



**BOARD OF DIRECTOR'S MEETING**

**THURSDAY, DECEMBER 14, 2023 - AGENDA**

**3:00 PM**

**Room 6 Harrigan Centennial Hall**

**Regular Meeting**

**3:00 PM**

<b><u>Item</u></b>	<b><u>Action</u></b>
A. Call to Order	Acknowledge
B. Roll Call	Acknowledge
C. Review of Minutes	Motion to Approve
<b>NOVEMBER 13TH, 2023</b>	
D. Correspondence & Other Information	Acknowledge/Questions
E. Changes/Additions/Deletions to Agenda	Change/Add/Delete
F. Reports	
G. Persons To Be Heard	
H. Unfinished Business	
1. GPIP Haul Out Operations Discussion	Discussion/Recommendations
I. New Business	
1. GPIP FY2025 Budget	Discussion/Recommendations
2. Sitka Salmon Shares Lot 4 Short Term Rental	Discussion/Recommendations
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  
November 13th, 2023 3:00 pm  
Room 6, Centennial Hall**

- A. CALL TO ORDER:** The Chair, Scott Wagner, called the meeting to order at 3:01 pm
- B. ROLL CALL**
- Members Present:** Scott Wagner, Mike Johnson, Chad Goeden, Lauren Mitchell, Casey Campbell
- Members Absent:** None
- Staff Present:** Garry White
- City Representatives:** Chris Ystad, John Leach, Michael Harmon
- Others Present:** Members of the public, PND (via Zoom)
- C. Review of Minutes – June 22, 2023**
- Motion:** M/S Campbell/Goeden to approve the minutes of June 22, 2023  
**Action:** Motion Passed 5/0 on a voice vote
- D. Correspondence & Other Information-** None
- E. Changes/Additions/ Deletions to Agenda-** None
- F. Reports –** Mr. White gave a brief report. He stated the GPIIP Dock will be going from 14 to 25 ports of call next year. There is discussion about how to ensure this can remain a working dock while still gaining revenue from cruise lines. As this continues to grow, we will revisit the tariff and see if the board wants to change anything, he stated. Mr. Campbell suggested having this schedule made public in advance would be helpful for those wanting to plan boat work schedules in advance.

Mr. White then discussed how the CBS has entered into a purchase agreement with Sayak Logistics to repurchase the building and lot 4 of the GPIIP. 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 leftover 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. He also stated that any additional property leases and/ or sales inquiries at GPIP are on hold until the haulout is further along. These are all on hold until the haulout is completed, there will have to be an RFP process to bid them out if the board choses to take yard space into lease space.

Mr. Johnson added that there is some garbage from washers and dryers to couches and mattresses accumulating at GPIP and should be addressed whether we add cameras or lighting to avoid the dump effect and the city could fine them. Let's add this to future discussions.

**G. Persons to Be Heard- None**

**H. Unfinished Business –**

**1. GPIP Haul Out Development Discussion**

Mr. White explained the total funding allocated for this project is \$9,281,040 (\$8,181,040 from the proceeds on the sale of the Sitka Community Hospital property, \$100,000 appropriated towards the development in 2021, and \$1 million dollar grant from Denali Commission). 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.

Recommended additive alternatives is 682,000. To complete the additive alternative items remaining in phase 1 an estimated \$5.8 million will be needed. 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 \$15 million dollar range.

Mr. Harmon reviewed the Geotech findings, specifically that the depth of boreholes which were 80 feet deeper than anticipated, which will require additional funding for larger pilings. He shared the modified concept design #4 via power point at length. There was a long discussion regarding the pros and cons between the standard and variable lifts and how that fits into the budget. Primary risk being it is a new concept. The Board discussed everything including boat hoist upgrades, permanent concrete washdown, anodes, yard transporters, utility building, and more. More discussion is required and can revisit. Mr. White stated a decision on the wash down pad and vessel lift needed to be made soon to

allow for a 35% design and to make lead-time in ordering a lift. The Board made the following motion.

**Motion:** **M/S Campbell /Mitchell** to move forward with a standard travel lift and permanent washdown pad.

**Action:** **Motion Passed 5/0** on a roll call vote.

Mr. White will work with CBS to see if we can get electric added to an amended charter. The board agreed it was a critical line item that needed to continue to be discussed as the process progresses.

