

**Gary Paxton Industrial Park - Board of Directors Meeting
April 19th, 2018 3:00pm SEDA Conference Room**

A. CALL TO ORDER: The Chair called the meeting to order at 3:02pm

B. ROLL CALL

Members Present: Scott Wager, Sheila Finkenbinder, Hugh Bevan, Charles Horan,
Dan Jones (tele-conference)

Members Absent: None

City Representatives: Michael Harmon, Dan Tadic, Shilo Williams, Bryan Bertacchi, Brian Hanson,
Robert Potruzski, Richard Wein

Others Present: Garry White, Klas Stolpe (Sitka Daily Sentinel), Mary Suminski, Steve
Reifenstuhl, Lisa Terry, Sam Pointer, Les Kinner, Evy Kinner, Fred Paley (Tele-
conference), Terry Trapp (Tele-conference)

C. Review of Minutes- March 29th, 2018

MOTION: M/S Bevan/Finkenbinder moved to accept the minutes of March 29th, 2018

ACTION: Motion PASSED 5/0 on a voice vote

D. Correspondence & Other Information- None

E. Changes/Additions/Deletions to Agenda

Move New Business Items I-4 to Item I-1. Item I-3 was pulled

F. Reports

Executive Director

GPIP DOCK

Mr. White informed the board that the dock at GPIP was open for business, they were still waiting on completion of telephone lines and cameras. The berthing application is complete and NSRAA would be using the dock next week, Mr. Wagner suggested a 'dry run' with AML prior to first use.

GPIP PROPERTY

Mr. White stated that site clean-up was done, lot 15, 9C and water easement all look good. Mr. Wagner stated the fire hydrant was still covered with rock.

The Sawmill Farm clean-up has been stalled due to the containers being owned by a third party.

Mr. White stated that the invitation to bid (RFP) for the administration building would be on the May 8th assembly meeting.

Mr. Tadic informed the board that 2 firms bid on the proposal for a haul-out ramp design. The proposals would be scored & presented to the Assembly.

Mr. Bevan suggested that Shorty Tonsgaard of Juneau be made aware of the tariff.

G. Persons to Be Heard

Sam Pointer

Mr. Pointer informed the board of his desire to begin a refuse recycling business at the old Sawmill Farm site, but was concerned about the landfill underneath and stated that the cost of insurance would make it cost prohibitive. Mr. White agreed to set up a time to discuss other options with Mr. Pointer.

I. New Business

4. Trident Seafoods Inc. Lot 17 Lease Request

Lisa Terry of Trident Seafood stated that Trident Seafood was looking to expand their fleet services in Sitka and was interested in leasing Lot 17 at GPIIP, for a 36 month term with the option to extend the term for an additional 36 months. Trident is offering to lease the property for \$7,500 annually or \$625/month. Ms. Terry stated lot would be used to store gear, but it might lead into a store front presence.

Comments:

- It was asked if the fish would be processed in town or using tenders, Mr. Terry stated that they would most likely use tenders.
- City officials stated that the location (lot 17) was problematic for the CBS due to possibly needing that lot for the secondary water source, water treatment building. A board member asked if the CBS had the funding for the secondary water source.
- It was added that an 18 million water dollar treatment plant trumps storage, suggesting Lot 16 as a possible location for Trident.
- Mr. White added that Lot 7 and 15 were possible, as well as Lot 6, Ms. Terry stated that access to Lot 6 was a bit of a concern.
- Lot 16 was suggested, stating that it was larger and CBS could keep at road grade there would be an option to charge less until lot was in useable condition.

MOTION: Jones / Finkenbinder Move to offer Trident Seafoods lot 17 for a 3 year term at \$9,900 annually or \$825/month.

MOTION TABLED pending further discussions between Gary White and Trident.

2. Fortress of the Bear Lot 19 Lease Request

FOB is requesting to lease the lot on a month to month basis. Lot 19 is a 12,669 SF parcel of raw property located in the western portion of the park.

