

**Gary Paxton Industrial Park – Board of Directors Meeting
August 21, 2025 3:00 pm
Harrigan Centennial Hall Room 6**

A. CALL TO ORDER: The Chair, Scott Wagner, called the meeting to order at 3:00 pm

B. ROLL CALL

Members Present: Scott Wagner, Mike Johnson, Chad Goeden, Lauren Howard, Casey Campbell

Members Absent: None

Staff Present: Garry White

City Representatives: John Leach, Rachel Jones (via zoom), Mindy Lawrance

Others Present: Members of Public

C. Review of Minutes – July 17, 2025

Motion: M/S Howard/Goeden to approve the minutes of July 17, 2025 as written.

Action: Motion Passed (5/0) on a voice vote

D. Correspondence & Other Information- None.

E. Changes/Additions/ Deletions to Agenda – None.

F. Reports – Mr. White gave a brief report stating the Assembly approved the bulk water extension for Arctic Blue Waters through October of 2027. The Assembly also approved the GPIP Port Tariff #6.

G. Persons to Be Heard- None.

H. Unfinished Business –

1. GPIP Haul Out Development Discussion/Direction

Mr. White explained the operating agreement between Highmark Marine and CBS was approved by Assembly. Lift rates are \$3 lower than original proposal, long term storage rates were also decreased. Mr. White shared the heated washdown pad had to be let go because the lead time to get the materials would set everything back too

long. Otherwise, things are progressing smoothly. The CBS estimates 30 days from now boats are being hauled out.

The board talked about best practices, facility use agreement, insurance waivers and potential staging areas for the boats being pulled or launched. These items will be followed up at the September meeting.

Mr. White asked for feedback on the RFP for leasing out the rest of the park lots. The board felt it needed some more discussion and fine tuned some verbiage clarifying selection and approval process.

A member of the public expressed desire to investigate moving vessels to other locations in the GPIIP.

I. New Business-

1. CBC Construction Portion of Lot 15 Extension

Mr. White explained CBC Construction Inc. is requesting to continue to lease its 12,000 SF portion of Lot 15 on a month-to-month basis until March 15, 2026 or until it can perform one more burn on its lease area. CBC entered into a lease with the CBS on June 18, 2022 for a 12,000 SF portion of Lot 15 at the GPIIP for the purpose of burning construction debris on a month-to-month basis. CBC has discussed the burning of construction and overburden material with the CBS Fire Department and has received pre-approval to do so. CBC has twice burned construction debris at the site and has one additional burned scheduled for this winter. CBC has retained and still holds a \$5,000 bond to ensure the property is cleaned up after their lease terminates. CBC has returned the lot to its original condition after each previous burn.

The board agreed to continue to month to month.

2. Fortress of the Bear Lots 16B, 19, and 3rd Clarifier Tank Lease Request

Mr. White shared The Fortress of the Bear (FOTB) is requesting the GPIIP Board consider the following:

1. Consolidate its existing leases into one single long-term lease.
2. FOTB requests a long-term lease of Lot 19
3. FOTB requests a long-term lease of Lot 16B
4. Allowing “access” to the adjacent clarifier tank to its existing leased property.
5. Consider establishing a pathway for eventual ownership of all existing and requested properties.

He shared the GPIIP Board will need to provide recommendations for the CBS Assembly to justify the non-competitive lease based on the following:

- the nature of the trust (property) to be leased,
- the nature of the business being sought for the lease or seeking a lease,
- or the number of jobs to be produced.

He continued, The FOTB has been leasing a portion of Block 3, Lot 2 at the GPIIP since July 31, 2003. The original term of the lease was 10 years with an option for two, 5-year extensions. The lease has been amended 7 times since the inception of the lease. Current terms are for a 149,880 SF portion of Block 3, Lot 2 for a 99-year lease, terminating on May 22nd, 2116 at a lease rate of \$50/month.

He continued, the CBS Assessor has determined the 2020 assessed value of the FOTB's 149,880 SF portion of Block 3, Lot 2 is \$1,179,800.

$\$1,179,800 @ 9\% = \$106,182$ per year or \$8,848.5/month

FOTB representative shared they see 135,000 visitors and they need more space for people, bears and parking. They intend to make enhancements to the property like paving, fencing, paths.

FOTB is also asking the city to relocate the recycling facility that is in the clarifying tank. Mr. Leach shared it would be a huge undertaking. They are open to ideas and want to start the conversation.

The board discussed they are currently not in favor of selling land as they are looking for on-going lease revenue to support the haul out and shipyard. The board asked for Mr. White's take. He stated the value of the lease needs to be re-evaluated. There is more discussion to be had on how a new agreement can be beneficial for both parties.

Mr. White also shared he wanted to review the Bus Ordinance that staled out and relates to the traffic in that area.

Members of the public expressed concern for having leases be at market rate and to inform the Board that leadership at the FOTB has recently changed and the original founders of the organization are no longer involved.

Motion: M/S Howard/Campbell for Fortress of the Bear to submit reasoning for a long term lease and for Mr. White to look into options for combining leases.

Action: Passed (5/0) on a voice vote.

J. Adjournment

Motion: M/S Wagner/Goeden move to adjourn the meeting at 4:18 pm.

Action: Passed (5/0) on a voice vote.