GARY PAXTON
INDUSTRIAL PARK

BOARD OF DIRECTOR'S MEETING AGENDA

THURSDAY, APRIL 17TH, 2025 - 3:00 PM

Harrigan Centennial Hall Room 6, 330 Harbor Drive

Regular Meeting

A.	Call to Order	Acknowledge
B.	Roll Call	Acknowledge
C.	Approval of Minutes **March 13th, 2025**	Motion to Approve
D.	Correspondence & Other Information	Acknowledge/Questions
E.	Changes/Additions/Deletions to Agenda	Change/Add/Delete
F.	Reports	
G.	Persons To Be Heard *(For items OFF the agenda - not to exceed 3 minutes)*	
H.	Unfinished Business	
	1. GPIP Haul Out Development Discussion/Direction	Discussion/Recommendations
I.	New Business	
	1. GPIP Port Tariff Discussion and Adjustments	Discussion/Recommendations
	2. Pacific Jewel Marine Lot 9b long term lease request	Discussion/Recommendations
	3. Silver Bay Seafoods Lot 9c short term lease request	Discussion/Recommendations
	4. K&E Lot 15 short term lease request	Discussion/Recommendations
J.	Persons To Be Heard *(For items ON or OFF the agenda - not to exceed 3 minutes)*	
K.	Adjournment	

The Mission

It is the mission of the Gary Paxton Industrial Park Board and management, by direction of the Sitka Assembly, to strategically develop the park in a fiscally responsible manner that maximizes its economic benefit to the community through creation of meaningful jobs in conformance with established community plans and policies.

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 Lowarance (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

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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 GPIP 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 GPIP.

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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 GPIP.

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.

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Gary Paxton Industrial Park (GPIP) Strategic Plan

Adopted by the GPIP Board
July 31, 2017

Introduction

The GPIP Board developed this Strategic Plan at planning sessions held in Winter/Spring of 2017. The GPIP Board recognizes that multi-purpose dock and future infrastructure improvements within the park will influence the future development of the site.

Guiding principles

1. Preserve public access and marshalling areas to the waterfront, as it is the most commercially viable waterfront left in Sitka.
2. Make lease, buy/sell or other land use decisions based on the mission of the Park – to create family wage jobs for Sitkans in a financially responsible manner.
3. Consistent with principles 1 & 2, identify and create a positive cash flows to the City from the operation of the Park.

Plan Priority Items

The GPIP Board plans to address the following items. (Items are listed in random order)

- **Develop a Port Facility to accommodate the Maritime Industry.**
  - Continue with development of multi-purpose dock.
  - Develop a water access ramp in the northern portion of Lot 9A.
  - Develop a tariff schedule to include fees for tideland and upland use.
  - Designate and retain Lots 3, 7, 8, 9a, 9C, & 15 in public ownership, to be developed as uplands to support marine services sector and multi-purpose dock.
  - Designate and promote Lot 6 for future private or public development to support maritime industry.
  - Designate and utilize Lot 9b to support management of port facility.
  - Research Utility Dock and adjacent uplands for further re-purpose or sale.
  - Research additional development opportunities for tidelands seaward of GPIP Uplands.
  - Research if existing dolphins in the tidelands can be useful or need to be removed.
  - Develop a marketing plan that presents the park to local, regional and national markets with a web-based advertising program, supplemented with other media as appropriate.
  - Determine the MARSEC rules for fencing at the GPIP.

- **Develop and Market remaining uplands outside of Port Facility**
  - Advertise to sell or lease Lots 17, 16b, 19 and 20 in the industrial park.
  - Establish access point for Lots 19 and 20.
  - Release RFP for sale of the Administration Building lot.
  - Remove area of GPIP sign from Administration Building lot.
  - Dispose of remaining rock at GPIP by bringing interested parties together for discussion.

- **Market Sitka's Water Export Asset to the world**
  - Continue to work with potential partners in exporting Sitka's water in Bulk.
  - Continue to work with potential partners that wish to establish water bottling facilities in Sitka.
    - Identify property in vicinity of the park to locate water bottling facilities.
  - Continue to research and track water export ventures around the globe.

- Investigate alternative methods of marketing water and water purchase agreements.
- Investigate additional infrastructure needed to transport, load, and off load water.

❖ **Research the development of a rock quarry in the Sawmill Cove vicinity.**

This quarry would generate revenue for the City as well as provide less expensive rock for use on Park projects.

- Market Lot 1 / blk 2 as a rock source and Lot 3 / blk3 as possible rock source.

❖ **Continue to pursue the development of a private marina in Herring Cove.**

❖ **Develop Exit Strategy for existing GPIP Development Board.**

- Research different management concepts and entities.

329 Harbor Drive, Suite 212, Sitka, AK 99385
Phone: 907-747-2660

Monday, April 7th, 2025

MEMORANDUM

TO: GPIP Board of Directors

FROM: Garry White, Director

SUBJECT: Gary Paxton Industrial Park (GPIP) Management Report

1. **GPIP Dock**

   The GPIP Dock was open for business in 2018. GPIP Dock revenues have increased each fiscal year. FY18 - $689, FY19 - $14,643, Fy20 - $37,462, FY21- $65,322, FY22 - $87,340, FY23 – (11/30/22) $27,753 **(2/7/2023)**

   The GPIP Dock received its first small cruise ship on May 17, 2022. The ship Ocean Victory had six ports of calls at the dock in the summer of 2022. The dock received 14 port of calls for the 2023 summer. Twenty-five ports of calls are scheduled for the 2024 summer season.

   A temporary potable water system has been set up at the dock to allow cruise ships to load and pay for fresh water. Cruise Line Agency is providing port security for the dock this summer in lieu of the CBS. They have purchased and implemented an x-ray system to move passenger luggage more efficiently.
   (8/21/24)

   The 2025 GPIP dock cruise ship schedule has been released. Ports of calls this year will be 18, down from 25 calls last year. **(01/13/25)**

2. **Marine Services Industries at the GPIP.**

   On October 4, 2022, the citizens of Sitka voted to appropriate ~$8.18 million dollars from the Sitka Permanent Fund for the development of a haul out and shipyard at the Gary Paxton Industrial Park (GPIP).

   CBS and GPIP staff developed a GPIP Vessel Haul Out Development Project Charter (attached) that outlines the project goals, project scope, and timeline for moving the development forward. The GPIP Board at its November 2022 meeting approved the Charter.

   One of the first benchmarks in the key milestones of the project is the hiring of a project management team. The CBS has selected PND Engineering as the project management team to help the community formulate a basis of design of the project. Additionally, the

team will designing, engineering the project, and working closely with a construction firm to build the project. **(02/07/2023)**

Both the GPIP Board and Assembly have approved a conceptual design for the haul out. The environmental permit process has started. The goal is to have a contractor hired by the end of January 2024, construction started in August 2024, with the haul out being operational by the end of 2024. **(09/01/2023)**

A 150 ton Marine Travelift has been ordered from Kendrick Equipment for $1,377,800 after a competitive bid process.

Final design for Phase 1 has been completed. A firm fixed bid with Western Marine has been agreed to with a fixed lumped sum of $6,248,364. (Note: Construction costs came in roughly $1,055,000 above estimated costs).

A request for qualifications for GPIP Haul Out operations is being developed to determine what if any third party entity will run the haul out. **(8/21/2024)**

The CBS was not successful in obtaining a Denali Commission grant to fund electrical infrastructure for the haul out development.

Disaster Relief Payment from ADF&G as part of the 2020/21 Statewide Salmon disaster.

The RFQ was released to the public and the CBS chose and entity to start negotiating a scope of services for the haul out operations. **(10/30/24)**

A draft scope of service will be presented to the GPIP Board at its 12/17 meeting.

The CBS received its environmental permits to start the in-water construction on 11/20/24. The marine contractor starting driving pilings for the haul out piers on 11/21/24. **(12/12/24)**

The GPIP Board and CBS Assembly approved additional funding of $850k toward the haul out project, bringing total project cost to ~$10.1 million. The GPIP Board will be reviewing and making recommendations on a scope of work package to operate the haul out including, a draft operator agreement and an invitation to bid on proposed services at its 1/16 meeting. **(01/08/25)**

The GPIP Board met on January 16th, 2025, and recommended approval of the draft Operating Agreement for the Marine Vessel Haul Out and Shipyard Operations at the Gary Paxton Industrial Park, and the Invitation to Bid. The CBS Assembly approved the GPIP Board recommendations at its January 28th, 2025.

A bid proposal from Highmark Marine Fabrication LLC (Highmark) was received on February 13th. The GPIP Board met on February 20th to discuss the Highmark proposal and requested a work session to further discuss the proposal.

The GPIP Board held a work session and regular meeting on March 13th to discuss the Highmark proposal. The Board recommended accepting Highmark's bid, without including a portion of the bid related to leasing warehouse space.

The CBS Assembly met on March 25th and approved to accept the Highmark proposal as presented, including the warehouse space. Staff was directed to return to the Assembly with a finalized Operating Agreement between the CBS and Highmark for Assembly approval in the near future.

The 150-ton Travelift machine is delayed in shipping to Sitka. The estimated timeframe for delivery is early May.

Haul out construction has been delayed due to weather to finalize the grouting of the concrete piers. **(04/07/2025)**

3. Lot 4 Purchase

The CBS has entered into a purchase agreement with Sayak Logistics to repurchase the building and lot 4 of the GPIP. The CBS and Northline Seafoods LLC (Sayak's previous business name) entered into a lease agreement on July 15, 2017 to use the property and building for activities related to the seafood and marine services industries. The term of the lease was 5 years and allowed Sayak to purchase the building after 5 years if they met certain employment criteria. The lease additionally allowed the CBS first right of repurchase if Sayak wished to sell the property in the future. Sayak purchased the property in August 2022 and has since gave notice that it wishes to sell the property. The purchase agreement allowed little time for the CBS to exercise its interest in repurchasing the property. CBS Administration and the Assembly moved immediately to execute a new purchase agreement.

The purchase price was $1.3 million. Funding from the purchase came from the following funds: $700k from the raw water fund, $240k from the GPIP Contingency Fund, $10k from previous left over funds from a GPIP capital project, and a $350k loan from the CBS Economic Development fund.

The building has multiple benefits to the existing haul out development. **(11/08/2023)**

4. Bulk Water

The Director continues to work with entities interested in the export of Sitka's water. **(05/06/2019)**

The CBS Assembly met on April 30th to discuss needed repairs to the Raw Water delivery infrastructure. No funding or repair plan was determined. The CBS's ability to delivery water will need to be fixed before the bulk water export venture can move forward. The Assembly directed the GPIP Director to continue to work with potential investors and exports to find a funding solution to repair the system. The CBS does not believe that the infrastructure can be repaired until the penstock is shut down and dewatered. Estimate timeframe for penstock shut down is estimated to be the fall of 2021. **(06/03/2019)**

The CBS and Arctic Blue Waters Alaska entered into a water purchase agreement in the spring of 2021. Arctic has 5 years to export water. **(06/01/21)**

The Director continues to receive inquiries from entities wishes to export Sitka's water. **(02/07/2023)**

The GPIP Board has recommended approval of another water purchase agreement with Global Hydration LLC, A Florida Corporation. **(8/21/24)**

The GPIP Board has received an updated conceptual drawing from Arctic Alaska Blue Waters for its water loading infrastructure. **(12/12/24)**

The Assembly met on January 14th to discuss a water purchase agreement between the CBS and Global Hydration LLC and chose to postpone deciding until March 11th due to Arctic Alaska Blue Waters officially executing its first right of refusal to acquire additional water allocations as per its water purchase agreement. The additional water allocations will make it not possible to sign the agreement with Global Hydration. Arctic will need to provide a letter from a qualified purchaser of water and pay the CBS and an additional $100,000. **(01/08/25)**

Arctic Blue Water Alaska failed to make its $100,000 payment within the required timeframe to receive additional water rights per its water purchase agreement. The Assembly chose not to enter into another water purchase agreement with Global Hydration at its March 11th meeting. Arctic Blue Waters met with CBS officials and is still working towards its loading plan to export water. **(04/07/2025**

5. **Bottled Water**

The Director continues to receive inquires for bottled water. **(01/08/2025)**

6. **Blue Lake Dam Expansion Project**

The Assembly has approved a MOA between the GPIP and Electric Department to allow the GPIP to charge for use of Lots 16b and 20. Rock has been stored on these lots since the Blue Lake Dam Expansion project. **(06/03/2019)**

The GPIP Director has met with the CBS Electric Director regarding leveling out the above lots for future leases or sales at the GPIP. **(03/22/2021)**

The GPIP Director has met with the new CBS Electric Director regarding a plan to deal with the remaining rock left on site from the Blue Lake Expansion project. **(01/08/25)**

7. **GPIP Dock Fuel Sales**

Delta Western has received its build permit to establish a fueling operation on the GPIP Dock. The fuel tanks will be relocated from the dock itself to the uplands above the dock. (07/03/2019)

Delta Western has completed its fuel delivery infrastructure on the GPIP dock. **(11/12/2019)**

Delta Western is in the process of installing a second fuel tank at the GPIP for fuel delivery off the GPIP Dock. **(03/22/2021)**

The GPIP has seen increases in dock fuel sales each year since the dock has become operational. **(12/12/24)**

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Wednesday, April 9, 2025

MEMORANDUM

To: Gary Paxton Industrial Park (GPIP) Board of Directors

From: Garry White, GPIP Director

Subject: GPIP Haul Out Development Discussion/Direction

Introduction

The GPIP Board and CBS are in the process of developing a vessel haul out and shipyard at the Gary Paxton Industrial Park. The CBS has been working on vessel haul out development concepts since the GPIP properties were acquired in 2000. The CBS obtained funding for the development of the haul out facility and shipyard via a public vote on October 4th, 2022 in the amount of ~$8.18 million dollars. Further funding was obtained via a Denali Commission grant in July 2023 for $1 million dollars for the purchase of equipment to lift vessels.

The Board held multiple public meetings since the October 2022 vote to discuss and develop a Project Charter that outlines the project goals and scope of work for Phase 1 of the haul out development. Phase 1 of the Project Charter scope (attached) addresses the steps needed for the waterfront development to allow vessels to be haul out of the water.

The design includes a 150-ton vessel lift and other various components for the haul out to operate. The design includes an ability to expand the haul out facility to a 300-ton vessel lift in the future.