MOTION: Finkenbinder / Bevan Move to lease Lot 19 to Fortress of the Bear for \$382.50/month.

ACTION: Motion PASSED 5/0

Yes: 5-Bevan, Finkenbinder, Wagner, Horan, Jones

No: 0

H. Unfinished Business

1. CBS Water Rights/ Bulk Water Sales (Executive Session)

MOTION: Move to enter executive session.

Yes: 3- Wagner, Horan, Jones

No: 2- Bevan, Finkenbinder

Invited to attend Executive Session:

Garry White, GPIP Board (Hugh Bevan, Sheila Finkenbinder, Scott Wagner, Dan Jones, Charles Horan) Keith Brady, Brain Hanson, Bryan Bertacchi, Michael Harmon, Richard Wein, Shilo Williams, Dan Tadic, Robert Potruzski

Executive Session Began at 3:56pm

Executive Session ended at 4:37pm

MOTION: Bevan / Horan the GPIP Board requests a copy of the consultant scope of work for the bulk water system analysis that was approved at the 3/29/18 GPIP Board meeting. Dan Jones did not re-enter the meeting by teleconference at the conclusion of the Executive Session.

ACTION: Motion PASSED 4/0

Yes: 4- Wagner, Horan, Bevan, Finkenbinder

No: 0-

I. New Business

1. Arctic Blue Waters Alaska Inc. Bulk Water Request

Arctic Blue Waters proposal: an initial two year agreement for 2 billion gallons per year of bulk water to Arctic, for a payment of \$5,000 upon signing of a "Water Purchase Agreement".

MOTION: Bevan / Finkenbinder move to decline the offer from Arctic Blue Waters Alaska, Inc. to purchase bulk water from Sitka until such time as the Assembly decides the future of bulk water sales by the City and Borough of Sitka.

ACTION: Motion FAILED 1/3

Yes: 1- Bevan

No: 3- Wagner, Horan, Finkenbinder

Comments:

- It was commented that there are too many balls in the air, too many unknowns to move forward with any bulk water leases.
- It was suggested that the board should move forward based on what they are able to do, knowing that the delivery rate will be different for future contracts.
- It was suggested that free wash down water be capped at 50,000 gallons.
- Mr. White stated that the CBS was responsible for getting the water to the terminus of the City's bulk water pipeline. The purchaser is responsible for getting water from the terminus to their ship for transportation.
- Mr. Paley added that he was only authorized for a \$5,000 deposit and that 50,000 gal free wash-down water may not be enough.

MOTION: Horan / Finkenbinder move to accept Arctic Blue Waters Alaska Inc. proposal with following modifications:

- A non-refundable fee of \$10,000 be assessed,
- Arctic will receive 50,000 gallons of water free of charge for wash-down, washout, or other non-export applications per each loading event,
- That the bulk water delivery rates be adjusted to what the CBS can currently deliver by moving the bulk water pipeline connection to the Blue Lake powerhouse and pumping bulk water instead of using the existing system which uses gravity pressure to deliver water at higher and more efficient flow rates. This major change to the bulk water system is recommended by City staff.

ACTION: Motion PASSED 3/1

Yes: 3- Wagner, Horan, Finkenbinder

No: 1- Bevan

3. Silver Bay Seafoods Tidelands Lease Request- PULLED

5. GPIIP Strategic Plan

Comments:

- Board member would like to see an updated plat, to include ownership, utilities, lease, dock, removing tidelands & GPIIP sign land.
- This would be the last meeting for Charles Horan who has devoted himself to the GPIIP since its inception, fellow board members thanked him for his service & thoughtful perspective throughout the years.
- Mr. Wayne Unger would be applying for the GPIIP Board at the April 24th Assembly meeting.

J. Adjournment: M/S Bevan/Finkenbinder moved to adjourn the meeting at 5:19pm