

**Gary Paxton Industrial Park – Board of Directors Meeting
January 14, 2021 3:00pm – Harrigan Centennial Hall**

- A. CALL TO ORDER:** The Chair, Scott Wagner, called the meeting to order at 3:00pm
- B. ROLL CALL**
- Members Present:** Scott Wagner, Vaughn Morrison, Mike Johnson, Chris Ystad
- Members Absent:** Jamal Floate
- Staff Present:** Garry White, Makena Hardwick
- City Representatives:** Thor Christianson (Assembly Liaison), John Leach (Administrator), Brian Hanson (Municipal Attorney)
- Others Present:** Jeremy Serka, Richard Wein, Jeff Farvour along with Stan Eliason, Robert Woolsey and Michael Harmon via Zoom.

C. Review of Minutes – December 15, 2020

- Motion:** M/S Morrison/Ystad to approve the minutes of December 15, 2020
Action: Motion Passed 4/0 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 Port Tariff Adjustments

Mr. White introduced this topic and brought up the previous discussion to add more to the Tariff at the last meeting. Under item 250 (h) there is a fee for cargo containers, it is a security surcharge of \$0.58 per ton. Mr. White recommended removing this fee as it tailored more towards larger ports.

A correction to the information in the packet was made: \$1.50 per foot for the access ramp fee

Motion: M/S Johnson/Ystad move to Remove item 250 (h) from the Port tariff

Action: Passed (4/0) on a voice vote

Board's Suggested definition:

Anything large enough to require a forklift to bring down to the dock should be charged. This could be added to the definitions section in the tariff.

Stan Eliason spoke to the board regarding this. He said that the forklift exclusion would be easy to implement.

Motion: M/S Johnson/ Morrison move to exempt fishing gear and consumables under 30 sq. foot in area from the fee for moving items across the dock

Action: Passed (4/0) on a voice vote

Mr. Johnson asked Mr. Eliason if there is a way in his office to identify boats that are local and those that are not.

Public Comment:

Richard Wein: In the past, there was a different charge for individuals who had moorage addresses in Seattle, at the time there were issues with the Federal Government for differential charges.

Motion: M/S Johnson/ Morrison move to only exempt local processor's fishing gear and consumables under 30 sq. foot in area from the fee for moving items across the dock

Action: Passed (4/0) on a voice vote

2. GPIP Haul Out RFP

Mr. White presented a summary on the RFP. Mr. White told the board what was discussed at the assembly meeting. Change time from 90 days to 60 days, change project scope. Assembly suggested that certain items be changed to "aspired" rather than "required". Discussion on ability to sell the property, and discussion on adding more city funding, and then discussion on preference for long-term leasing.

The City planning director said a few tools could be implemented, including a zoning overlay, and a covenant on the deed of trust.

Mr. Christianson mentioned that the hang up at the assembly meeting was on how to articulate that a long-term lease was preferred. He recommends bringing a few options to the assembly and allowing them to choose between those options.

The RFP will be brought back to the assembly on the 26th.

Public Comment:

Jeremy Serka: Private industry can be met in the middle with the City to get it done. Trailers do not bring in profit and though it would be feasible it will drive many boats to go elsewhere for work to be done.

Richard Wein: Need to think about how to involve the local community. It needs to be an open process. Low interest rates make it feasible. The process has been distorted, the economic fund could be used to pay interest fees. Certain land should never be sold so that the City can maintain control of the future potential.

Jeff Farvour: Brought up how the task force has been learning from experience. He also agreed that long-term leases are what people want and what will be good for the City.

Board Discussion:

Mr. Leach stated that when they started the process over in September the task force was created to verify that each step was done properly so that it will be correct when it is presented to the assembly.

Kevin Knox, John Leach, Michael Harmon, Thor Christianson, Garry White and sometimes Brian Hanson are on the task force for the haul out.

I. New Business-

1. GPIP Landfill Assessments Funding

Mr. White provided an overview of a documented old APC landfill on Block 4, Lot 1 and a newly discovered APC landfill on Block 3, Lot 1. APC worked with the State and reclaimed the landfill on Block 4, Lot 1. Water flow was diverted around the landfill and a concrete cap was placed on the top of the landfill. The CBS is required to monitor the landfill. Stability monuments appear to be moving. The State DEC is requesting that a geotechnical assessment be completed to determine with the land cap is moving or the entire landfill. An amount of money was set aside for GPIP environmental contingency fund. \$135,000 is requested to fund the geo survey and assessment.

Michael Harmon stated that some challenges include that the Block 3, Lot 1 landfill was not a documented landfill so there is no knowledge of what was put in the landfill. CBS PW is requesting a budget of \$135,000 to investigate this landfill.