## **I. New Business-**

### **1. GPIP Haul Out Operations Discussion**

Mr. White discussed the potential revenues and expenses of operating the haulout. Then he discussed different operational models from other haul outs in Alaska including Wrangell and Kodiak. Greg Meissner, former Wrangell Harbor Master provided rationale on why Wrangell chose a city run facility. The following reasons were given; the city owns the land, city insurance would be more affordable and no preferential treatment. The Wrangell Harbor Dept. took on the haulout with 5 people to start bouncing between the harbor and haulout, 19 years later we have two full time operators and that works for us, he explained. The Wrangell harbor office is funded partly by the boat yard for accounting and scheduling.

Mr. Leach would also like to add for consideration that this was a service investment with community dollars, I think public oversight is important. We have a GPIP Board and Ports and Harbor Commission and a contractor that was budgeted for this year to help us further investigate. It could be managed by the city government could contract out specific needs, but it should be managed by CBS.

Jeremy Serka, provided public comment that Kodiak went private because of cost. If Sitka does go private, we have until about spring to get RFP's out Mr. White stated. This conversation will continue at further meetings.

### **2. Tourism Task Force Discussion**

The GPIP Board had a discussion about GPIP's place in tourism, especially as more cruise ships dock there. This discussion will be continued at future meetings.

## **J. Adjournment**

**Motion:** **M/S Campbell/Johnson** move to adjourn the meeting at 5:15 pm

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

December 7, 2023

MEMORANDUM

TO: GPIIP Board of Directors  
FROM: Garry White, Director  
SUBJECT: Gary Paxton Industrial Park (GPIP) Management Report

**1. GPIIP Dock**

The GPIIP Dock was open for business in 2018. GPIIP 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 GPIIP 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.

Recent discussion with Cruise Line Agency, which provided port security for the dock this past summer, suggests that a potable water line, a cell phone booster, and storage for their x-ray machine would be beneficial for operations in the future.  
**(11/08/23)**

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

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 GPIIP staff developed a GPIIP Vessel Haul Out Development Project Charter (attached) that outlines the project goals, project scope, and timeline for moving the development forward. The GPIIP 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 GPIIP 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)**

### **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 30<sup>th</sup> 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)**

### **5. Bottled Water**

The Director continues to receive inquires for bottled water. **(02/07/2023)**

## **6. Blue Lake Dam Expansion Project**

The Assembly has approved a MOA between the GPIIP and Electric Department to allow the GPIIP 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 GPIIP Director has met with the CBS Electric Director regarding leveling out the above lots for future leases or sales at the GPIIP. **(03/22/2021)**

## **7. GPIIP Dock Fuel Sales**

Delta Western has received its build permit to establish a fueling operation on the GPIIP 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 GPIIP dock. **(11/12/2019)**

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

## **8. GPIIP Overall Management**

CBS Administration and the GPIIP Director toured the park and have talked to tenants about cleaning up various lots at the park. **(05/03/2021)**

The GPIIP Director and CBS Administration has implemented a plan to remove the junk vehicle from the GPIIP site and ensure that future dumping activity does not continue. **(11/30/2021)**

The GPIIP Director is working on establishing a budget estimate for a GPIIP Dock Crane and additional security cameras at the GPIIP. **(01/25/2022)**

All junked cars have been removed from the GPIIP properties. The GPIIP Director is working on plans to provide additional site security and deterrents to future dumping of junk at the park. **(06/14/2022)**

A security structure has been built and rebuilt at the GPIIP to support cruise ships calling on the port. **(08/30/2022)**



329 Harbor Drive, Suite 202  
Sitka, AK 99835  
Phone: 907-747-2660

Monday, November 6, 2023

MEMORANDUM

To: Gary Paxton Industrial Park (GPIP) Board of Directors  
From: Garry White, GPIP Director  
Subject: GPIP Haul Out Operations Discussion

**Introduction**

The GPIP Board and the CBS have been working on vessel haul out development concepts since the GPIP properties were acquired. The CBS is now moving forward with the development of a haul out facility and shipyard at the GPIP.

The GPIP Board will need to make a recommendation on how the haul out facility will be operated. One option is for the haul out to be operated by the CBS as similar communities, such as Wrangell. Another option is for various operations at the haul out to be contracted out to a third party, such as the Kodiak facility.

The first part of this memo will look at potential revenues and expenses of a GPIP Haul Out operation. Potential cash flow should be part of the analysis.

The second part of the memo will discuss different operational models from other haul out facilities.

**Background**

The GPIP Board and CBS have been working on vessel haul out development concepts since the GPIP properties were acquired. The CBS has repeatedly included marine haul out infrastructure requests in both its Federal and State Legislative Priorities. The CBS applied for a USDOT Grant in 2020, 2021, 2022 and plan to apply for future grant opportunities. The CBS was awarded a Denali Commission Grant in 2023.