More information about the GPIP Vessel Haul Out Development Project can be found at the following link:
https://www.cityofsitka.com/departments/PublicWorks/GPIPHaulOut

Background

The CBS has repeatedly included marine haul out infrastructure requests in both its Federal and State Legislative Priorities. The CBS recently applied for a USDOT Grant in 2020, 2021, 2022 and plans to apply for future grant opportunities.

The CBS has released multiple Request for Proposals (RFP) for private sector development of a haul out at the GPIP since 2009. None of the private sector development proposals moved forward due to multiple reasons, including the cost of construction.

On October 4th, 2022, the citizens of Sitka voted to appropriate ~$8.18 million dollars from the Sitka Permanent Fund for the development of a haul out and shipyard at the Gary Paxton Industrial Park (GPIP).

Fiscal Note

Total funding allocated for this project is $10,131,040 ($8,181,040 from the proceeds of the sale of the Sitka Community Hospital property, $100,000 appropriated towards the development in 2021, $1 million dollar grant from Denali Commission, and an additional $850,000 appropriated by the Assembly in 2024). The Assembly approved an appropriation for Phase I estimated costs of the based bid items in the amount of $8,187,000 at its July meeting.

To complete the additive alternative items remaining in phase 1 an estimated ~$6 million will be needed based on a past estimates. New cost estimates are being researched due to increased cost of construction. With no readily available municipal source of working capital to fund the additive, alternate items of Phase 1, grant-funding opportunities are the most likely funding source. It is important to note that if the funding source is federal, there may be some added cost related to federal funding restrictions. Cost estimates for Phase 2 of the project have not been fully developed but estimated to be in the $18 million dollar range.

Developmental Updates

Project Construction

The attached Project Cover Sheet outlines project scope of work, budget and key milestones.

Recent developments include the following:

- All pile driving has been completed. Six sets of piles are in place.
- Concrete panels are in place and are awaiting warm temperatures to finalize grouting.
- Utilities for water treatment for wash down facilities are in the final planning stages for installation.
- Permanent construction of the concrete wash down pad is in the planning process.
- The Travelift machine shipment has been delayed and is now scheduled for an early May 2025 delivery.

GPIP Haul Out Operations

The GPIP Board has been discussing the operations of a haul out and shipyard facility at the GPIP over the past few years. The GPIP Board chose to investigate a private sector operation for the haul out and shipyard. The GPIP Board met on July 18, 2024, and approved a Request for Qualifications (RFQ) for a Marine Vessel Haul Out and Shipyard Operations at the Gary Paxton Industrial Park.

The goal of the RFQ was to find qualified operators and work with them to develop a detailed scope of work to be incorporated into a Request for Proposals (RFP) or Invitation to Bid (ITB) for operations of the haul out and shipyard.

The RFQ was released on July 25, 2024, with a submittal deadline of September 17, 2024. A proposal from Highmark Marine Fabricators LLC (Highmark) was determined to have provided the Minimum Qualifications of Services. The GPIP Board met multiple times over the fall and winter discussing the operations and recommended approval of a draft Operating Agreement for the Marine Vessel Haul Out and Shipyard Operations at the Gary Paxton Industrial Park, and an Invitation to Bid. The CBS Assembly reviewed the documents and GPIP Board recommendations at its January 28th, 2025, meeting and approved the release of the ITB and related exhibits.

A bid proposal from Highmark Marine Fabrication LLC (Highmark) was received on February 13th and was presented to the GPIP Board review and recommendations to the CBS Assembly.

The GPIP Board met on February 20th to discuss the Highmark proposal and requested a work session to further discuss the proposal.

The GPIP Board held a work session on March 13th to discuss the Highmark proposal. A regular GPIP meeting was held immediately after the work session.

The GPIP Board discussed the Highmark proposal and a CBS operated facility in depth. The Board moved towards moving forward with the Highmark proposal and focused on the lack of funds paid to the CBS for operations. The discussion revolved around starting a separate competitive bid process for the warehouse space to investigate if the building could generate larger revenues and allow other potential tenants to utilize the building. The GPIP Board ultimately recommended the following motion:

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.

Highmark was contacted after the GPIP Board recommendation and stated that they could not reduce its proposal as presented as it was structured as conservatively as possible, with the lowest cost to consumers feasible while maintaining financially sustainable operations. Highmark stated that housing a retail marine and fabrication supplies and materials shop in the warehouse is essential for having supplies available on site for frequent maintenance items common in marine repair.

The CBS Assembly met on March 25th and approved to accept the Highmark proposal as presented, including the warehouse space. The CBS Administrator was directed to meet with Highmark and finalize an Operating Agreement between the CBS and Highmark for Marine Vesel Haul Out and Shipyard Operations for Assembly review and approval.

Future Haul Out and Shipyard Development

The GPIP Board in the past discussed the yard space needed for the haul out and shipyard facility at the GPIP, specifically the amount of space needed for a working yard, long term vessel storage, gear storage, and space available for vendor operations.

The GPIP Director has received multiple inquiries regarding future leases of property at the GPIP for marine services and other activities.

A discussion regarding future developments by the GPIP Board is needed to start the future development of properties to support the haul out and shipyard facility.

The attached GPIP Land Use Plan conceptual drawing outlines current property owners and current long-term leases.

Questions for a planning discussion on future haul out and shipyard development:

1. How much space does the Board wish to allocate for vendor operations in the park and which areas should be designated?

2. How does the Board recommend that property is allocated, via sales or long-term leases.

3. If long term leases, suggested lease terms and whether a bid process is needed to ensure fair and equitable opportunities. Sales are required to go through a competitive bid process or RFP process.

4. How much space will be allocated for long-term storage of vessels?

5. How much space will be allocated for gear storage?

6. Other potential uses of GPIP property?

Additional Information

Upland Facilities Needed to Support Marine Trades
Sources of data: Review of Marine Trades Spatial Needs, BST Associates, 2010, Commercial Boat Launch Location Study, Anchor/KPF, 2008, plus Port staff review of existing Puget Sound facilities and input from local operators.

Boat Repair Yard

- *Upland Acreage*: Boat repair yards range from 1.5 to 3 acres. New yards tend to be larger.
- *Upland Maneuver Space*: 150 Ton lift requires 240' upland space.
- *Waterside Facilities*: Minimum 60'-110'; ideally 250'-300' in staging float plus 75'-130' waterside approach area; total water-side approach of 135'-240' depending on lift/vessel size.
- *Water Depth*: 12' to 18' adjacent to bulkhead, depending on vessel size.
- *Zoning:* Light Industrial, Marine Industrial or Waterfront Commercial zoning with height regulations to permit 50' to 60' tall buildings or paint tents.
- *Building Size:* Seaview North buildings are 26,000 square feet, 35' and 42' tall, which is too small. 50-60' foot height is needed.
- *Stormwater Facilities*: Paved yards with adequate stormwater collection and treatment facilities to meet Department of Ecology requirements for a Boatyard General Permit

Comparable Marine Service Centers

- Halibut Point Marine ~2.5 acres of uplands (no vendor space)
- Wrangell Marine Service Center ~7 acres of uplands (includes vendor space)
- Hoonah Marine Industrial Center ~3.5 acres of uplands
- Cordova Shipyard ~3 acres of uplands (no vendor space)

GPIP remaining property for development near waterfront

Phase 1 property available for haul out and shipyard

Lot 9a ~62,000 SF (not including road easement and dock)

Lot 4	~19,000 SF (not including the 6,900 SF Building
Lot 6	41,028 SF
Lot 7	32,879 SF
Lot 8	29,421 SF
	184,328 SF or 4.23 Acres

Phase 2 property available for shipyard

Lot 15	113,369 SF
Lot 9c	34,636 SF
	148,005 SF or 3.40 Acres

Multipurpose Dock Support Space

The GPIP Dock has a multi-purpose, floating dock facility to serve a range of industries, including but not limited to fishing and container/cargo shipping. The primary floating dock is a repurposed double hull steel barge, 250 feet long and 74 feet wide, and is accessible by a drive-down ramp with a minimum width of 14 feet. The structure can accommodate the handling of loaded containers, truck and trailers, and vehicles intended to support vessels with a maximum draft 40 feet.

When originally constructed the GPIP Board discussed yard space needed to support the GPIP Dock. The Board reviewed the following information.

The following information was sourced from the *Port Designer's Handbook (second edition) by Carl A Thoresen*

The Handbook suggests that primary and secondary yards combined should be ~985' deep behind the apron for a multi-purpose dock. Primary yards usually consist of 50-75% of total yard area.

GPIP potential yard requirement:

- Using Port Designer's Handbook suggested apron face and yard depths.
- 50% area needed for primary yard.

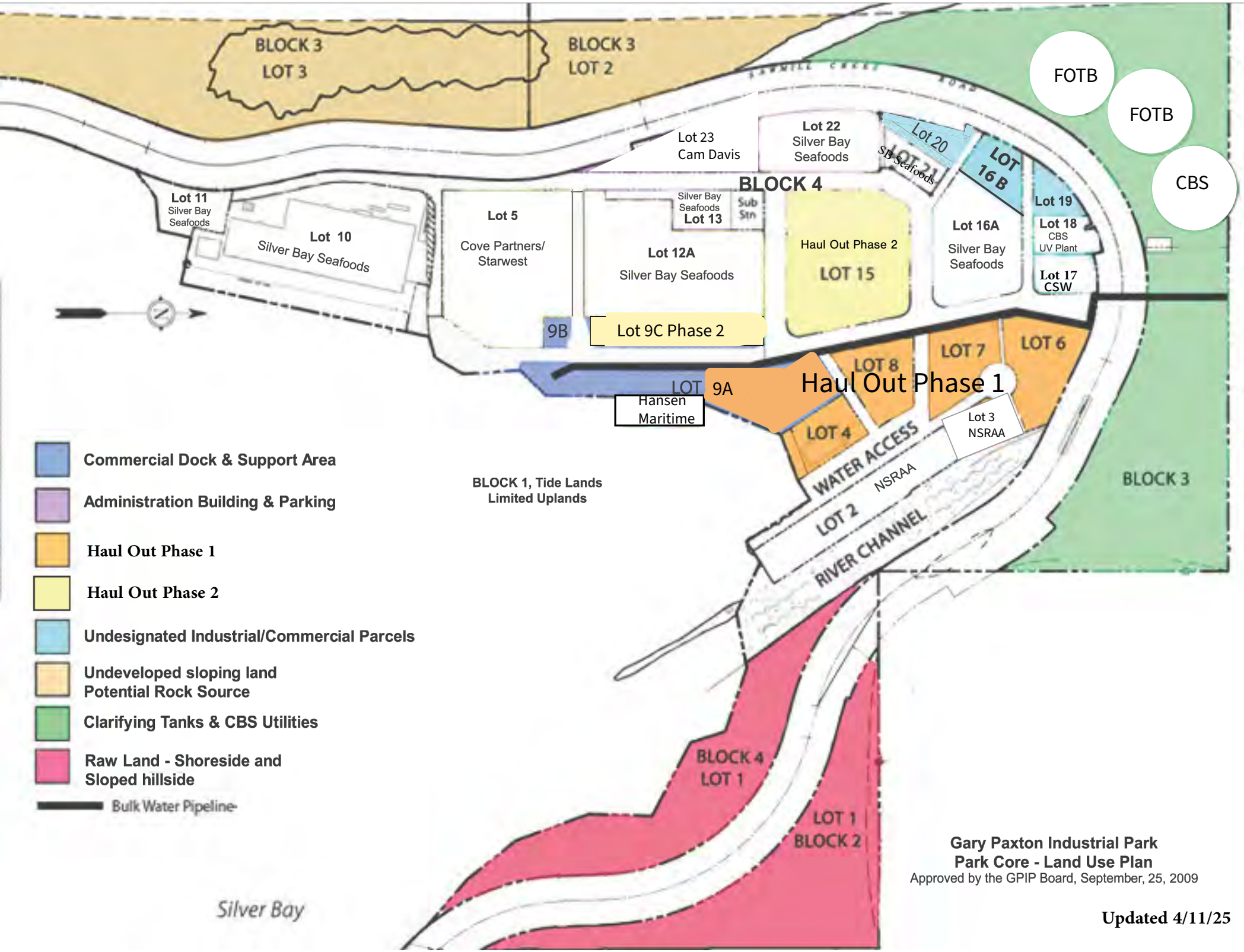
250' apron face x 985' yard depth = 5.65 acres * 50% = 2.82 acres suggested for primary yard area.

