



**Sawmill Cove Industrial Park  
Board of Directors Meeting  
December 19, 2007 – 2:00 PM  
SEDA Board Room  
329 Harbor Drive Suite 212, Sitka AK 99835**

**A. CALL TO ORDER**

The Chair called the meeting to order at 2:00 pm.

**B. ROLL CALL**

Board Members Present:	Nancy Davis Grant Miller Chris Fondell	Trevor Harang Charles Horan
Others Present:	Hugh Bevan John Sherrod Robert Woolsey	Maria Finkenbinder Rich Riggs
City Staff:	Joe Castro	John Stein
Chamber of Commerce:	James Wileman Dave Malone Lowell Frank	Dave Mason Craig Shoemaker Andrea Keikkala

**C. REVIEW OF MINUTES – December 5, 2007 meeting**

**MOTION:** M/S Horan/Fondell moved to approve the minutes from the December 5<sup>th</sup>, 2007 meeting.

**ACTION:** Motion **PASSED unanimously** on a voice vote.

**D. CORRESPONDENCE & OTHER INFORMATION - None**

At a later part of the meeting, the Chair added a discussion on the City's legislative priorities pertaining to the industrial park.

**E. CHANGES/ADDITIONS/DELETIONS TO THE AGENDA**

**F. UNFINISHED BUSINESS**

**1. Proposal(s) to purchase dock warehouse**

Mr. Riggs stated that Silver Bay Seafoods submitted their response to the Board's final proposal to Mr. Stein and provided a copy to Mr. Bevan. He said he had additional dialogue with Mr. Bevan to clarify some details. He looked forward to moving forward with the process.

## **G. NEW BUSINESS**

### **1. Sitka Chamber of Commerce Lease Stores Building**

Mr. Bevan told the Board that the Chamber of Commerce has been using around 1,200 square feet of the first floor of the Stores Building to store 4<sup>th</sup> of July booths and other community service equipment. He said that a month-to-month lease with the same type of conditions as the Sitka Historical Society would provide the mechanism for tracking and reporting purposes. He outlined the space leased by Silver Bay Seafoods and the option area for the City Recycling Center. He said the Chamber requested continued use of the space at no cost.

Chamber President James Wileman expressed appreciation to the Sawmill Cove Board for accommodating the Chamber equipment at the industrial park for the past few years. He pointed out that the Chamber doesn't receive direct benefit from items stored in the Stores Building. These are mainly used for community service and rented without charge to other organizations. He said the Chamber is willing to move out of the space if a tenant comes along.

Mr. Fondell recused himself from participating in the discussion and voting, explaining that he is a member of the Chamber Board.

The Chair, Mr. Harang, and Mr. Horan stated for the record that they are also Chamber members. The Chair however determined they don't have any potential conflict of interest since they wouldn't benefit from it financially.

Mr. Horan thought that the Chamber of Commerce and the Sitka Historical Society are not in the same category since the Chamber does things for other organizations such as the School District and Rotary International.

Mr. Miller stated that he has no problem with the request, explaining that (1) there is no existing demand for the space; (2) the space is not being used or it doesn't encroach on other lease spaces in the building, and (3) as long as the Chamber is aware that they have to move should the Board find a better use for the space.

**MOTION:** **M/S Miller/Harang** moved to allow the Chamber of Commerce to utilize the current space in the Stores Building with the knowledge that they will have to move out should the Board find a better use for the space.

**DISCUSSION:** Mr. Bevan said that the month-to-month lease with the Sitka Historical Society will be used as a model for the Chamber lease. It includes whereas clauses and conditions such as the following:

1. Should the Lessor find a better and higher use for the specific area, the Lessee will be given either a 30- day notice to vacate or be invited to move to another location within the SCIP at the Lessee's expense.
2. The Lessee agrees they are solely responsible for all security necessary to protect their property. The Lessor shall not be held liable for damage or loss.
3. Lessee shall not store hazardous or explosive materials.

**ACTION:** Motion **4-0-1** on a voice vote with Fondell abstained.

## H. OTHER BUSINESS

### 1. Proposal(s) to purchase dock warehouse

**MOTION:** M/S Harang/Miller moved to go into executive session to consider further the offer of Silver Bay Seafoods to purchase the dock warehouse, dock structure, and housing parcels, a matter which, if it was made public immediately would clearly have an adverse effect upon the finances of the City and Borough of Sitka, and to invite City Public Works Director Joe Castro, City Administrator John Stein, and SEDA Executive Director Hugh Bevan, to attend the executive session.

**ACTION:** Motion **PASSED** unanimously on a voice vote.

2:20 pm **EXECUTIVE SESSION**

3:40 pm Regular Session

**MOTION:** M/S Harang/Miller moved to reconvene the Board in regular session.

**ACTION:** Motion **PASSED unanimously** on a voice vote.

**MOTION:** M/S Harang/Miller moved to direct Staff to meet with Mr. Stein and Mr. Riggs and present the Board's position.

**ACTION:** Motion **PASSED unanimously** on a voice vote.

### 2. Legislative Priorities

The Chair stated that she would want to keep the pulp dock fix as the number one legislative priority.

Mr. Horan agreed but he pointed out that they should add a caveat stating that there is a negotiation in process to purchase the pulp dock and warehouse. If it doesn't work out, it would still be the number one priority. If it does, they should offer an alternate number one priority, preferably the phased construction of the multipurpose dock.

Mr. Castro explained that the City Government Relations Director Marlene Campbell wants to stick with last year's priorities. The City has been criticized in the past for changing priorities and Ms. Campbell is not recommending throwing in a new project such as the boat haul out.

Mr. Miller said that things change. He did not like the idea of not being able to change priorities. He suggested changing the language from "dredging" to "preparation of a haul out".

Mr. Bevan pointed out that the haul out is part of the 2002 Water Development Plan which has been in the Board's priorities. He suggested that the Board simply send in new language pertaining to the haul out which is currently listed as "dredging and shoreline protection" in Area 3. He described to the Board how the proposed project will fit in with the Board's plan for a haul out.

By consensus, the Board directed Mr. Bevan to work with Ms. Campbell and Mr. Castro in coming up with the appropriate language for the haul out. The Board's priorities were:

1. Pulp dock upgrade
2. Multipurpose dock
3. Haul out

## **I. REPORTS**

Mr. Bevan updated the Board on the progress of the Marine Industries Survey and the boat haul out concept being developed by PND. He suggested that the Board dedicate a meeting in January to talk about waterfront development at Sawmill Cove which includes the new cost estimates and layout for a multipurpose dock and the boat haul out survey and development concept.

Another item he brought up was an update on the Port Security Plan. He told the Board about his discussions with the contractor David Eley and Fred Reeder of Southeast Stevedoring. Mr. Eley has suggested that the port security plan for the pulp dock area should be done first.

He also mentioned that the Sawmill Cove plat will soon be finalized and submitted to the Planning Commission for approval.

The members said they will be available to attend a meeting in the middle of January. The Chair directed Mr. Bevan to set up the date and time for the meeting.

## **J. ADJOURNMENT**

**MOTION:** M/S Harang/Horan moved to adjourn the meeting.

The meeting adjourned at 4:00 pm.