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 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).

**Construction Fiscal Note**

Total funding allocated for this project is \$9,281,040 (\$8,181,040 from the proceeds of the sale of the Sitka Community Hospital property, \$100,000 appropriated towards the development in 2021, and \$1 million dollar grant from Denali Commission). 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 2023 meeting.

The GPIIP Board will be discussing additive alternates to the base bid at their November 13, 2023 meeting to add back into the base bid with the award of the Denali Commission grant funds.

**Potential Haul Out Revenue**

The following is a basic analysis of potential revenues for a GPIIP haul out based off data from similar haul out facilities.

**Sitka Historic Haul Out Revenues**

Halibut Point Marine Services LLC (HPM) was the main local haul out facility in Sitka from the 1980’s until March 31, 2022. The GPIIP Director contacted HPM and obtained historic haul out revenues for their operation for the years 2015-2019.

- Average haul out revenues was ~\$165,000 annually. (\*Rate is based on \$18 per foot for round trip haul out)
- Average work area storage was ~\$55,600 annually. (\*Rate is based on \$1.95 per foot per day)
- Average long term storage was ~ \$35,700 annually (\*Rate based on \$12 per foot per month)

Total Average Revenue = ~\$256,300 from haul outs, work area, and long-term storage.

**Wrangell Historic Haul Out Revenues**

The following revenues came from the City of Wrangell budget reports on their website.

	2018	2019	2020	2021	2022	2023
Travel Lift Fees	\$199,161	\$178,457	\$136,503	\$201,349	\$204,193	\$161,537
Environmental Fees	\$4,110	\$4,020	\$2,865	\$2,094	\$2,010	\$9,388
Long Term Storage	\$55,220	\$63,711	\$93,783	\$111,698	\$92,562	\$112,604
Work Area Storage	\$115,449	\$79,875	\$91,538	\$64,975	\$93,113	\$135,433
yard leases	<u>\$54,789</u>	<u>\$42,994</u>	<u>\$55,198</u>	<u>\$59,695</u>	<u>\$61,081</u>	<u>\$59,915</u>
<b>Total Revenue</b>	<b>\$428,729</b>	<b>\$369,057</b>	<b>\$379,887</b>	<b>\$439,811</b>	<b>\$452,959</b>	<b>\$478,877</b>

Wrangell published haul out fees.

V. Marine Service Center Rates and Fees	Travel Lift Haul Out Rate (per foot)	0 - 40 feet	\$ 13.64	\$ 13.92	\$ 15.46	
		41 - 58 feet	\$ 15.00	\$ 15.30	\$ 17.00	
		59 - 75 feet	\$ 16.26	\$ 16.59	\$ 18.43	
		76 - 90 feet	\$ 18.76	\$ 19.14	\$ 21.26	
		91 - 120 feet	\$ 21.26	\$ 21.68	\$ 24.09	
		121 - 140 feet	\$ 23.78	\$ 24.25	\$ 26.94	
		141 feet and up	\$ 25.91	\$ 26.43	\$ 29.36	
		Travel Lift Minimum (Hourly Rate)	150-ton per hour use	\$ 360.00	\$367.20	\$ 407.96
		300-ton per hour use	\$ 600.00	\$612.00	\$ 679.93	
		Environmental Fee	Per foot	\$ 1.00	\$ 1.02	\$ 1.13
		Short Term Monthly Storage	Per square foot/per month	\$ 0.59	\$ 0.80	\$ 0.89
		Long Term Monthly Storage	Per square foot/per month	\$ 0.37	\$ 0.55	\$ 0.61
		Long Term Monthly Storage After 12 Consecutive Months	Per square foot/per month	\$ 0.74	\$ 1.10	\$ 1.22
		Inspection Hoist Fee	First 2-hours: 60 percent of haul out rate			
		Round trip	\$ 10.46	\$ 10.67	\$ 11.85	
		One-way (per foot)	\$ 5.23	\$ 5.33	\$ 5.93	
		Hydraulic Trailer Fee	Minimum Fee	\$ 250.00	\$255.00	\$ 283.31
		Off-site Transportation	one-way fee plus travel time at \$350/hour			
		Long-term Storage Reservation Fee	\$ 100.00	\$102.00	\$ 113.32	
		Business Lease Rates	***The marine service center business lease rates are not included in this fee and rate schedule as each lease agreement and its terms operate independent of any rates/fees presented in this schedule.			

