ladders, bull rails, safety equipment, dredging  | \$1,700,000   |
| D    | Uplands grading and drainage, utilities, fuel header, asphalt surfacing, High-mast Lights, relocated grinder outfall & safety fencing | \$2,500,000   |
| E    | Reroute boat ramp road, boat ramp, revetment, apron and Jersey barriers   | \$1,300,000   |
| F    | Engineer's Estimate:  | \$16,000,000  |

Notes: Estimates include a 20% contingency \$16,000,000

|                                  |        |
|----------------------------------|--------|
| New Replacement Dock (Phase 2)   | \$16 M |
| Beginning Balance <u>(MATCH)</u> | \$6 M  |
| New Funds Needed (FY13)          | \$10 M |

**ON GOING PHASE 1 PORT IMPROVEMENTS**

|   |                |
|---|----------------|
| 1. Dredging Equipment   | \$750 K        |
| 2. Purchase, Place/Compact Materials for New Surface                  | \$250 K        |
| 3. Purchase/Install Steel Piling Trench New Power to Fishermen's Side | \$500 K        |
| <b>Total</b>  | <b>\$1,5 M</b> |

**ITEMS CONTINGENT UPON PROJECT FINISHING UNDER BUDGET**

|   |                 |
|---|-----------------|
| 1. Purchase of Paug-Vik Lease Property (L-3, 2.2 Acres) | \$300 K         |
| 2. Purchase of Yard Arm Knot Lease Property & Ways      | \$300 K         |
| 3. Purchase Adjacent HUD Property (5 Lots @ \$150 K ea) | \$750 K         |
| <b>Total</b>  | <b>\$1,35 M</b> |

**Bristol Bay Borough - Port Improvements****FY2013 Request: \$10,000,000****Reference No: 46059****AP/AL:** Appropriation**Category:** Development**Location:** Bristol Bay Borough**Impact House District:** Bristol Bay/Aleutians (HD 37)**Project Type:** Construction**Recipient:** Bristol Bay Borough**House District:** Bristol Bay/Aleutians (HD 37)**Contact:** JoEllen Hanrahan**Estimated Project Dates:** 07/01/2012 - 06/30/2017 **Contact Phone:** (907)465-2500**Brief Summary and Statement of Need:**

This project will provide funding for the rehabilitation/replacement of the Bristol Bay dock structure and port area. The rehabilitation/replacement of the Bristol Bay Dock will facilitate and support efforts to retain and grow the Bristol Bay region's wealth through providing a cost effective method of transportation to ship the salmon to market. The general obligation bond authorization is considered one-time in nature and is not expected to fully fund the project.

| <b>Funding:</b> | <b>FY2013</b>       | <b>FY2014</b> | <b>FY2015</b> | <b>FY2016</b> | <b>FY2017</b> | <b>FY2018</b> | <b>Total</b>        |
|-----------------|---------------------|---------------|---------------|---------------|---------------|---------------|---------------------|
| G/O Bonds       | \$10,000,000        |               |               |               |               |               | \$10,000,000        |
| <b>Total:</b>   | <b>\$10,000,000</b> | <b>\$0</b>    | <b>\$0</b>    | <b>\$0</b>    | <b>\$0</b>    | <b>\$0</b>    | <b>\$10,000,000</b> |

|   |  |                                       |   |                                   |
|---|--|---------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> State Match Required | <input checked="" type="checkbox"/> One-Time Project | <input type="checkbox"/> Phased - new | <input type="checkbox"/> Phased - underway  | <input type="checkbox"/> On-Going |
| 0% = Minimum State Match % Required           |  | <input type="checkbox"/> Amendment    | <input type="checkbox"/> Mental Health Bill |                                   |

**Operating & Maintenance Costs:**

|                      | <u>Amount</u> | <u>Staff</u> |
|----------------------|---------------|--------------|
| Project Development: | 0             | 0            |
| Ongoing Operating:   | 0             | 0            |
| One-Time Startup:    | 0             |              |
| <b>Totals:</b>       | <b>0</b>      | <b>0</b>     |

**Additional Information / Prior Funding History:**

FY2012 - \$2 million; FY2010 in SB230 - \$5 million; FY2009 - \$1.5 million; FY2007 - \$400,000; FY2006 - \$500,000

**Project Description/Justification:**

This project will provide funding for the rehabilitation/replacement of the Bristol Bay Dock area.

The Port of Bristol Bay, located at Naknek, in Southwest Alaska, has a single pile-supported dock constructed of steel and concrete in 1982. The dock has a face (width) of 200 feet and is subject to tidal influence, with large barges not able to approach the dock at low tides. The Port has approximately 6 acres of Terminal area. The Port shares a warehouse with Public Works that provides approximately 4,000 square feet of seasonal inside storage and distribution for smaller cargo. An additional 200 x 200 feet sheet pile dock, which was completed in the fall of 2010 provides additional dock face, storage and on the down river section some moorage, parking and amenities for commercial fishing vessels. Fishing vessels "raft" together, as there are no individual berths. Electricity, potable water, restrooms, trash and used-oil disposal are available. The existing pile supported dock has exceeded its useful life.

Bristol Bay is home to the largest sockeye salmon fishery in the world, shipping over 114,410,000 pounds of salmon in 2009 with a value of over \$915,280,000. This is the regional hub for Bristol Bay

and services 30 communities in the region. This port provides fuel to over 11 communities within the region and King Salmon Air Force Base. This expansion project will continue to support the economy of Bristol Bay Borough, and the region, by maintaining the capacity to ship tremendous volumes of fish and cargo. The Port of Bristol Bay is a regional port and serves a surprisingly vast area. The expansion improvements will provide a safe work place for Borough employees, as well as, safety for the fishermen that utilize the facility. By the addition of an area specifically for fishermen, it will ease the congestion and increase the capacity of the dock to cater to independent owner/operator processing vessels. Segregating the activity of shippers and fishermen at the port site is also a requirement of the port security requirements under Homeland Security guidelines.

The entire Bristol Bay region depends on this dock for cargo, fuel, and shipment of the valuable fish product produced in Bristol Bay. This dock is the economic engine that supports over 30 communities within Bristol Bay not just the Bristol Bay Borough.