Motion: M/S Morrison/Johnson move that FY22 Capital budget of \$270,000 to come out of the environmental contingency fund for GPIIP landfill assessments.

Public Comment:

Richard Wein: Would like to know how much the balance of the fund is currently.

Mr. White stated that \$640,000 is the current balance of the environmental contingency fund.

Action: Passed (4/0) on a voice vote

2. Sitka Salmon Shares GPIIP Dock Proposal

Mr. White introduced this topic. Sitka Salmon Shares would like to set up a crane and 40' freezer truck on the dock. The lease rate will be \$1,000/ month. They are also being charged wharfage and moorage. If we lease this dock a chunk will no longer be available to the public. The harbormaster can move their items if need be.

Mr. White recommends that they do not lease the area but have a written agreement that they can use the space to store their gear and to make it a month to month agreement. No negative feedback was received from the public about this space being used last year. Mr. White recommends putting them on a meter to see how much electricity they are using.

Public Comment:

Richard Wein: It is a multi-use dock and no one should use the dock in a way that could inhibit other users. They need to be mobile and flexible in its use.

Motion: M/S Johnson/Morrison Move that we approve a month to month use agreement with Sitka Salmon Shares for a rate of \$1,000 a month and that they must hook up to their own meter.

Action: Passed (4/0) on a voice vote

3. Delta Western Request

Mike Johnson recused himself from this discussion topic.

Mr. White introduced this topic. He gave a summary of the past and current use of the GPIIP dock by Delta Western. Mr. White recommends that we do not lease the whole area, but a portion of the area. And do not block access to the raw water pipeline. Delta Western would like to add a separate tank. A 9% ROI on the land would give GPIIP an additional \$225.60 in revenue from Delta Western per month. The current lease has built in an additional revenue when a certain amount of fuel is reached. It is currently a month-to-month, but they would like to make it a 5-year lease.

Mr. Johnson, as a member of public, responded to a question about the reasoning behind this decision from Delta Western. The reasoning was to maintain access. Delta Western would like to have things stored in a container so that items do not blow away and will not be taken by animals. Other options could also benefit them. Including not having the lower area.

John Leach asked if any local competitors stated interest in this, and a competitive bid may be necessary.

Brian Hanson said if you bring it to the assembly for a 5-year lease it will need to either be put out in a competitive bid or a determination that it would be inappropriate to do a competitive bid for this item be made.

Public Comment:

Jeremy Serka: The right corner is a potential spot for a travel lift. There are other areas that could work for Delta Western's purpose.

Mr. Johnson said that a month-to-month agreement would not be a deal breaker for Delta. If it would be faster to do month-to-month that would be preferred to meet deadlines for development.

The area was modified from the original request to be for the 70' to 38' area of lot A.

Motion: **M/S Morrison/Ystad** Move to approve a month-to-month agreement for 70'x38' area of lot A at a rate of \$159.60 per month for Delta Western.

Action: **Passed (3/0)** on a voice vote

4. CS Enterprises Block 4, Lot 1 Lease Proposal

CS Enterprises would like to build a Sawmill on 20,000 SF of GPIIP land in Block 4, Lot 1. The State DEC must approve any plan put in place for construction. Certain restrictions must be put in place. The value of the land is \$0.38 per sq. foot. Would prefer upfront payment to avoid having to collect a small sum once a month. The area they have selected is attractive to them because of the road access.

Suggestion: Pass a resolution to lease them an area contingent on DEC approval.

Mr. Harmon- resolve this landfill issue and see where we are at before putting a sawmill in place that could disturb the situation more.

This item was tabled.

5. Bulk Water Pipeline Repair

Scott Wagner recused himself and passed the chair duties onto Vaughn Morrison.

Mr. White introduced this item. The bulk water pipeline has sprung two leaks this winter. NSRAA has done a short-term solution. A long-term solution and full fix is still required. Currently NSRAA is using this water to keep their fish alive at the hatchery. The repairs would need to wait until the fish leave in May. NSRAA has estimated a budget for the fixes of \$74,000. Raw Bulk Water fund to be used instead of the GPIIP fund. NSRAA wish to take the lead on designing the repair and get it approved by CBS.

Public Comment:

Jeremy Serka: considered fixing the outlets? Most of the cost is in repairing the bulk water line.

Mr. White stated that the only solution available is to replace the T pipe completely

Chris Ystad stated that he is a member of the NSRAA board, but does not see a conflict in him voting on this topic.

Motion: **M/S Johnson/Ystad** Move to approve a budget of \$74,000 in the FY21 GPIIP capital budget. Funds for the project should be taken from the CBS Raw Water fund.

Action: **Passed (3/0)** on a voice vote

J. Adjournment: The Chair, Scott Wagner, adjourned the meeting at 4:40 pm