

**Gary Paxton Industrial Park – Board of Directors Meeting
March 13, 2025 3:00 pm
Room 6, Centennial Hall**

A. CALL TO ORDER: The Chair, Scott Wagner, called the meeting to order at 4:10 pm following the work session

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, Brooke Volschenk

Others Present: Members of the public, Bethany Lowrance (High Output Adventure, LLC)

C. Review of Minutes – Jan 16, 2025 & February 26, 2025

Mr. Goeden noted a misprint of Chad Ystad to be changed to Chris Ystad.

Motion: M/S Howard/Goeden to approve the minutes of January 16, 2025 & February 26, 2025 as edited by Chad.

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

D. Correspondence & Other Information- None

E. Changes/Additions/ Deletions to Agenda - None

F. Reports – None

G. Persons to Be Heard- None

H. Unfinished Business –

1. GPIP Haul Out Operations – Highmark Proposal

Mrs. Howard asked the board to discuss if the building could be put out for competitive bid or if it had to remain wrapped into the proposal with Highmark. Mr. Leach suggested that the board could recommend anything to the Assembly as far as

changes or negotiations to the proposal, but it is just a recommendation and the Assembly ultimately decides.

The board discussed at length if the rates associated with the proposal were going to work for the fleet in the future. The board also continued to discuss the risk vs. reward between having a private vs. a government operated haul out, specifically as relates to rates and capital improvements. Discussion continued regarding whether a competitive bid should be open to the general public for the 5,000 SF warehouse space located in the building being used by Highmark.

A motion to accept Highmark's bid, without including the warehouse space was proposed and opened for public comment. The public discussed continued concerns of public vs privately run, lack of use due to rates, and desire to explore other options.

The board then discussed how these are all valid concerns, but an interim operator or haul out run by the city would not get the fleet a functioning haul out by this summer. All board members were given an opportunity to speak on the subject before voting.

Motion: M/S Campbell/Goeden to accept Highmark's bid, without including the warehouse space.

Action: Motion Passed (3/2) on a roll call vote.

The board then discussed if there should be an additional fee to those hauling out to cover depreciation of the travel lift. Mrs. Howard asked if the deficit would come out of GPIF Enterprise Fund. There was a lengthy discussion on if passing more cost onto the user, when the rates were already high was appropriate or necessary, especially if there was the opportunity to make more revenue on potentially renting out the warehouse. This was then opened up to public comment.

Motion: M/S Wagner/Johnson to propose a \$3.00 city fee to cover the depreciation of the travel lift.

Action: Motion Failed (1/4) on a roll vote.

Mr. Leach and Mr. White stated they will have a conversation with Highmark to see if they need to adjust their rates or if they will keep their proposal as is to bring to the Assembly.

I. New Business-

1. High Output Adventure, LLC Lease Request

Mr. White explained High Output Adventures LLC (formerly Sitka Bike and Hike) is requesting to lease a 7,500 SF portion of Lot 15 at the GPIF.

The CBS will be terminating the business' lease area on lot 6 on March 31st due to the development of the haul out and shipyard on Lot 6. The business has been a tenant of the industrial site for over 20 years and has successfully operated a tour operation. High Output Adventures is looking for a short-term lease area for the upcoming summer. Long term lease options have been discussed with the business, but the pending ballot initiative to limit cruise passengers has caused uncertainty for the longevity of the business to continue to operate. High Output Adventures/Sitka Bike and Hike needs to find a new location to operate and wishes to remain in the GPIIP.

There was a discussion between Bethany Lowrance (owner and operator) and the board on what is the best place to have the bikes come in and out of the park. The board discussed that this is a short-term solution for this summer only.

Motion: M/S Goeden/Johnson to move forward with the Lease request for High Output Adventure, LLC as written.

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

J. Adjournment

Motion: M/S Wagner/Campbell move to adjourn the meeting at 5:55pm.

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