Comparable Terminal Yards in Sitka

- Sampson Tug and Barge Uplands 1.92 acres
- AML Uplands 3.42 acres
- Old Northern Sales uplands 1.4 acres

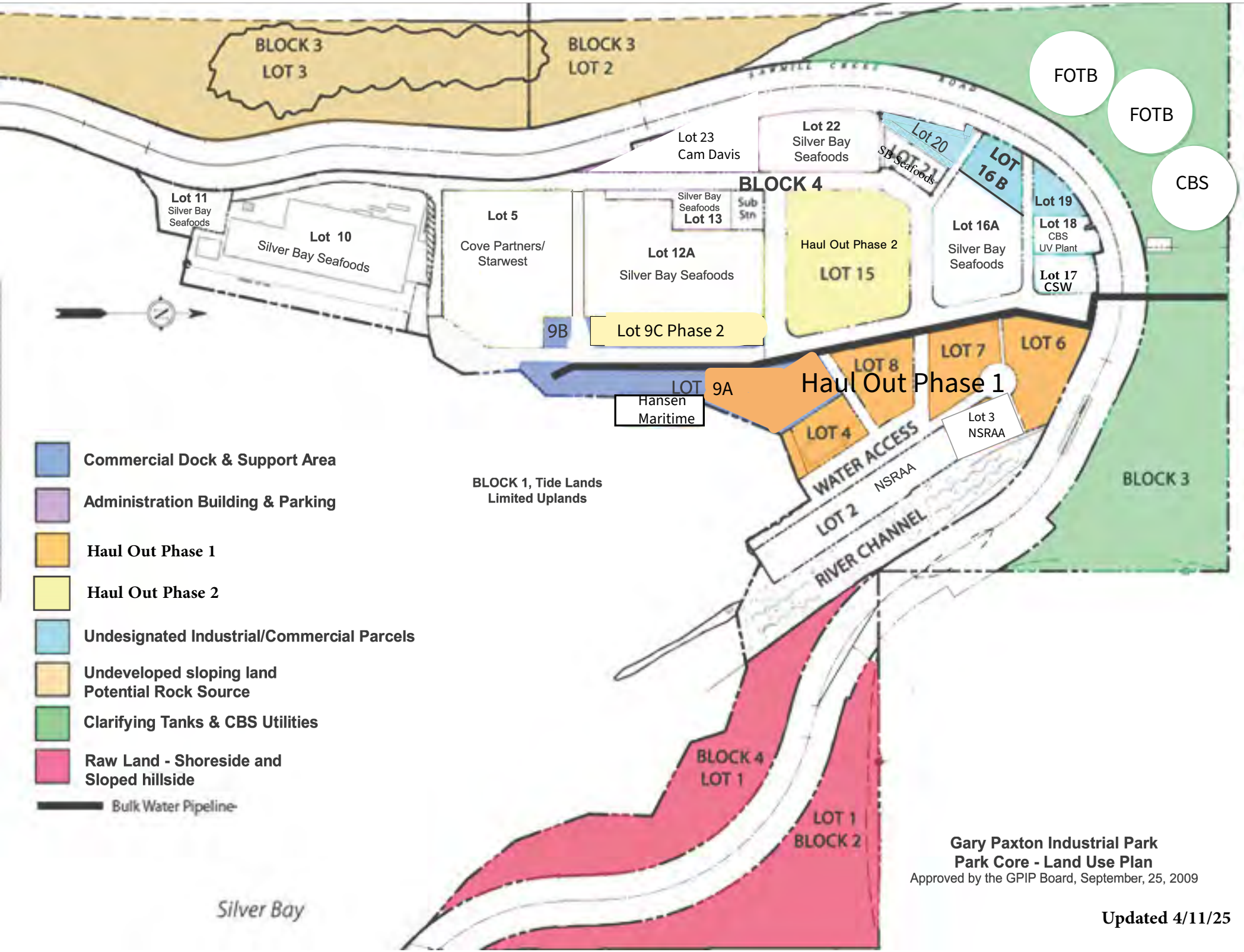
Action

- GPIP Board discussion on vessel haul out development updates.
- GPIP Board discussion on future haul out and shipyard development.



Gary Paxton Industrial Park
Park Core - Land Use Plan
Approved by the GPIP Board, September, 25, 2009

Updated 4/11/25



Gary Paxton Industrial Park
Park Core - Land Use Plan
Approved by the GPIP Board, September, 25, 2009

Updated 4/11/25

PROJECT COVER SHEET – Updated 2/20/25

Project Title/ Number: GPIP Vessel Haul-Out Development – Phase 1

Project Manager: Michael Harmon Project Sponsor: Garry White

Project Description:

- ✓ Design
- ✓ Construction
- ☐ Other

Planning, Environmental Permitting, Engineering Design, and CMAR Construction of Phase 1 Improvements including a 150-ton haul-out pier, wash-down pad, water treatment, and 150-ton boat hoist at Gary Paxton Industrial Park, Sitka, Alaska.

Project Charter Available? ✓ Yes ☐ No

Project Status: *(highlight green, yellow, red)*

Scope	Schedule	Budget

Milestones:

Recently Completed	Upcoming
✓ 04.26.23 Site No. 2 Selected by GPIP BOD	☐ Q4 '24 :April 2025: On-Site Construction
✓ 07.25.23 Assembly Adopted Concept 4	☐ 1.31.25: WMC completed in water work piles and concrete panels set and mobilized out of town.
✓ 01.15.24 Environmental Permit Applications	☐ K&E has completed 80% of the fill, amour rock is set, and drainage structures are in place.
✓ 04.16.24 Travel Lift Bid (March Delivery)	☐ 3.30.25 K&E to complete sewer lift station and associated connection and electrical service
✓ 04.18.24 WMC CMAR Contract Executed	☐ 3.15.25: Boat Hoist Delivery
✓ 05.24.24 65% Design Complete	☐ 4.30.25 Hard Rock to complete concrete and grouting.
✓ 07.02.24 Final Design & Fixed Construction Price	☐ 4.30.25: Complete added Washdown Pad
✓ 11.21.24 Permits Acquired and Construction Start	
✓ 12.17.24 GPIP/Assembly Meetings added Washdown and Contingency Funds	

Project Budget:

Phase 1 - Estimated Total Project Cost	**$9,781,040**	
General Fund Working Capital	$8,444,565.00	
GPIP Working Capital	$350,000	
Grants	$1,000,000.00	
Other PSMFC	$336,475	
Total Funded	**$10,131,040**	
Phase 2 Funding Gap	**$23,894,117**	**GPIP Fund**

Contract Management: (list all contracts anticipated on the project)

Contractor/Function*	Type**	Amount	% of Project
PND –Preconstruction, Permitting, Design & Const. Services	T&M/LS	$1,415,967	14%
Western Marine Construction (WMC)	CMAR	$6,179,362	61%
Kendrick Equipment (Marine Travelift Purchase)	LS	$1,377,800	14%
PND - Specialty Inspection Services (Future Procurement)	T&M	$127,256	1.3%
CBS Indirect Cost & CBS Permits ($71k spent thru Aug.)	Payroll	$149,282	1.5%
Electrical Dept. Power Service (Future Procurement)	T&M	$31,373	0.3%
WMC - Added Concrete Washdown Pad	LS	500,000	5%
Current Construction Contingency	-	$350,000	3%

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General Comments:

The construction start was delayed due to federal permits not being executed on the timeline committed by the agencies. Shipyard operations is not part of this project charter and are a separate development process.

Key Milestones: 2/20/25 UPDATE

Key Tasks & Milestones	Start Date	End Date
1. Project Charter Approval: The Project Charter is brought to GPIP Board for approval.		11/21/22
2. Project Budget Appropriation Assembly	11/8/22	11/22/22
3. Prepare RFQ for PM services Port Planner SME	11/17/22	12/8/22
4. Advertise PM/Port Planner RFQ	12/12/22	2/1/23
5. Selection of PM/Port Planner/Engineer- PND	2/2/23	3/6/23
6. Contract Execution/NTP for PM/Port Planner/Engineer	3/7/23	3/29/23
7. Planning, Surveying, Public Involvement Process, Concepts, Costs, Preferred Alternative, Final Basis of Design & Charter Scope	4/3/23	7/31/23
8. Geotechnical Invest. - Work Plan, Driller Contract, Drilling Permits, Fieldwork, Analyses & Geo Report	5/22/23	01/31/24
9. Concept Rescoping due to Geotech Findings	10/1/23	11/15/23
10. Biological Assessment, IHA & Environmental Permit Applications	5/22/23	01/15/24
11. Regulatory Consultations, Permit Reviews and Authorizations	7/15/23	11/21/24*
12. 35% Preliminary Design	11/15/23	3/1/24
13. Prepare CMAR RFP	11/15/23	2/06/24
14. CMAR Solicitation & Contract Execution	1/15/24	4/18/24
15. PND 65% Design Develop w/ WMC, CBS & GPIP	4/01/24	5/24/24
16. WMC GMP Development	4/01/24	6/3/24
17. Ph 1 Scope Refinement, Finalize GMP & WMC CO	6/04/24	6/18/24
18. PND Final Design & Stamped Construction Docs	6/18/24	7/16/24
19. Material Procurement	6/18/24	12/1/24
20. On Site Construction	11/21/24	4/30/25*
21. Secure Operator for 2025 Season	3/15/24	3/15/25*
22. Procure 150T Boat Hoist	12/1/23	3/15/25*
23. Haul Out is Operational		5/30/25
* Critical Path Items- Environmental Permitting has delayed construction originally planned to start 10/15/24		
Milestones for Phase 2 TBD once funding is secured:		
Need to masterplan uplands during the development of Phase 1 to apply for grants and position this phase to proceed.		
Environmental permitting will likely need to be redone once this phase is better defined through a masterplan and funding is available.		

BOAT YARD WORKING STALLS	
VESSEL LENGTH	NUMBER OF STALLS
30'	6
40'	21
50'	15
60'	15
70'-80'	3
90'-120'	3
TOTAL	**63**

REVISIONS

REV.	DATE	DESCRIPTION	DWN.	CKD.	APP.

P N D ENGINEERS, INC.

9360 Glacier Highway Ste 100
Juneau, Alaska 99801
Phone: 907-586-2093
Fax: 907-586-2099
www.pndengineers.com

DESIGN: CRS CHECKED: CRS
DRAWN: PJD APPROVED: CRS
SCALE: SCALE IN FEET 0 60 120 FT.

CONCEPT REVIEW

DATE: 6/16/23

CITY & BOROUGH OF SITKA ALASKA
GARY PAXTON INDUSTRIAL PARK

SHEET TITLE:
GPIP BOAT YARD
GENERAL DEVELOPMENT PLAN

PND PROJECT NO.:232023 C.A.N. NO.:AECC250

6

PHASE I BOAT YARD WORKING STALLS

VESSEL LENGTH	NUMBER OF STALLS
30'	5
40'	7
50'	3
60'	2
70'-80'	2
90'-120'	0
TOTAL	**19**

EXCLUDING LOT 6 LEASE PARCELS

LEGEND

- WDP = WASHDOWN PAD
- UB = UTILITY BUILDING
- (T) = TEMPORARY
- * = ROUGH GRADING & MINIMAL STORMWATER IMPROVEMENTS

REVISIONS

REV.	DATE	DESCRIPTION	DWN.	CKD.	APP.

PND ENGINEERS, INC.
9360 Glacier Highway Ste 100
Juneau, Alaska 99801
Phone: 907-586-2093
Fax: 907-586-2099
www.pndengineers.com

DESIGN: CRS CHECKED: CRS
DRAWN: PJD APPROVED: CRS
SCALE: SCALE IN FEET 0 60 120 FT.

CONCEPT REVIEW

DATE: 6/12/23

CITY & BOROUGH OF SITKA ALASKA
GARY PAXTON INDUSTRIAL PARK

SHEET TITLE: **CONCEPT NO. 4 SITE PLAN PHASE I IMPROVEMENTS**

PND PROJECT NO.: 232023 C.A.N. NO.: AECC250

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329 Harbor Drive, Suite 212
Sitka, AK 99835
Phone: 907-747-2660

Friday, April 11, 2025

MEMORANDUM

To: Gary Paxton Industrial Park (GPIP) Board of Directors

From: Garry White, Director

Subject: GPIP Port Tariff Discussion and Adjustments

Introduction

The GPIP Director is recommending a discussion and adjustments to the GPIP Port Tariff #5. The CBS Harbor rates are currently in the draft FY2026 budget to be increased by 4% for fiscal year 2026. The GPIP Tariff has tried to mirror Harbor Department rates. The GPIP Director has reviewed the rates the CBS charges for small cruise ships in relation to other private docks in the area and is recommending that the CBS increase its rates to be comparable to other local docks. Please see attached draft GPIP Port Tariff #6.

GPIP Port Tariff

A Port Tariff is a document that contains published charges, rules, and requirements of the port, including docks and associated uplands. The Port Tariff is an implied contract that allows for rapid arrangements without the need for complicated agreements for use of the facility.

The GPIP Port is a "landlord" Port, which means that the GPIP will charge users for real estate and dock use and are responsible for maintenance, management and upkeep. The GPIP Port Tariff covers all properties of the GPIP uplands and tidelands.

Background

The GPIP Board recommended, and the City and Borough of Sitka Assembly approved the first GPIP Port Tariff #1 in February 2018. The GPIP Port Tariff #1 was drafted, with input by the GPIP Director and GPIP Board, by Parrish, Blessing, & Associates Inc. (PBA), a regulatory and economics consulting firm from Anchorage. PBA has experience in port tariff development, having worked with the Port of Alaska (formerly port of Anchorage) on its port tariff development and financial management.

The GPIP Board discussed the need to monitor the fee schedule and to adjust, if need be, over time when the tariff was established. The tariff has been 4 times since it was established to mirror harbor rates and to manage the facility better.

The entire GPIP Port Tariff #5 can be found at the following link:
https://www.cityofsitka.com/media/Harbor/Master%20Tariff%20No.%205%20Final.pdf

Proposed Updates to GPIP Port Tariff #5

Based off conversations with potential future users of the facility, the GPIP Director proposed and the GPIP Board recommend the following adjustments to the fee schedule to the GPIP Board. (*Proposed new fees in yellow)*

Dockage Fees

0. Item 200 – Dockage

A. General Dockage

Item 200 sets the definitions and schedule of charges for docking or mooring a vessel to the GPIP Dock. The current tariff fee schedule for vessels is below.

Vessel Length (feet)	DOCKAGE RATE In Dollars				
	2023	2024	2025	2026	2027
0 – 80 feet – rate per foot	$1.34	$1.45	$1.57	$1.63	$1.70
81 – 150 feet – rate per foot	$2.29	$2.48	$2.68	$2.79	$2.90
151 +	$3.43	$3.71	$4.02	$4.18	$4.34
Cruise Passenger Vessel (250 feet +)	$3,000	$3,249	$3,519	$3,660	$3,806

Note: 400' is the largest vessel that *can be accommodated at the GPIP Dock.*

The tariff has been revised to match current CBS Harbor rates for fiscal year 2026:

- $1.63 per foot per day (0'-80')
- $2.79 per foot per day (81'-150')
- $4.18 per foot per day (151'+)

B. Incidental Dock Fee

The current fee for Incidental Use of the Dock for Vessels 0 - 200 feet is $35/hour for up to 4 hours.

- Over 4 hours, and not more than 24 hours, shall be charged one full day's dockage.
- Vessels over 200 feet shall be charged one full day's dockage for incidental use.

Suggested Incidental Dock fee for 2026 & 2027 is $40/hour for up to 4 hours.

C. Monthly Dockage Fee

The current GPIP Tariff monthly dockage fee is the following:

Monthly permits (30 days):

- $22.98 per foot of overall length up to 150'
- $34.46 per foot of overall length for 151' and up

CBS Harbor monthly dockage fee for fiscal year 2026:

Monthly permits (30 days):

- $27.75 per foot of overall length up to 150'
- $41.60 per foot of overall length for 151' and up

Suggested Monthly Dockage Fees for 2026 & 2027:

2026

- $27.75 per foot of overall length up to 150'
- $41.60 per foot of overall length for 151' and up

2027

- $28.86 per foot of overall length up to 150'
- $43.26 per foot of overall length for 151' and up

Wharfage

1. **Item 250 – Wharfage**

Item 250 sets the definitions and schedule for any freight, cargo, or goods moved over the GPIP Dock (Wharf) or GPIP property.

