

**Gary Paxton Industrial Park - Board of Directors Meeting
February 20, 2018 11:00am SEDA Conference Room**

A. CALL TO ORDER: The Chair called the meeting to order at 11:02am.

B. ROLL CALL

Members Present: Scott Wager, Sheila Finkenbinder, Charles Horan,
Dan Jones (via teleconference until 11:50am)

Members Absent: Hugh Bevan

City Representatives: Michael Harmon, Dan Tadic, Shilo Williams, Stan Eliason,

Others Present: Garry White, Anna-marie Gericke (via teleconference), Robert Woolsey, Mary Suminski, Steve Reifenstuhl, Bill Wilks (via teleconference)

E. Changes/Additions/Deletions to Agenda

Move New Business Items 1 & 2 to the front of the meeting

I. New Business

1. Greengold Distributors LTD Water Purchase Request

Green Gold Distributors LTD is requesting to establish a water purchase agreement with CBS to export raw water in bulk. Anne-marie Gericke (tele-conference) introduced herself & her company Greengold Distributors (Pty) Ltd., a Cape Town, South Africa company that is requesting a bulk water contract with the City & Borough of Sitka. She is interested in a short-term contract, using small volume ships that can be off loaded to a water treatment plant in Cape Town.

Mr. White informed the board that the CBS has permits to export 29,235 Acre-feet (~9.5 billion gallons) of raw water annually, with 22,789 Acre-feet (~7.4 billion gallons) of water annually currently available for export.

Comments:

- Board member asked what the terms were for the contract, Ms, Gericke stated that she would like to get one ship to Sitka as soon as possible a then maintain 8 ships/month, loading the first ship mid-March.
- A Board member asked about getting a deposit for administration costs, Mr. White added that a tideland permit would be required for infrastructure.
- It was suggested to commit to a short-term lease for 1 billion gallons/year and for every billion moved, another billion would be granted plus a \$5000 fee up front.

MOTION: M/S: Horan/Jones Moved to recommend the City and Borough of Sitka

Assembly enter into an agreement with Greengold for an initial 12-month term stating that 50 million gallons would be exported within 6 mos. with a \$5000 administration fee that can be issued for water credits. Moving 1 billion gallons would give Greengold a 10-year contract with up to a 5 billion gallons with performance benchmarks.

ACTION: Motion PASSED 4/0

Yes: 4-Finkenbinder, Horan, Jones, Wagner

No: 0

2. GPIIP Port Tariff Schedule

Mr. White informed the board that he recommends that the tariff schedule be established for the GPIIP Port, he informed the board that it would be considered a non-operating port (landlord port). Mr. Wilks of Parrish, Blessing and Associates introduced himself & the tariff he developed for the City of Sitka's GPIIP Dock (via teleconference).

Comments:

- It was stated that the tariff would cover the entire industrial site.
- Reservations would be required 4 days in advance & then it would be first come first serve (expedited fee would be removed)
- It was suggested that the benchmark pricing be removed & use the linear foot method that the Sitka Harbors currently use (\$.80 0-50ft, \$1 51-149ft/ 24 hours)
- Board agreed that they would like to see terms that are similar to the Sitka Harbor Department
- A \$400 annual fee would be required of all contracted business that would be using the dock.
- Condensed wharfage terms were suggested for materials that would be crossing the dock.
- Mr. White requested any additional changes to the tariff be submitted to him no later than the end of the week.

MOTION: M/S: Finkenbinder/ Horan moved to accept the tariff for the Port of Sitka with suggested amendments and present it to the Assembly for approval.

ACTION: Motion PASSED 3/0

Yes: 3-Finkenbinder, Horan, Wagner

No: 0

C. Review of Minutes- January 25, 2018

MOTION: M/S Finkenbinder/Horan moved to accept the minutes January 25th 2018

ACTION: Motion PASSED 3/0 on a voice vote

D. Correspondence & Other Information

Mr. White updated the board on the financials & budget report, stating that there is currently ~3.5 years of operating budget left.

F. Reports

Executive Director

GPIIP DOCK

Mr. White informed the board that the dock at GPIIP was now in the City of Sitka's ownership. A few items need to be completed before the dock was available to use by the public, including installing an emergency telephone, approval of tariff, and a few punch list items.

BULK WATER

Mr. White informed the board that Eckhart's had not paid in 3 months and that they were no longer communicating and a 45-day cure letter would be sent.

GPIP PROPERTY

Mr. White stated that clean-up of Lot 9A and 15 was contracted for ~14K and that the Sawmill Farm would be cleaned up by a private contractor that had made arrangement with Ms. Daniels, however Mr. White was not going to stop the CBS clean-up process that was started.

G. Persons to Be Heard-None

H-3. GPIP Port Planning

Mr. White informed the board of the port planning for the dock, stating that the Harbor Department would assist in the billing for moorage and that Mr. White would handle the freight coming across the dock. If the usage ramped up it was noted that an addition employee would needed or a contractor hired. Also stated was the need for a Facility Security Plan, no foreign flagged vessels would be able to use dock as of now. Mr. White added the CBS IT department would be helping with the security camera.

H. Unfinished Business

1. CBS Water Rights

Comments:

- Mr. Reifentstuhl, General Manager of NSRAA, addressed the board, stating his frustration that NSRAA has not received an answer to its request to increase its water delivery amount requested at the 12/13/2017 GPIP Board meeting.
- It was noted that there were no CBS employees from the Electric Department in attendance at the meeting, Ms. William stated that there was an internal meeting that was in the works, but it was explained that the meeting would not be dealing with rights but, rather with long term water rights (2-year path).
- It was agreed that all departments involved need to meet and get everything on the table to determine what the capabilities of the availability of the water was.
- It was mentioned that there is a real concern that if the bulk water valve was turned on, it would not be able to be turned off (had not been tested since the raising of the dam), board members questioned what that would mean for the bulk water contracts.
- Board member suggested a work session with the Assembly to further discuss water rights.
- Board member asked Garry White to ask CBS Administrator the capacity to deliver water for export and public use.

MOTION: M/S: Horan/ Finkenbinder moved to direct the GPIP Director to request the Sitka Administrator provide a water delivery operational plan to address the capacity to delivery water to all users of the GPIP before the next GPIP meeting in March.

ACTION: Motion PASSED 3/0

Yes: 3-Horan, Wagner, Finkenbinder,

No: 0

J. Adjournment: M/S Horan/Finkenbinder moved to adjourn the meeting at 2:02 pm