All Wharfage fees in the Definition and Schedule of Charges have been adjusted to update tariff to show fee schedule for the next 2 years. All fees are increased by 4% annually to match recent Assembly Harbor fee increases, except for Passenger Vessel Fees.

A. Item 256 – Passenger Vessel Fee

The current GPIP Tariff fee is $5 per person for passengers using the facility on commercial vessels (cruise and tourist vessels).

The GPIP Director has discussed local passenger fees of other private docks that accommodate cruise passenger vessels and suggests an increase to $5.50 per person in 2026.

Charges for Miscellaneous Services

All fees detailed in Item 260 – Charges for Miscellaneous Services currently remain the same as previous years. Recent haul out development will dictate fee structure.

Action

- GPIP Board approval and recommendations on the proposed adjustments to the GPIP Port Tariff Fee Schedule #5.

Effective 7/1/2025

GARY PAXTON INDUSTRIAL PARK PORT TARIFF

OPERATED BY THE CITY AND BOROUGH OF SITKA, ALASKA

CBS TARIFF NO. 6

NAMING RATES, CHARGES, RULES AND REGULATIONS

~For~

Wharfage Dockage and Storage

At

The Port of Sitka, Alaska

DRAFT

ISSUED BY:

PORT OF SITKA
SITKA, ALASKA

Published as
Gary Paxton Industrial Park Port Terminal Tariff CBS NO. 6

John Leach, Municipal Administrator
100 Lincoln Street
Sitka, Alaska 99835
Phone: (907)747-1808
John.leach@cityofsitka.org

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EXPLANATION OF ABBREVIATIONS AND SYMBOLS

ABBREVIATIONS APPEARING IN TARIFF

B.M.	Board Measure	Min.	Minimum
Bbl.	Barrel	Misc.	Miscellaneous
Bdl.	Bundle	M.T.	Cubic Ton of 40 Cu. Ft.
C.L.	Carload	No.	Number
Cs.	Case	N.O.S.	Not Otherwise Specified herein
Crt	Crate	Par.	Paragraph
Ctn	Carton	Pig.	Package
Cu.Ft.	Cubic Foot or Feet	Port	Port of Sitka
Dkg.	Dockage	S.U.	Set-Up
Ea.	Each	Sq.Ft.	Square Foot or Feet
F.F.	Folded Flat	Stg.	Storage
F.M.C.	Federal Maritime Commission	Term'l.	Terminal
Gals.	Gallons	Unldg.	Unloading
Hdlg.	Handling	US	United States of America. Inc.
	Incorporated	USCG	United States Coast Guard K.D.
	Knocked Down	W.T.	Weight ton of 2000 pounds
K.D.F.	Knocked Down Flat	W/M	Weight ton of 2000 pounds
Lb.	Pound		or cubic ton of 40 cu. Ft.
L.C.L.	Less Than Carload	W.R.	Warehouse Receipt
Ldg.	Loading	Wt.	Weight
Lgth.	Length	Yd.	Yard
M.B.M.	1000 Ft. Board Measure	Viz.	Videlicet (examples, lists)
Meas.	Measurement		

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EXPLANATION OF ABBREVIATIONS AND SYMBOLS

SYMBOLS APPEARING IN TARIFF

The following symbols will be used for the purpose indicated only, and will not be used for any other purpose in this tariff.

(A)	New or Added Matter
(+)	Increase
(-)	Reduction
(C)	Change, neither increase nor reduction
(R)	Indicates that item or rule has been revised
(**)	Cancelled or eliminated

DRAFT

SECTION 1 GENERAL RULES AND REGULATIONS

ITEM 100 NOTICE TO PUBLIC

The Port of Sitka is a Non-Operating Port and is owned by the City and Borough of Sitka. This tariff is published on the City and Borough of Sitka website and is, therefore, notice to the public, shippers, consignees and carriers, that the rates, rules and charges apply to all traffic without specific notice, quotation or arrangement. **(R)**

ITEM 100 APPLICATION OF TARIFF

(a) GENERAL APPLICATION OF TARIFF:

Rates, charges, rules and regulations provided in this tariff will apply only to merchandise received at or shipped from the facilities or properties operated under the jurisdiction and control of the Port of Sitka, and specifically to City and Borough Terminals, appurtenant structures thereto and waterways under the management of the Port Director, City and Borough of Sitka. Vessel charges and assessments provided in this tariff are applicable to all vessels, self-propelled or other than self-propelled, when such vessels are provided with dockage services or other vessel services named in this tariff.

(b) TARIFF EFFECTIVE:

The rates, charges, rules and regulations named in this tariff, additions, revisions, or supplements thereto shall apply on all freight received at facilities subject to this tariff on and after revisions, or supplements, thereto. Unless otherwise specified, all transit freight received at terminals and undelivered prior to effective dates of tariff, revisions, or supplements thereto, shall be charged the rates in effect on the date such freight was received until entire lot or shipment has been withdrawn.

Except as otherwise provided in this section, the rates, rules and regulations published in other sections of this tariff apply to vessels, shippers, (and) consignees of Bulk Petroleum Products.

(Continued on next page)

DRAFT

SECTION 1 GENERAL RULES AND REGULATIONS

APPLICATION OF TARIFF (Continued)

(c) ACCEPTANCE OF TARIFF:

Use of wharves and facilities shall be deemed an acceptance of this tariff and the terms and conditions named therein.

(d) RESERVATIONS OF AGREEMENT RIGHTS

Right is reserved by the Port of Sitka to enter into agreement with carriers, shippers, consignees and/or their agents concerning rates and services, providing such agreements are consistent with existing local, state and national law governing the civil and business relations of all parties concerned.

DRAFT

SECTION 1 GENERAL RULES AND REGULATIONS

ITEM 105 APPLICATION OF RATES

(a) Except as otherwise provided, rates apply per 2,000 lbs., or per 40 Cu.Ft. as rated by ocean carrier, or per M.B.M., or 42 gal. per bbl. of bulk petroleum products corrected to 60□ Fahrenheit, or 376 lbs. per bbl. of bulk cement.

(b) RATES ARE SPECIFIC:

Rates provided for commodities herein are specific and may not be applied by analogy. If rates are not provided for specific commodities, rates to be applied are those established for "Freight N.O.S."

(c) PREFERENTIAL USER AGREEMENTS (PUA)

The Port of Sitka reserves the right to negotiate preferential user rates and terms (i.e. a reduced charge for dockage, wharfage, and real estate) with requesting users who agree to provide profitable long-term business arrangements with the Port, at rates, terms and conditions consistent with policies set by the Port and City and Borough of Sitka.

NOTE: There is no requirement for PUAs to be standardized, beyond those requirements mandated in Municipal Code to be so. Rather, terms and conditions will be tailored to each individual applicant.

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SECTION 1 GENERAL RULES AND REGULATIONS

ITEM 110 INSURANCE

(a) Rates named in this tariff do not include insurance of any kind.

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SECTION 1 GENERAL RULES AND REGULATIONS

ITEM 115 METHOD OF PAYMENT AND PENALTIES

(a) RESPONSIBILITY FOR CHARGES, PAYMENT TERMS:

All charges for services rendered by the Port of Sitka or for the use of terminal facilities shall be billed in arrears and payable 30 days from invoice date arrears of such services or use, as follows:

1. For all charges to the vessel, from its owners or agents before a vessel commences it's loading or discharging.

2. For all charges to the cargo, from a vessel owner, charterer, shipper or consignee before the cargo leaves the custody of the terminal.

3. For all charges on perishable goods or freight of doubtful value, or household goods.

(b) COMPLIANCE WITH CONDITIONS OF BERTH RESERVATION:

Use of Port facilities and services shall comply with the Conditions of Berthing set forth in the Supplement to the Vessel Berthing Application as published by the Port.

(c) PENALTY CHARGES ON DELINQUENT ACCOUNTS:

All invoices will be declared delinquent thirty days after the date of the invoice and, as such, will be charged a penalty charge of $25.00 per month for each additional thirty day period in which the invoice is past due or not fully paid, up to a maximum penalty of $250.00. All extra expense, including legal expense, litigation cost, or costs of agents employed to affect collection shall also be assessed to, and payable to, such accounts.

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SECTION 1 GENERAL RULES AND REGULATIONS

ITEM 120 <u>LIABILITY FOR LOSS OR DAMAGE</u>

(a) RESPONSIBILITY LIMITED:

No persons other than employees or agents of the holder of an authorized Terminal Operator Permit shall be permitted to perform any services on the wharves or premises of the Port of Sitka, operated under the authority of the Port Commission of the Port of Sitka, except upon written authorization of the Port Director or their designee.

The Port of Sitka will not be responsible for any loss, damage, injury or death, including but not limited to, loss, damage, injury or death caused by earthquakes, tidal waves, fire, frost, heating, dampness, leakage, the elements, evaporation, natural shrinkage, wastage or decay, animals, rats, mice, or other rodents, moths, weevils, or other insects, leakage or discharge from sprinkler fire systems, collapse of building or equipment, or by floats, logs or pilings required in breasting vessels way from wharf, nor will it be liable for any loss, damage, injury or death or delay arising from insufficient notification or from war, insurrection, shortage of labor, combinations, riots or strikes of any person in its employ or in service of others or from any consequences arising herefrom, except, the Port of Sitka shall not be relived from liability for its own negligence.

(b) HOLD HARMLESS AND INDEMNITY:

Except for that portion resulting from the negligence of the Port of Sitka, if any, owners, shippers, consignees, and carriers shall indemnify, defend, save and hold the City and Borough of Sitka, Port of Sitka harmless from and against all charges, losses, damages, liabilities, expenses, causes of action, suits, claims, demands, or judgments of any nature whatsoever that may be incurred or rise from or grow out of use of Port of Sitka facilities.

DRAFT

SECTION 1 GENERAL RULES AND REGULATIONS

ITEM 125 RIGHTS OF TERMINAL

(a) RIGHTS RESERVED:

Right is reserved by the Port of Sitka to furnish all equipment, supplies and materials and to perform all services in connection with the operation of terminals under rates and conditions named herein.

(b) RIGHT TO REFUSE FREIGHT:

Right is reserved by the Port of Sitka, without responsibility for demurrage, loss or damage attaching, to refuse to accept, receive, or unload, or to permit any vessel to discharge at Terminals or appurtenant premises:

1. Freight for which previous arrangements for space, receiving, unloading or handling have not been made by shipper, consignee or carrier.

2. Freight deemed extra offensive, perishable or hazardous.

3. Freight, the value of which may be determined as less than the probable terminal charges.

4. Freight, not packed in packages or containers suitable for standing the ordinary handling incident to its transportation. Such freight, however, may be repacked or reconditioned at the discretion of the Port of Sitka and all expense, loss or damage incident thereto shall be for the account of the shipper, consignee, owner, or carrier.

(c) RIGHT TO REMOVE, TRANSFER OR WAREHOUSE FREIGHT:

Hazardous or offensive freight which by its nature is liable to damage other freight, may be immediately removed to other locations or receptacles with all expense and risk for loss or damage for the account of the owner, shipper, agent or consignee.

(Continued on next page)

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SECTION 1 GENERAL RULES AND REGULATIONS

RIGHTS OF TERMINAL (Continued)

Freight remaining after the sailing of a vessel may be piled or re-piled to make space, transferred to other locations or receptacles or removed to public or private warehouse with all expense and risk of loss or damage for account of the owner, shipper, consignee, agent, or carrier as responsibility may appear.

This provision is subject to Item 120 (b)

(d) RIGHT TO WITHHOLD DELIVER OF FREIGHT:

Right is reserved by the Port of Sitka to withhold delivery of freight until all accrued terminal charges and/or advances against said freight have been paid in full. At the Port Director's discretion, any or all of such freight may be placed in public or private warehouse with all cost of removal and subsequent handling and storage for the account of the owner of the freight.

(e) RIGHT TO SELL FOR UNPAID CHARGES:

Freight on which unpaid terminal charges have accrued may be sold to satisfy such charges and costs, provided such sale has been publicly advertised. Freight of a perishable nature or of a nature liable to damage other freight may be sold at public or private sale without advertising, providing owner has been given proper notice to pay charges and to remove said freight and has neglected or failed to do so within a prescribed reasonable time.

(f) EXPLOSIVES:

The acceptance, handling or storage of explosives or excessively flammable material shall be subject to special arrangements with the Port Director and governed by rules and regulations of Federal, State and local authorities.

(g) OWNERS RISK:

All water craft if and when permitted by the Port Director or his authorized agent to be moored at wharves or alongside of vessels, are at owner's risk for loss or damage.

This provision is subject to Item 120(b).

DRAFT

SECTION 1 GENERAL RULES AND REGULATIONS

ITEM 130 SHIPPERS' REQUESTS AND COMPLAINTS

Shipper requests and complaints may be made by any shipper by filing a written statement with the Port Director, Port of Sitka, 329 Harbor Drive, Suite 202, Sitka, Alaska 99835

ITEM 131DEMURRAGE OR DELAYS

In furnishing the service of vessel berth scheduling, no responsibility for any demurrage or delays whatsoever, on freight, will be assumed by the Port of Sitka.

This provision is subject to Item 120(b).

ITEM 135 DELAYS - NO WAIVER OF CHARGES

Delays which may be occasioned in loading, unloading, receiving or delivering freight as a result of equipment failure or breakdown or of combinations, riots or strikes of any persons or arising from any other cause not reasonably within the control of the Port of Sitka, will not excuse the owners, shippers, consignees or carriers of the freight from full wharf demurrage or other terminal charges or expenses which may be incurred under conditions stated herein.

This provision is subject to Item 12(b).

ITEM 140 MANIFESTS REQUIRED OF VESSELS

Masters, owners, terminal operators, agents or operators of freight vessels are required to furnish the Port of Sitka with complete copies of vessels' manifests showing names of consignees or consignors and the weights or measurements of all freight loaded or discharged at the facilities of the Port of Sitka. Such manifests must be certified as correct by an authorized official of the company and must also designate the basis weight or measurement on which ocean freight was assessed. In lieu of manifests, freight bills containing all information as required above may be accepted.

DRAFT

SECTION 1 GENERAL RULES AND REGULATIONS

ITEM 145 CLASSIFICATION OF TRAFFIC

Coastwise Trade: All traffic between West Coast ports of the United States and Alaska. Inter-Coastal Trade: All traffic between ports of the United States, other than West Coast ports, and Alaska.

Intra-Alaska Trade: Traffic between points in Alaska.

Foreign Trade: All traffic between ports outside the United States of Alaska.

ITEM 150 BERTHING

The maximum vessel sizes that can berth at the face of the dock is a 30' beam by 150' long vessel with 440 US ton displacement and a berthing velocity normal to the dock of .71 knots with existing fender system.

Vessels over 150' up to a 100' beam by 400' long with a displacement of 22,000 US tons can be accepted at the face of dock with an approved fender system.

ITEM 150 ENVIRONMENTAL PARAMETERS

Tidal Currents
Tidal currents for the Port generally vary from 2-4 knots. Extreme tidal currents in excess of 5 knots have been reported. Tidal current information is published and available from NOAA.

Temperature
Temperatures at the Port generally range from 62 degrees Fahrenheit in the summer to 30 degrees Fahrenheit in the winter.

(Continued on next page)

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SECTION 1 GENERAL RULES AND REGULATIONS

ENVIRONMENTAL PARAMETERS (Continued)

DEPTH OF WATER

50' at the face of the dock.
30'-50' at the stern of the barge (left side facing out) Not sure how to designate the area.
20' at the interior small boat float.

NOAA TIDE BENCHMARKS AT SITKA, ALASKA:

ELEVATION DATUM FOR THE PROJECT IS 0.0 FT MEAN LOWER LOW WATER (MLLW)

- HIGHEST TIDE OBSERVED 14.8 FT
- MEAN HIGHER HIGH WATER 9.9 FT
- MEAN HIGH WATER 9.2 FT
- MEAN TIDE LEVEL 5.3 FT
- MEAN LOW WATER 1.5 FT
- MEAN LOWER LOW WATER 0.0 FT
- LOWEST TIDE OBSERVED -4.1

(Continued on next page)

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SECTION 1 GENERAL RULES AND REGULATIONS

ENVIRONMENTAL PARAMETERS (Continued)

WINTER USE OF THE PORT

The Port is open year round. However, extreme temperatures provide a number of challenges during the winter months. Machinery including fuel systems, cooling systems, winches, anchors, ballast water systems, and other auxiliary systems must be winterized and maintained in a state for use in the extreme environment. Tug assistance aids in mitigating these conditions.

(Continued on next page)

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SECTION 1 GENERAL RULES AND REGULATIONS

ENVIRONMENTAL PARAMETERS (Continued)

SAFETY CABINETS AND BOLLARD SPECIFICATIONS

DESIGN LOADS:

* ASCE 7-05 MIN DESIGN LOADS
* ASCE 61-14 SESMIC DESIGN OF PIERS AND WHARVES
* UFC 4-159-03 DESGIN: MOORINGS

DEAD LOAD	WEIGHT OF ALL CONSTRUCTION MATERIALS	
LIVE LOAD	FLOATING DOCK	400 PSF
	TRANSFER BRIDGE	125 PSF
	SMALL CRAFT FLOAT	50 PSF
	SMALL CRAFT GANGWAY	50 PSF
SNOW LOAD		50 PSF
WIND LOAD ON STRUCTURES		
	WIND SPEED. V	120 MPH 3-SEC GUST
	EXPOSURE CATEGORY	D
	IMPORTANCE FACTOR, LW	1
	TOPOGRAPHIC FACTOR. Kzt	1
	DIRECTION FACTOR	0.85
	GUST FACTOR, G	0.85
SEISMIC	ASCE 61-14 PERFORMANCE REQUIREMENTS = LOW	
	DISGIN EARTHQUAKE PER ASCE 7.05	
	LIFE SAFETY PROTECTION	
	SS = 0.834 g.S1=0.46g. Fa = 1.1, Fv= 2.4	
	SDS=0.611 g.SDI=0.742G	
	SEISMIC DESIGN CATEGORY	D
	SITE CLASS	E

SECTION 1 GENERAL RULES AND REGULATIONS

ITEM 160 <u>SAFETY, SANITATION AND HOUSEKEEPING</u>

(a) SAFETY AND SANITATION:

Users/Operators of Port of Sitka facilities will be required to comply with all safety and sanitation rules applicable on structures and facilities of the Port of Sitka as required by federal, state and local law.

(b) RESPONSIBILITY FOR HOUSEKEEPING:

Users/Operators of Port of Sitka property will be required to maintain same in an orderly manner as directed by the Port Director. If User/Operator does not properly clean property used, the Port Director shall order the work performed and User/Operator will be billed at cost, including 15% overhead.

(c) SMOKING PROHIBITED:

No smoking shall be allowed on any wharf, pier or in any warehouse or transit shed except in approved areas specifically designated for that purpose. Persons violating this rule may be barred, at the discretion of the Port Director, from the further use of any wharf and, in addition, shall be subject to prosecution under applicable Federal, State and Municipal Laws.

DRAFT

SECTION 1 GENERAL RULES AND REGULATIONS

ITEM 165 RESPONSIBILITY FOR PROPERTY DAMAGE

Damaged Port property and facilities should be reported immediately to the Port Director. The initial reporting of damages should be communicated by the most expeditious means, followed in writing. Owners/operators damaging Port of Sitka property will be responsible for repairs. Should the repairs be undertaken by the Port of Sitka the owners/operators will be billed for repairs to damaged property at cost, including 15% overhead.

ITEM 166 FACILITY USE AGREEMENT

Private owners and business vendors/contractors desiring to use the GPIP facility to work on vessels owned by a third-party shall complete a facility use agreement with the port and pay appropriate fee before they begin work on vessel(s). The facility use agreement has specific provisions that address basic yard rules and regulations, boatyard user required best management practices, an agreement section addressing indemnify/hold harmless requirements and insurance requirements. The facility use agreement is available for review during normal business hours.

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SECTION 1 GENERAL RULES AND REGULATIONS

ITEM 170 <u>BULK PETROLEUM PRODUCTS</u>

(a) APPLICATION OF TARIFF:

Except as otherwise provided in this section, the rates, rules and regulations published in other sections of this tariff apply to vessels, shippers, and consignees of Bulk Petroleum Products.

(b) CLEARING PETROLEUM LINES:

Shippers, consignees or vessels and persons in charge thereof are responsible for providing means to assure the proper flow of products. Shippers, consignees or vessels and persons in charge thereof will be responsible for clearing all petroleum products, other liquid products, compounds, and residues from lines located on or adjacent to the Petroleum Terminal after vessel completes loading or discharging unless otherwise authorized by the Port Director. In the event the Port of Sitka performs any of the above named services, any applicable costs will be billed to shipper, consignee or vessel at cost plus 15% overhead.

(c) REGULATIONS GOVERNING PETROLEUM PRODUCTS:

The transfer of bulk petroleum products shall be governed by applicable federal, state and local laws, regulations, permits and ordinances/regulations including Port of Sitka Bulk Petroleum Transfer Procedures Manual rules.

(d) HOUSEKEEPING:

Flammable liquids leaked or spilled on wharves shall be cleaned up immediately. Vessel operators or their agents shall remove temporary lines immediately upon completion of receipt or discharge of flammable liquids. Spillage from disconnected lines shall be the responsibility of the petroleum terminal operator, vessel owner/operator and/or their agents. All spills should be reported to the Port Director and regulatory authorities immediately.

(e) DEPARTURE AFTER LOADING OR DISCHARGING:

Any vessel after having discharged or loaded any petroleum product must immediately haul away from dock, pier or wharf and depart, unless otherwise authorized by the Port Director.

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

ITEM 175 DEFINITIONS – GENERAL

(a) "AFFREIGHTMENT": A contract of affreightment is one with a ship owner to hire his ship or part of it for the carriage of goods. Such a contract generally takes the form of a charter party or bill of lading.

(b) "BEAM" means the greatest overall width of a vessel.

(c) "BILL OF LADING" means a document by which the master of a ship acknowledges having received in good order and condition (or the reverse) certain specified goods consigned to him by some particular shipper, and binds himself to deliver them in similar condition - unless the perils of the sea, fire, or enemies prevent him - the consignees of the shipper at the point of destination on their paying him the stipulated freight.

(d) "BULK CARGO" means cargo that is loaded and carried in bulk without mark or count in a loose unpackaged form, having homogeneous characteristics. Bulk cargo loaded into intermodal equipment, except LASH or Seabee barges, is subject to mark and count and is, therefore, subject to the requirements of this part.

(e) BUSINESS ENTITY" means a person, firm, association, organization, partnership, business trust, corporation, company, or any other business entity.

(f) "CARLOADING OR UNLOADING" is the service performed to load cargo from wharf premises or other such terminal premises designated by the Port Director or his authorized representative to be used for such purposes, to or from railroad cars or trucks, trailers, semi-trailers from or to wharf premises or other terminal premises.

(g) "COMMISSION" means the Federal Maritime Commission.

(h) "CONSIGNEE" means the recipient of cargo from a shipper, individuals or business entities to whom a transported commodity is to be delivered.

(Continued on next page)

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DEFINITIONS – GENERAL (Continued)

(i) freight-carrying unit designed to be transported by different modes of transportation and having construction, fittings, and fastenings able to withstand, without permanent distortion or additional exterior packaging or containment, the normal stresses that apply on continuous all-water and intermodal transportation. The term includes dry cargo, ventilated, insulated, refrigerated, flat rack, vehicle rack, liquid tank, and open-top containers without chassis, but does not include crates, boxes or pallets.

(j) "DELINQUENT LIST" means the record of vessels, their owners or agents, or other users of the Port of Sitka who have failed to pay charges within sixty (60) days after date of invoice or who have not furnished proper cargo statements to the Port Director.

(k) "DERELICT" means any watercraft moored or otherwise located within the Port which is forsaken, abandoned, deserted or whose owner fails to contact the Port Director within seven (7) days after written notice declaring the watercraft to be abandoned is attached to said watercraft.

(l) "DIRECT LOADING OR UNLOADING" is the service accorded to cargo in transferring cargo by ship's tackle between ship and open top railroad cars, vehicles, pipeline, or water, raft, barge, lighter, or other waterborne vessels; or open top trucks, trailer beds or bodies, which are spotted within reach of ship's tackle or terminal's tackle.

(m) "DOCKAGE" is the charge assessed to a vessel for docking at a wharf, dock, pier or other facility, or for mooring to a vessel so docked.

(n) "DUNNAGE" means loose wood or other material used in a ship's hold for the protection of cargo and specified items approved by the Sitka Port Commission in Item 202.

(o) "FLOATING DOCKS/FLOATS" means docks/floats equipped with or without gangways that are secured to the appurtenant to it for the use of small vessels.

(p) "FOREIGN COMMERCE" means that commerce under the jurisdiction of the Foreign Commerce Act.

(Continued on next page)

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

DEFINITIONS – GENERAL (Continued)

(q) "FOREST PRODUCTS" means forest products including, but not limited to, lumber in bundles, rough timber, ties, poles, piling, laminated beams, bundled siding, bundled plywood, bundled core stock or veneers, bundled particle or fiber boards, bundled hardwood, wood pulp in unitized bales, paper and paper board in rolls or in pallet or skid-sized sheets, liquid or granular by-products derived from pulping and papermaking, and engineered wood products.

(r) "GANGWAY" means a narrow, portable platform used as a passage by persons entering or leaving a vessel moored alongside a quay or pier.

(s) "HANDLING" is the service accorded to cargo movement from end of ship's tackle or terminal's tackle to the first place of rest on the wharf or other terminal premises designated by the Port Director or his authorized representative to be used as the first place of rest, or from such first place of rest on the wharf or other such terminal premises to a place within reach of ship's tackle or terminal's tackle.

(t) "HOLIDAYS": Whenever in this tariff reference is made to holidays the following days are included: New Year's Day, Martin Luther King Day, President's Day, Seward's Day, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Day After Thanksgiving, Christmas Day, and every other day appointed by the President of the United States of America and/or the Governor of Alaska. In the event that one of the above mentioned holidays occurs on Saturday, the previous Friday will be considered a holiday for the purpose of this tariff. In the event that one of the above mentioned holidays occurs on Sunday, the following Monday will be considered a holiday for the purpose of this tariff.

(u) "INDUSTRIAL PARK" means those parcels of real property adjacent to the Municipal Terminal which organizations with business interests at the Port may lease/rent from the Municipality.

(v) "LADDER" means a metal, wooden or rope stairway.

(w) "LOA" means the overall length of a watercraft measured from the most forward point at the Beam to the aftermost part of the stern of the watercraft, to include the motor.

(Continued on next page)

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

DEFINITIONS – GENERAL (Continued)

(x) "MANIFEST" means a detailed statement of a vessel's cargo, giving the bills of lading numbers, marks, number of packages, names of shipper, names of consignee, weight or total measurement of goods, rate of freight and where payable. Such a statement is sent by the owners or brokers at port of shipment to their agents at destination port.

(y) "MOORING" means to secure a ship or vessel or any floating object in a particular place by weight, chain, rope, float, structure, or any appliance used for anchoring purposes by a watercraft which is not carried aboard a watercraft as part of it.

(z) "MOTOR VEHICLE" means a wheeled vehicle whose primary purpose is ordinarily the non- commercial transportation of passengers, including an automobile, pickup truck, minivan, or sport utility vehicle.

(aa) "CITY AND BOROUGH DOCK" means the concrete operating wharves and their associated facilities, such as cranes, transit shed and access trestles permanently affixed thereto.

(bb) "CITY AND BOROUGH TERMINALS" means the Municipal Docks and all waterfront property as shown on page __ of this tariff, Transit Areas and their associated facilities, such as access roads, and the adjacent storage areas necessary to conduct normal day-to-day dock or cargo handling operations.

(cc) "NON•OPERATING PORT" means a landlord port with all port facilities generally leased, rented or preferentially assigned with the lessee, rental permittee or assignee responsible for operating the facilities.

(dd) "OPERATING PORTS" generally provide all port services except stevedoring with their own employees including, but not limited to, loading and unloading of rail cars and trucks and the operation of container terminals, grain elevators, and other bulk terminal operations.

(ee) "LIMITED•OPERATING PORTS" lease facilities to others, but continue to operate one or more facilities with port employees. These operated facilities may be specialized terminals, such as grain elevators, bulk terminals, container terminals, etc.

(Continued on next page)

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

DEFINITIONS – GENERAL (Continued)

(ff) "OVERSTOWAGE" means faulty loading, as when cargo for the second port of discharge is stowed above cargo for the first port and therefore the latter cannot be discharged at its destination.

(gg) "POINT OF REST": Point of Rest is defined as that area on the terminal facility which is assigned for the receipt of inbound cargo from the vessel and from which inbound cargo may be delivered to the consignee and that area which is assigned for the receipt of outbound cargo from shippers for vessel loading.

Note: Issued pursuant to F.M.C., Docket 875, General Order 15.

(hh) "PORT" means a place at which a common carrier originates or terminates (by transshipment or otherwise) its actual ocean carriage of cargo or passengers as to any particular transportation movement.

(ii) "PORT DIRECTOR" means the Director of the Port of Sitka or the Port Director's designee.

(jj) "PORT FACILITIES" means all docks, floats, berths, wharves, and other landing, launching, mooring, cargo or other facilities located within the Port of Sitka.

(kk) "PORT OF SITKA" means the Port of Sitka Subdivision as defined by plat number ___, sheets, exclusive of those areas which are within the exclusive jurisdiction of either the state or the United States.

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SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

DEFINITIONS – GENERAL (Continued)

(ll) "TERMINAL OPERATOR" means a person or company engaged in the United States or a commonwealth, territory, or possession thereof, in the business of furnishing wharfage, dock, warehouse or other terminal facilities or services in connection with a common carrier, or in connection with a common carrier and a water carrier subject to Subchapter II of Chapter 135 of Title 49, United States Code. A marine terminal operator includes, but is not limited to, terminals owned or operated by states and their political subdivisions; railroads who perform port terminal services not covered by their line haul rates; common carriers who perform port terminal services; and agents thereof who operate port terminal facilities.

(mm) "TERMINAL OPERATOR PERMIT" is a permit issued by the City and Borough of Sitka for an agency/entity to perform one or more of the following marine related services or operations at the Port of Sitka: petroleum transfer operations; general cargo operations; dry bulk cargo operations; outloading of cargo from first place of rest within Port transit areas; vessel servicing; fish handling operations; and, passenger operations.

(nn) "TRANSSHIPMENT" means the transfer of goods from the vessel stipulated in the contract of affreightment to another vessel before the place of destination has been reached.

(oo) "VESSEL" means ships or crafts of all types, including but not limited to the following: motor ships, steam ships, canal boats, tugs, barges, sailing vessels, motor boats, and every structure adapted to be navigated from place to place for the transportation of property and persons by any means.

(pp) "VESSEL OWNER" means the actual or registered owner, charterer, master, agent, person in navigational control or person responsible for the operation of the vessel.

(qq) "WATERCRAFT" means any vessel, including but not limited to houseboats, floatplanes, waterborne aircraft, floats, scows, rafts, pile drivers, or any other floating structure adopted to be navigated from place to place, used for recreational, commercial, or other purpose upon the waterways within the Port or moored at any place within the Port.

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DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

(rr) "WHARFAGE" is the charge assessed against any freight, cargo, goods placed in a transit shed or on a wharf, or passing through, over or under a wharf or Municipal terminal; or transferred between vessels, or loaded to or unloaded from a vessel at a wharf, regardless of whether or not a wharf is used. Wharfage is solely the charge for use of wharf and does not include handling, sorting, piling of freight or charges for any other services.

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

ITEM 200 <u>DOCKAGE</u>

(a) DOCKAGE:

Dockage is the charge assessed to a vessel for docking at a wharf, dock, pier or other facility, or for mooring to a vessel so docked.

(b) DOCKAGE PERIOD - HOW CALCULATED:

Dockage shall commence when a vessel's first line is made fast to a wharf, pier or other facility, or when a vessel is moored to another vessel so berthed and shall continue until such vessel is completely freed from and has vacated the berth. No deductions will be made for Sundays or holidays.

(c) BASIS FOR COMPUTING CHARGES:

Dockage charges will be assessed on the length-over-all of the vessel. Length-over-all shall be construed to mean the linear distance, expressed in feet, from the most forward point of the stem of the vessel to the aftermost part of the stern of the vessel, measured parallel to the baseline of the vessel.

For dockage billing purposes, length-over-all of the vessel as published in "Lloyd's Register of Shipping" will be used. If no such figure appears in "Lloyd's Register", the Port reserves the right to: (1) obtain the length-over-all from the vessel's register, or (2) measure the vessel.

(d) VESSEL DOCKED TO REPAIR, SHORE, OUTFIT OR FUMIGATE:

Full dockage will be charged if and when a vessel is permitted to make repairs or alterations, shore for special freight, outfit, store or fumigate while docked at wharf.

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DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

DOCKAGE (Continued)

(e) VESSELS REQUIRED TO OBTAIN ASSIGNMENTS/BERTHING RESERVATION:

No vessel will be permitted to berth at a wharf or terminal facility of the without having first made written application for a berth assignment and without such an assignment having been granted. Berthing Applications are available from the Port of Sitka offices.

Application of berth assignments must be made as far in advance of the arrival of vessel as possible and must specify arrival and departure dates and the nature and quantity of the freight to be loaded or discharged.

(f) BERTHING POLICY/BERTHING RESERVATION:

A Terminal Operator Permittee may secure reserved dock space under the following conditions:

(1) Provide the Port with a fully completed Berthing Application indicating berth and desired, scheduled dockside activities/services needed and timeframes/ date(s) requested.

(2) Berthing Application and prepaid dockage must be received by the Port a minimum of 4 business days prior to anticipated vessel arrival. Applications will be processed on a first-come first-served basis.

(3) Port will determine availability of berth, services, etc., and dates requested. Should berthing schedule conflicts be found between berthing applicants, the Port shall mediate a resolution which will attempt to minimize negative impacts on both (or all) parties?

(4) Full dockage fees will be paid to the Port at the time of application for berthing reservation Prepaid dockage fees will be non-refundable unless a written cancellation is received by the Port a minimum of 24 hours prior to scheduled vessel arrival.

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DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

DOCKAGE (Continued)

(5) When space is available, vessels with approved reservations may have a 24•hour grace window on either side of scheduled call/stay provided no other reservations have been received.

(6) Vessels that dock at berths without prior berthing application approvals do not have berthing privileges or priority and shall complete a berthing application immediately after docking.

(g) VESSELS REQUIRED TO VACATE BERTHS:

Vessels may occupy a berth, subject to charges named in Item 200, Section (j), providing such vessel shall vacate the berth upon demand by the Port Director or his authorized representative. Vessels refusing to vacate berth on demand may be moved by tug or otherwise, and any expenses or damages to vessel, other vessels or wharf structures during such removal shall be charged to the vessel so moved.

(h) CHARGES ON VESSEL SHIFTING:

When a vessel is shifted directly from one wharf (berth) to another wharf (berth) owned by the Port of Sitka, the total time at such berths will be considered together in computing the dockage charge.

(i) CHARGES TO ASSISTING VESSELS:

A single vessel, when actively engaged as a tug boat, assisting and made fast outboard of a vessel loading or discharging cargo, will be accorded free dockage. A tug boat leaving its tended vessel for any purpose shall waive its right to free dockage for the period of berthing it left its tended vessel until it secures back to its tended vessel.

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

DOCKAGE (Continued) **(R)**

(j) DOCKAGE RATES WILL BE ASSESSED AS FOLLOWS EXCEPT AS OTHERWISE PROVIDED.

Vessel Length (feet)

	2025	2026	2027
0 – 80 feet – rate per foot	$1.57	$1.63	$1.70
81 – 150 feet – rate per foot	$2.68	$2.79	$2.90
151 +	$4.02	$4.18	$4.34
Cruise Passenger Vessels 150 feet +	$3,519	$3,660	$3,806

Note: 400' is the largest vessel that *can be accommodated at the GPIP Dock*

ISSUED BY: John Leach, Municipal Administrator, Sitka, Alaska

Revision approved by CBS Assembly 3/14/2023

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

Note 1: Dockage is assessed as follows:

a. Incidental Use of the Dock – Vessels 0 - 200 feet = $40/hour for up to 4 hours. **(+)**

b. Over 4 hours, and not more than 24 hours, shall be charged one full day's dockage.

c. Vessels over 200 feet shall be charged one full day's dockage for incidental use.

(k) MONTHLY DOCKAGE RATES:

Vessels employed solely in the business of providing tug service to vessels calling at the Port may make application to the Port Director for monthly dockage rates.
4
Vessels accorded the monthly rate shall not be deemed to have been given any preferential berthing right and shall vacate any particular berth when ordered to do so by the Port Director.

The monthly agreement may be revoked by the Port Director and terminated by the operator upon five days written notice.

a. Monthly permits (30 days) **(R)**

2025 - $22.98 per foot of overall length up to 150'
$34.46 per foot of overall length for 151' and up

2026 - $27.75 per foot of overall length up to 150'
$41.60 per foot of overall length for 151' and up

2027 - $28.86 per foot of overall length up to 150'
$43.26 per foot of overall length for 151' and up

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DRAFT

ISSUED BY: John Leach, Municipal Administrator, Sitka, Alaska Increase approved by CBS Assembly 2/23/2021 Revision approved by CBS Assembly 3/14/2023

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SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

IITEM 202 <u>DUNNAGE</u>

(a) DEFINITION:

The specified items approved by the Sitka Port Commission for which no wharfage charge will be assessed on outbound containers carrying the specific dunnage items, for which wharfage was assessed on the inbound movement. The qualifying dunnage materials that are used strictly for the purpose of securing and protecting cargo are listed below:

Bags, Horticultural, Growing Bags, bulk container, empty Bales of Cardboard
Baskets
Bins, necessary for the transportation of groceries, foodstuffs and/or department store merchandise
Blankets, furniture
Boxes, fiberboard, paper or pulpboard, used, collapsed
Bread Trays
Cans, Aluminum, empty, used
Containers, bulk flour
Containers, bulk liquid (Porta-feeds), used for transporting chemicals or paint, in bulk, capacity not to exceed 500 gallons each
Cylinders
Cribbing
Cribs
Dunnage, rubber, inflatable Dunnage, wooden Hampers, garment Hangers, garment
Kegs, not exceeding 55 gallon capacity
Load locks
Material, not a part of the pallet, platform, skid or shipping container, used to protect top of
lading or to secure the load to the pallet, platform or shipping container
Milk Baskets, Milk Crates
Pads; i.e., packing, shipping, cotton or jute, old, used per Item 148700 of NMFC
(Furniture Pads)
Pallets

(Continued on next page)

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

DUNNAGE
(Continued)

Pallets, Platforms or Skids, with or without standing or collapsible sides or ends, with or without top, and includes plastic or rubber liners used in conjunction therewith

Platforms, Partitions or Dividers
Racks
Racks,
Shoe
Reels
Skids
Spools
Totes

Note: the return provisions of dunnage will apply only when the returned articles have been assessed wharfage on inbound movement.

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SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

ITEM 210 LOADING AND UNLOADING (R)

	2025	2026	2027
Over 20 feet RATE (each per day)	$9.85	$10.24	$10.65

(a) DIRECT LOADING AND UNLOADING:
Direct loading or unloading is the service accorded to cargo in transferring cargo by ship's tackle or terminal's tackle between ship and open top railroad cars or water, raft, barge, lighter, or other waterborne vessels; or open top trucks, trailer beds or bodies, which are spotted within reach of ship's tackle or terminal's tackle. Cargo shall be subject to wharfage charges.

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

ITEM 212 FREE TIME

(a) DEFINITION:
The specified period during which cargo may occupy space assigned to it on Terminal property, free of wharfage, demurrage or terminal storage charges, immediately prior to the loading, or subsequent to the discharge, of such cargo on or off the vessel.

(b) COMPUTING FREE TIME:
Free time starts the first 12:00 am after cargo is received or unloaded onto wharf from car or truck, or, in the case of cargo received from vessel, the first 12:00 am after completion of the vessel's discharge. On outbound traffic, the day or days vessel is loading are not included in the computation. On inbound traffic from vessel, delivery of which is made after the allotted free time period, the day freight is loaded out or delivered to truck or car is to be included in the computation as a storage day.

When freight is transshipped between deep sea vessels and involves application of both a long and short time period, the longer period shall be allowed, but not the aggregate of any two free time periods.

(c) FREE TIME PERIOD:

Free time of three (3) days will be allowed on all inbound traffic. Free time of three (3) days will be allowed on all outbound cargo. Subject to the discretion of the Port Director.

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SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

ITEM 215 <u>TERMINAL OPERATOR PERMIT</u>

(a) TERMINAL OPERATOR PERMITS:
The services set forth in Item 215, Section (b) shall be provided by independent agents at the Port of Sitka under Terminal Operator Permits issued by the Sitka Port Commission. These permits are available to any qualified agent desiring to provide terminal services at the Port of Sitka and required by the Port of Sitka.

A current list of the Terminal Operator Permit Holders operation at the Port of Sitka is on file at the Port of Sitka and available upon request.

Permit fee: $150 annually **(A)**

ITEM 220 <u>MINIMUM CHARGES</u>

Except as otherwise provided herein, where named services are performed, the minimum charge for any single shipment shall be:

Wharfage: $40.00

(Continued on next page)

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

ITEM 222 PORT LABOR

(a) SUBJECT TO CHANGE:
The rates named in this tariff, revisions or supplements thereto, are based upon ordinary traffic and labor conditions. If and when these conditions change because of demand of labor for increased wages, strikes, congestions or other causes not reasonably within the control of the Port of Sitka, resulting in an increased cost of service, the rates are subject to change without notice.

(b) OVERTIME:
Overtime work performed on Saturdays, Sundays, or Holidays or after 5:00 P.M., or before 8:00 A.M., Mondays through Fridays, or during meal periods as shown below:

06:00 A.M.	to	07:00 A.M.
12:00 Noon	to	01:00 P.M.
06:00 P.M.	to	07:00 P.M.

(c) STANDBY TIME:
Except as otherwise provided, when the Port of Sitka is required to order labor for a specific service, and through no fault or inability of the Port of Sitka, the work or service is not commenced, causing standby time to accrue, or when work or service after commencement is delayed through no fault of the Port of Sitka for periods of fifteen consecutive minutes or more, current man-hour rates or agent's actual labor rates, plus 15% will be assessed against the part for whom labor was ordered. In computing cost of man-hour time, less than 15 minutes will be considered no delay, but time of 15 minutes or more will be considered delay time and charges computed from cessation of work until resumption of work will be assessed in units of 15 minutes, except that no charge will be made for the final 15 minutes if work commences within the first seven minutes of such period.

(d) MINIMUM LABOR HOURS:
When the Port of Sitka is required to furnish labor for a specific service and such service is completed before the expiration of the minimum time allowed under current labor working agreements and awards, the labor charges accruing after the specific service is completed and until the end of the minimum time allowed will be assessed at current man-hour rates plus 15% overhead.

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SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

PORT LABOR (Continued)

(e) RATES APPLY WHEN NOT OTHERWISE PROVIDED:
When services are performed by the Port of Sitka, its employees or agents, for which no specific rates are set forth in this tariff, or when reference is made to this item, charges for such services shall be at current man-hour rates, or agent's actual labor rates, plus 15% overhead, and the charge for any equipment used as set forth in Item 205. Charge for materials furnished in connection with said services will be assessed at actual cost to the Port of Sitka, plus 15%.

(f) LINE HANDLING:
The Port of Sitka does not perform the services of line handling. Such service is arranged by and is for the account of the agents of the vessel or stevedore company handling the vessel.

(g) LONGSHORE MAN•HOUR RATES:
Man-hour rates for longshore work are available from holders of valid stevedore companies.

DRAFT

ITEM 250 <u>WHARFAGE</u>

(a) Wharfage is the charge assessed against any freight, cargo, goods placed in a transit shed or on a wharf, or passing through, over or under a wharf or Municipal Terminal; or transferred between vessels, or loaded to or unloaded from a vessel at a wharf, regardless of whether or not a wharf is used. Wharfage is solely the charge for use of wharf and does not include handling, sorting, piling of freight or charges for any other

(b) APPLICATION:
Wharfage rates named in this tariff will be charged for all merchandise received over the Municipal Docks or Municipal Terminal of the Port of Sitka and will be in addition to all other charges made under provisions of this tariff, EXCEPT:

No wharfage shall be charged to ship's gear, such as strongbacks, lines, hatch covers, walking boards, etc., placed on wharf during unloading operations. Fuel handled over wharf will not be considered as ship's stores and will be subject to wharfage and other charges that may be incurred.

No wharfage shall be charged for fishing gear and consumables under 30 square feet in area for vessels that fish for local processors. **(A)**

(Continued on next page)

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

(c) OVERSIDE:
Full wharfage named herein will be charged to merchandise discharged or loaded overside of vessel directly to or from another vessel or to the water when vessel is berthed at wharf.

(d) OVERSTOWED CARGO:
Overstowed cargo destined for discharging at another port will be exempt of wharfage charges, provided such cargo is immediately re-loaded to departure of the same vessel.

(e) MINIMUM CHARGE:
See Item 220.

(f) SCHEDULE OF RATES:
Except as otherwise specifically provided, rates are in cents per ton of 2000 lbs.

(g) TRANSSHIPPED CARGO:
Transshipped cargo shall be taken as a single through movement and shall be included only one time for purposes of determining the wharfage rate.

(h) ~~SECURITY SURCHARGE:~~
~~Notwithstanding any other schedule of charges, the Port of Sitka shall assess a security surcharge of $0.58 per ton for all commodities crossing the Port of Sitka.~~ **(**)**

(i) Passenger Flat Fee:
In addition to other tariff provisions, the terms and conditions of this item apply. Charges are assessed to passenger vessels and cruise ships using the Port of Sitka. **(A)**

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES (R)

COMMODITY

		2025	2026	2027
ITEM 251 Aggregates	Per ton	$1.84	$1.91	$1.99
ITEM 252 Freight, N.O.S	Per ton	$11.04	$11.48	$11.94
ITEM 253 Fish	Per ton	$22.77	$23.68	$24.63
ITEM 254 Seine Skiff/Bait Shed/Nets on Pallet	Per skiff	$54.94	$57.14	$59.42
ITEM 255 30 AMP	Per day	$12.55	$13.05	$13.57
ITME 255 50 AMP	Per day	$23.54	$24.48	$25.46
ITEM 255 100 AMP	Per every 4 hours	$31.39	$32.65	$33.95
ITEM 256 Passenger Vessel Fee	Per person	$5.00 **(R)**	$5.50	$5.50
ITEM 257 Potable Water (+)	Per Day	$300.00	$312.00	$324.00

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

COMMODITY

	2025	2026	2027
FUEL (R)			
Liquids, Petroleum or Petroleum Products, N.O.S., in bulk, discharged or loaded between mobile motor freight tank vehicles or railroad tank cars and vessel's tanks per gal.	$2.47	$2.57	$2.67
NOTE 1: All petroleum transferring operations are subject to rules governing bulk petroleum products. See Item 170.			
POWDER (R)			
Gun or Blasting; Blasting Cap; Dynamite; High Explosive, N.O.S.; Explosive Ammunition other than small arms Ammunition (See note)	$2.74	$2.85	$2.96
NOTE 1: Written permission of the Port Director must be obtained prior to any movement of merchandise named in this Item over the Municipal Terminal facilities.			

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

COMMODITY

	2025	2026	2027
VANS OR CONTAINERS (R)			
Freight; rigid, non-disposable, dry cargo, insulated, refrigerated, flat rack, liquid tank, or open top container, with or without wheels or chassis attached, minimum dimensions 8 ft. wide and 20 ft. long, viz: containing merchandise, except containing powder, gun or blasting, or other articles as described in Item 264, under seal. (Subject to Notes 1 and 2)	$5.51	$5.73	$5.95
Empties returning, each (Subject to Note 1)	$1.84	$1.91	$1.99
NOTE 1: May include unit for refrigeration or heating of merchandise.			
NOTE 2: Charge applies to net weight of contents of vans or containers, inbound or outbound.			
VEHICLES and other articles, empty self-propelled or non-self-propelled, viz: **(R)**			
Automobiles, including pickups with or without camper bodies attached, chassis,	$1.84	$1.91	$1.99
Trailers, house or vacation; homes or buildings, mobile or modular, S.U.	$14.70	$15.29	$15.90
Heavy Equipment including cranes, sanders, sweepers, graders, loaders, fork lifts,	$20.20	$21.01	$21.85

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

COMMODITY (R)

	2025	2026	2027
Pursuant to the establishment of the Office of Homeland Security in 2001 and Maritime Transportation Security Act of 2002, the Port of Sitka will assess a security fee in order to defray expenses associated with mandated security measures.			
Heavy Equipment including cranes, sanders, sweepers, graders, loaders, fork lifts,	$20.20	$21.01	$21.85
PORT FACILITY SECURITY FEES petroleum products. See Item 170.	$1.07	$1.11	$1.57
CARGO VESSELS			
Notwithstanding any other schedule of charges, the Port of Sitka shall assess a security surcharge on **per ton** for all commodities crossing the Port of Sitka facilities. (Subject to Note 1)			
NON-CARGO VESSELS			
Notwithstanding any other schedule of charges, the Port of Sitka shall assess a security fee on the gross tons of all vessels calling at the Port facilities.	$0.18	$0.19	$0.20
PASSENGER			
Notwithstanding any other schedule of charges, the Port of Sitka shall assess a flat security fee on passenger embarking or disembarking at the Port facilities.	$950 **(C)**	$988	$1,028
Note 1: The Upper Cook Inlet Area Maritime Stakeholders that currently contribute to Security are exempt from the above security fees.			

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

Item 260 - CHARGES FOR MISCELLANEOUS SERVICES

Terminal Storage **(R)**

(a) TERMINAL STORAGE

Terminal storage, included closed or covered storage, open or ground storage, bonded storage or refrigerated storage after storage arrangements have been made or other terminal facility for the storing of inbound and outbound cargo or gear after expiration of free time. When space is available and arrangements are entered into prior to arrival of cargo at terminal, storage may be permitted.

Storage charges for cargos in transit will be assessed as follows:

	STORAGE RATE in Dollars		
	2023	**2026**	**2027**
(1) Annual rate for storage of fishing nets on 8'x12' pallets:	$1,250	$1,250	$1,250
Storage rate per month: $125/month (2 month minimum, paid up front).	$300	$300	$300
Storage rate per month for fishing nets stored on dock.	$300	$300	$300
(2) Storage rate per sq. ft. per month for bait sheds and misc. gear stored on 20'x20' area (minimum size). (2 month minimum, paid up front).	$0.75	$0.75	$0.75

DRAFT

SECTION 2 DEFINITIONS AND SCHEDULE OF CHARGES

Item 260 - CHARGES FOR MISCELLANEOUS SERVICES

(b) Access Ramp **(A)**

Users of the access ramp in the GPIP Marine Facility will follow all Policies and Best Management Practices Manual.

- **Access Ramp Fee** - $1.50 per foot per day.

(c) Upland Dry Dock Fees **(A)**

Users of the access uplands in the GPIP Marine Facility will follow all Policies and Best Management Practices Manual.

Short Term Projects

- $1.95/ft/day

Long Term Project

- $0.20/sf/month for vessels with a Sitka moorage account
- $0.23/sf/month for vessels without a Sitka moorage account
- $50/month Dry Dock Administrative Fee

Dry Dock limited to 4 months. Fee will double each month after 4 months without GPIP Port Director written approval to stay past 4 months.

DRAFT

GARY PAXTON INDUSTRIAL PARK

329 Harbor Drive, Suite 212
Sitka, AK 99835
Phone: 907-747-2660

Friday, April 11, 2025

MEMORANDUM

To: Gary Paxton Industrial Park (GPIP) Board of Directors

From: Garry White, Director

Subject: Pacific Jewel Marine - Lot 9b Long Term Lease Request

Introduction
Pacific Jewel Marine (PJM) is requesting a long-term lease of Lot 9b to provide unobstructed access to a future boat house for marine services associated with its current tenants working in its building at 4500 Sawmill Creek Rd. Please see the attached letter of request.

Background
The GPIP Director was directed by the GPIP Board in the past to not solicit or accept any long-term lease proposals at the GPIP until the GPIP Haul Out development was planned and completed. Conceptual plans for Phase 1 and Phase 2 have been developed and reviewed by the GPIP Board and Assembly and development is underway.

The GPIP Strategic Plan developed and approved in 2017 suggests that Lot 9b be designated to support management of port facility.

Property
Lot 9b is 7,583 SF parcel of property located adjacent to Lot 5, otherwise known as 4500 Sawmill Creek Rd and across the access easement from the GPIP Dock.

Lease Terms
Pacific Jewel Marine has not offered any lease terms at this time. Staff has not provided any suggested lease terms at this time until the GPIP Board determines that it wishes to start accepting long term lease requests.

Action

- GPIP Board discussion and recommendation on development of a long-term lease to Pacific Jewel Marine for Lot 9b.

Pacific Jewel Marine request for long term lease of lot 9b at the Gary Paxton Industrial Park.

For us to make further investments in infrastructure, personnel and equipment in support of Sitka's marine trades we need to secure access from the haul-out to our facility for vessels at an affordable price *(Attachment A)*

Supporting documents.

. Letter to GPIP board requesting a long-term lease of lot 9B (see attachment B)

. Gpip mission Statement and strategic plan (see attachment C)

- Prioritizing the marine trades and job creation in the leasing of lots
- Designation of lot 9b as an area of operations for managing park in 2017, which is now mute since the city purchased the old Northline building for this purpose.

. city code for GPIP (See attachment D)

- Waiving the city's obligation for a competitive bid on lease lots given property boundaries, nature of lot and its uses, impediments to current businesses and promotion of Sitka base jobs.
- Lot 9b is a very small lot that borders the street on two sides and Starwest property on the other two sides. The lot is an impediment to the future operations of the Starwest marine trades facility and is also best suited for the uses of this facility in creating and maintaining jobs that provide support for the marine related industries in Sitka. Pacific Jewel Marine, manager and partner of the Starwest property, should be allowed the right to have a long-term lease or right to purchase lot 9b under the current lease rates of GPIP properties.

. other low-cost leases in the Park

- Silver Bay has held a lease for lot 9 C for the previous decade.
- NSRAA has a long-term lease on lot 2 with 1.5 full time employees at ½ of the going rate for short term leases.
- The Fortress of the Bear has a low cost / long term lease
- Dec. 17, 2024 GPIP meeting, lease request by Sitka sound science center for lot 9b. They rescinded their request. But the going rate is : 9% of the 2018

appraised value of $43,500. Or $3,915 / yr. **(see attachment E)** GPIP meetings Dec. 17, 2024)

- The assembly just gave Highmark Marine Fabrication a noncompetitive bid on the Northline building for space that will be used for work other than what they were hired to do; The space will be used for fabrication and boat repair work, the same work that the businesses under Pacific Jewel Marine are currently invested in.

Pacific Jewel Marine: manages the building at 4500 Sawmill crk. Rd.

. We invested more than 1.5 million dollars in the rehabilitation of the building and property at 4500 sawmill creek road to become a marine trades center.

We employ 9 full-time people and are looking to hire more. We also employ seasonal workers who have other jobs in the summer, we provide good paying jobs in the winter when jobs are scarce, thus supporting the seasonal businesses by keeping local workers in Sitka for the busy summer season.

.We are currently the only company in town who is making capital investments in equipment and infrastructure that will support the work that can be done on vessels in the boatyard. The businesses in our facilities will attract boat owners to use Sitka's haul out due to our investment in the workforce and equipment. The potential revenues generated from the work done by our businesses will help fund the expansion of the yard and the services that can be provided in Sitka, thus increasing our attractiveness to boat owners as a place to haul out and do business.

. Currently we have the following shops and tenants:

Sitka Custom Marine: Designs, builds and repairs boats, sand blast and painting, and retail sales including metal, paint and other vessel repair products**.**

. Stem to Stern Ship Repair; Shipwright – wood boat repair

. **Sitka Machine Shop:** Only machine shop in town . builds and repairs equipment for both commercial and domestic.

. Appleton Ventures LLC, Diesel & small engine repair, full-stack software and DevOps engineering

. **Southeast Sparks,** Electronics lab and marine electrical installation.

. **Frank Schlias**, Diesel mechanic

. Heavy equipment operators, forklifts and man lifts

. short- and long-term shop space available for commercial and industrial work.

Storage, shop and staging space for many different companies including:

. Pioneer Studios

. CBC construction

. Marble Construction

. Island Marine

. SKS Davis Construction

. KMK Services LLC

. Alcan Electric

. Juan's Cuban Cuisine

. Robert Reid's outhouse rental and septic pumping

. F/V Pacific Dawn

. F/V Shemya and F/V Pacific Star

. F/V Tsiu

.F/V Patriot

. F/V Adylin L

. F/V Stormbringer

. F/V Diamond Lil

.F/V Alaska

. F/V Henliegh Faith

. T/V Otter

. F/V Madre Delorosa

. F/V Mirage

. F/V Shackleton

. F/V Magia

. F/V Garnett

.F/V Leah

. F/v Lorelli Bell

. Alaska Premier Charters

. Bad Sport Charters

. Outbound Alaska Charters

. Dove Island Lodge and Charters

. Cast Alaska Charters

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Attachment A : Location of Starwest property and lot 9b (4510)

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Attachment B: letter to Gpip board requesting lease of lot 9B

Jeremy Serka

Pacific Jewel Marine
4500 Sawmill Crk
Sitka, Ak 99835

Gary White
Sitka Economic Development Association

Dear Mr. White,

Pacific Jewel Marine manages the warehouse at 4500 Sawmill Creek Road within the Gary Paxton Industrial Park, we are looking for a long-term lease of lot 9b. Our building houses many contractors and vessel owners that are anticipating the opportunity to work on large vessels next to the building. Currently we are in the process of designing and funding a covered boat house that will be built along the waterside of the building. This new boat house will need access from the main yard for a travel lift or trailer to transport the boats. Unobstructed access through lot 9b is critical for maneuvering a large trailer with boat and towing vehicle. The towing vehicle and trailer could easily reach lengths of 80 feet or more and therefore requires a broad turning area, which only lot 9b can provide.

Beyond the boat house there are several other reasons we would like to lease lot 9b. The lot borders the warehouse's property on two sides, and the street makes up the other two sides of the lot. The proximity to our property and its isolation from the rest of the park make lot 9b difficult to distinguish from the rest of the park and hence we get a lot of pedestrian traffic thinking the lot belongs to us or vice versa; parking on our property while thinking that it is an extension of lot 9a.

I understand that the GPIP board and the assembly may both need to approve this lease. I believe that our boat repair operation and plans for lot 9b are a perfect fit for the mission of the Gary Paxton Industrial Park. We are creating year-round living wage jobs that support other viable businesses here in Sitka. I ask that the board weigh in our current investment in the community while considering this lease.

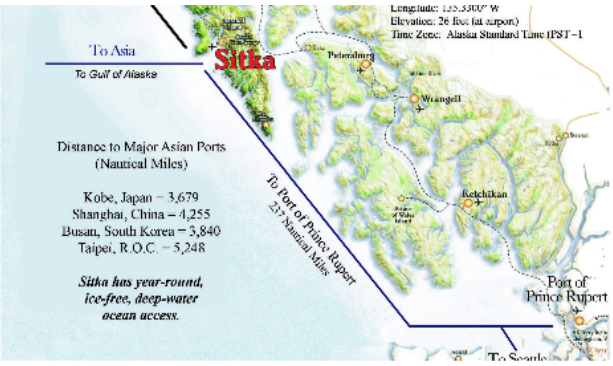
Sincerely

Jeremy Serka
Pacific Jewel Marine

Attachment C: GPIP Mission Statement

Mission Statement

It is the mission of the Gary Paxton Industrial Park board and management, by direction of the Sitka Assembly, to strategically develop the park in a fiscally responsible manner that maximizes its economic benefit to the community through creation of meaningful jobs that conform with established community plans and policies.



Guiding Principles of GPIP

1. Preserve public access and marshaling areas to the waterfront, as it is the most commercially viable waterfront left in Sitka.
2. Make lease, buy/sell or other land use decisions based on the mission of the Park – to create family wage jobs for Sitkans in a financially responsible manner.
3. Consistent with principles 1 & 2, identify and minimize negative cash flows to the City from the operation of the Park.

Attachment D" City General Code for Non -competitive bid

18.15.010 Real property disposal.

confirmed and ratified and voter ratification required under the former ordinance is waived. (Enactment date September 27, 1983.)

D. The lease of any municipal property on a temporary basis may be made by the administrator upon motion of the assembly without ordinance. Temporary shall be defined as any lease terminable at the will of the municipality where no more than 30 days' prior notice of intent to terminate is required.

E. Sale or lease of municipal real property, including tidelands, shall be by competitive bid, unless the assembly finds that competitive bidding is inappropriate, due to the size, shape, or location of the parcel, rendering it of true usefulness to only one party, or is waived by subsection C of this section. The assembly may also find that competitive bidding is inappropriate due to the nature of the property or the circumstances surrounding its disposal to include possible unjust results with regard to the existing lessee, or adjacent or neighboring property owners.

F. When it is deemed advantageous to the municipality, it may trade uplands or tidelands for other land of approximately equal size or value. Should the municipal property in question be of such value as to permit an advisory vote, an advisory vote may be authorized by the assembly, and the requirements and procedures concerning such election shall apply.

G. The administrator is authorized to sign all municipal lease and conveyance documents. (Ord. 18-29 § 4, 2018; Ord. 99-1545 § 4, 1999; Ord. 93-1141 § 4, 1993; Ord. 92-1110 § 4, 1992; Ord. 92-1026 § 4, 1992; Ord. 83-556 § 4, 1983; S.G.C. § 18.12.010.)

Attachment E: Lease of Lot 9B to Sitka Science Center 12/12/ 24

329 Harbor Drive, Suite 212
Sitka, AK 99835
Phone: 907-747-2660

Thursday, December 12, 2024

MEMORANDUM

To: Gary Paxton industrial Park Board of Directors (GPIP Board)

From: Garry White, Director

Subject: Sitka Sound Science Center Lot 9b Lease Request

Introduction
Sitka Sound Science Center (SSSC), a Sitka non-profit, requests a short-term lease of lot 9b to store and sort marine debris. Please see the attached lease proposal. The proposed lease will be on a month-to-month term.

Property
Lot 9 is a 7,583 SF parcel of property located adjacent to lot 5 (former bottling plant), across the road easement to the GPIP Dock.

Lot 9b was valued in 2018 at $43,500 or $5.74/SF. Traditionally, raw property in the GPIP has been leased at a 9% return of asset value.

Rent

$43,500 @ 9% = $3,915 annually or $326.25/month

Action
• Board discussion and approval of Sitka Sound Science Center lease proposal.

Jeremy Serka

Pacific Jewel Marine
4500 Sawmill Crk
Sitka, Ak 99835

Gary White
Sitka Economic Development Association

Dear Mr. White,

Pacific Jewel Marine manages the warehouse at 4500 Sawmill Creek Road within the Gary Paxton Industrial Park, we are looking for a long-term lease of lot 9b. Our building houses many contractors and vessel owners that are anticipating the opportunity to work on large vessels next to the building. Currently we are in the process of designing and funding a covered boat house that will be built along the waterside of the building. This new boat house will need access from the main yard for a travel lift or trailer to transport the boats. Unobstructed access through lot 9b is critical for maneuvering a large trailer with boat and towing vehicle. The towing vehicle and trailer could easily reach lengths of 80 feet or more and therefore requires a broad turning area, which only lot 9b can provide.

Beyond the boat house there are several other reasons we would like to lease lot 9b. The lot borders the warehouse's property on two sides, and the street makes up the other two sides of the lot. The proximity to our property and its isolation from the rest of the park make lot 9b difficult to distinguish from the rest of the park and hence we get a lot of pedestrian traffic thinking the lot belongs to us or vice versa; parking on our property while thinking that it is an extension of lot 9a.

I understand that the GPIP board and the assembly may both need to approve this lease. I believe that our boat repair operation and plans for lot 9b are a perfect fit for the mission of the Gary Paxton Industrial Park. We are creating year-round living wage jobs that support other viable businesses here in Sitka. I ask that the board weigh in our current investment in the community while considering this lease.

Sincerely

Jeremy Serka
Pacific Jewel Marine

329 Harbor Drive, Suite 212
Sitka, AK 99835
Phone: 907-747-2660

Friday, April 11, 2025

MEMORANDUM

To: Gary Paxton industrial Park Board of Directors (GPIP Board)

From: Garry White, Director

Subject: Silver Bay Seafoods – short term lot 9c lease

Introduction
Silver Bay Seafoods (SBS), a local seafood processing company, requests a short term lease of 10,000 SF of lot 9c to located six camper trailers to house temporary employees for the summer. The lease will be from May 1st – the end of September. SBS understands that this area is part of the Phase 2 haul out development and this will be the last year they will be able to lease the property.

Background
Lot 9c was leased for the same purpose to SBS on a short-term basis for the last nine summers and prior to that to Barnard Construction for temporary housing during the Blue Lake Dam Expansion Project. The lot still has water and electrical utilities available on the lot.
The sewer infrastructure is available.

Property
Lot 9c is a 34,636 SF parcel of property located adjacent to lot 12a in the center of the park.
SBS is looking to house 6 camper trailers and would need - 10,000 SF of property.

Proposed rent for this summer is $453.49/month.

Additional Information
• SBS would be responsible for all utilities, including providing sewage grinder pump if needed.

Action
• Board discussion of Silver Bay Seafoods' proposal.

329 Harbor Drive, Suite 212
Sitka, AK 99835
Phone: 907-747-2660

Friday, April 11, 2025

MEMORANDUM

To: Gary Paxton Industrial Park (GPIP) Board of Directors

From: Garry White, Director

Subject: K&E Alaska Inc. Lot 15 Short Term Lease Request

Introduction
K&E Alaska Inc. (K&E) is requesting to lease a 15,000 SF (150' x 100') portion of Lot 15 for staging materials for an upcoming CBS water project. K&E would like to lease the property starting May1st until late summer 2025 on a month-to-month basis.

Background
Lot 15 is 113,369 SF parcel of property located in the center of the GPIP property.

Lease Terms
K&E proposes to lease a 15,000 SF portion on a month-to-month basis.

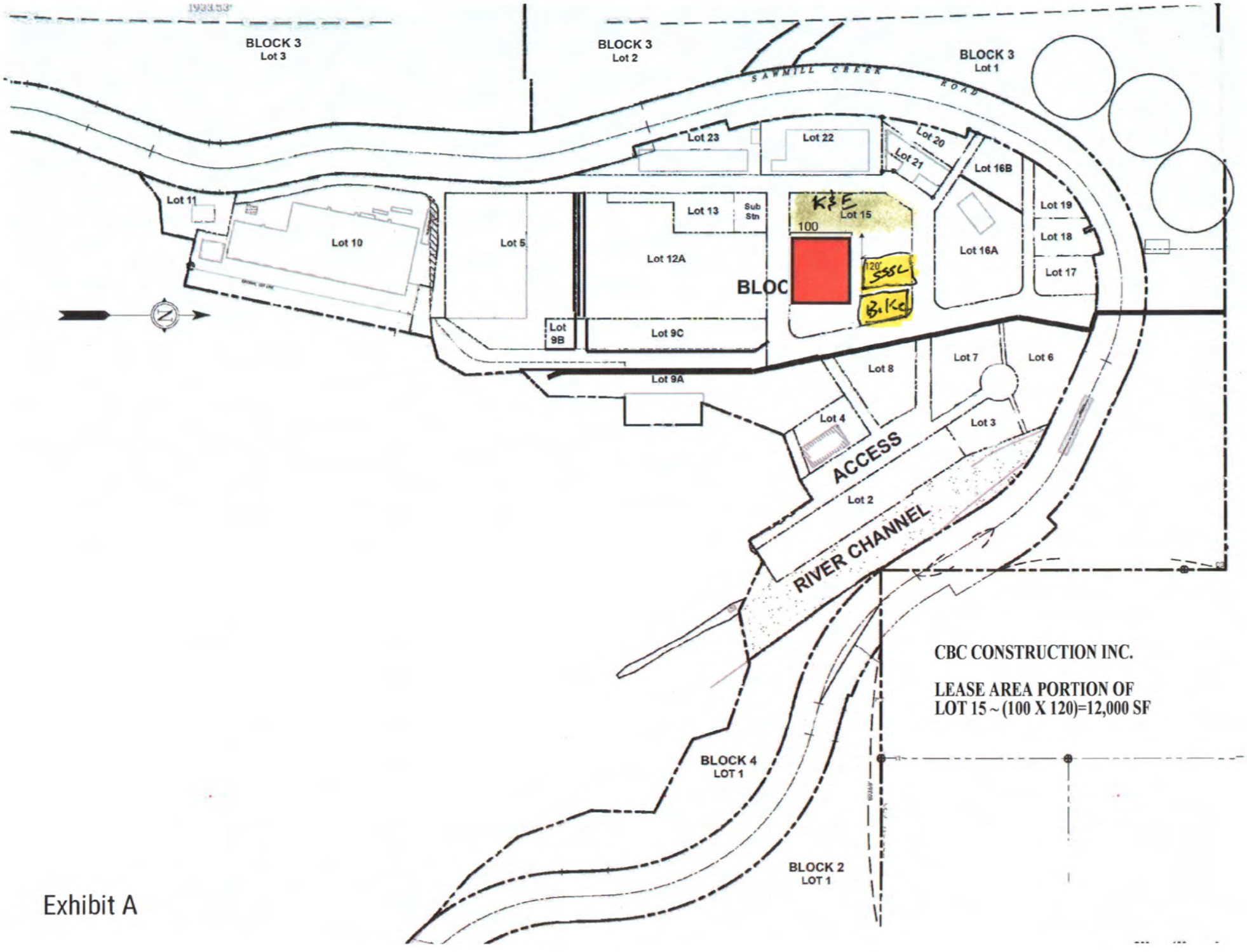
Lot 15 has an assessed value of $509,700. $509,700 @ 9% = $45,873 or $0.405/SF/YR

15,000 SF of property @ $0.404/SF/year = $6,060/year or $505/month

All other standard lease requirements will be included in the lease.

Action

- GPIP Board discussion and recommendation on a month-to-month lease to K&E for a portion of Lot 15.



CBC CONSTRUCTION INC.

LEASE AREA PORTION OF
LOT 15 ~ (100 X 120)=12,000 SF

Exhibit A