In January 2022 had the Wrangell Marine Service Center 30-year Cost-Benefit Analysis completed. <https://www.raincoastdata.com/wp-content/uploads/2022/06/Wrangell-Marine-Service-Center-Business-Assessment.pdf?dc6de5&dc6de5>

The report suggest that Wrangell will need to raise its fees to meet operational costs.

### **GPIP Haul Out Estimate Revenues**

*\*The analysis below is a very rough estimate based off data from similar haul out facilities. A more in-depth study could be completed with detailed market analysis. This estimate is for discussion purposes only.*

The following analysis considers the following assumptions:

- Lift Fees
  - Haul out fee = \$18/foot
  - 9,168 feet of vessels hauled annually
    - 5 year average feet hauled annually at the HPM facility
  - Environmental fee = \$1/foot

Based off the assumptions above, estimated lift fees could earn \$165,024 in haul out fees and \$9,168 in Environmental fees for a total of \$174,192 in total lift fees.

- Work Area Storage fee
  - Daily fee = \$1.95/foot
  - 55,008 feet of vessels stored annually in working area storage
    - Estimated 9,168 feet of vessels hauled annually with vessels staying in yard 6 days.

Based off the assumptions above, estimated work area storage fees could earn \$107,266 in storage fees.

- Long Term Storage
  - Monthly fee = \$12/foot
  - Estimated 400 feet of vessels stored monthly in long term storage
  - Long term storage for 5 months

Based off the assumptions above, estimated long tern storage fees could earn \$24,000

Total estimate revenues for the GPIP haul out facility is \$305,458.

### **Estimated Haul Out Operational Costs**

The following is a basic analysis of potential operational costs for a GPIP haul out based off data from similar haul out facilities.

### **Wrangell Historic Haul Out Operational Costs**

The following operational costs came from the City of Wrangell budget reports on their website.

	2018	2019	2020	2021	2022	2023
Salaries	\$74,555	\$70,957	\$66,484	\$58,940	\$67,568	\$107,871
Benefits	\$49,538	\$52,044	\$55,330	\$29,496	\$31,217	\$31,285

Supplies	\$4,796	\$3,545	\$2,057	\$1,877
Facility Maintenance	\$11,184	\$12,736	\$12,305	\$2,091
Equipment Maintenance	\$16,883	\$1,847	\$40,498	\$27,949
Lift insurance			\$18,721	\$20,593
Fuel	\$3,988	\$6,074	\$9,560	\$7,460
<u>Utilities</u>	<u>\$15,350</u>	<u>\$15,626</u>	<u>\$12,121</u>	<u>\$14,270</u>
<b>Total Expense</b>	<b>\$174,015</b>	<b>\$128,264</b>	<b>\$194,047</b>	<b>\$213,396</b>

Reported cash flow from Wrangell Marine Center

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Total Revenue</b>	\$428,729	\$369,057	\$379,887	\$439,811	\$452,959	\$478,877
<b><u>Total Expense</u></b>			<u>\$174,015</u>	<u>\$128,264</u>	<u>\$194,047</u>	<u>\$213,396</u>
<b>Net Profit</b>			\$205,872	\$311,547	\$258,912	\$265,481

### **GPIP Estimated Operational Costs**

*\*The analysis below is a very rough estimate based off data from similar haul out facilities. A more in-depth study could be completed with detailed market analysis. This estimate is for discussion purposes only.*

The following basic estimate was derived from researching HPM and Wrangell operational costs.

*(Costs to manage environmental reporting and actions were not considered in analysis, as historic data is not available. Additional costs for environmental management will increase operational costs.)*

Salaries & Benefits	\$160,000
Liability Insurance	\$25,000
Lift and Pier Insurance	\$20,000
Equipment Maint	\$25,000
Yard Maint	\$10,000
Supplies	\$5,000
Fuel	\$15,000
Garbage	\$15,000
<u>Utilities</u>	<u>\$25,000</u>
<b>Total Expense</b>	<b>\$300,000</b>

Estimate cash flow from the future GPIP Haul Out.

<b>Total Revenue</b>	\$305,458
<b><u>Total Expense</u></b>	<u>\$300,000</u>
<b>Net Profit</b>	\$5,458

### **Haul Out Operational Models**

#### **Wrangell Marine Service Center**

The Wrangell Marine Service Center is operated by the City of Wrangell.

The following issues were discussed by commissions and city councils that lead Wrangell to choose a city operated haul out instead of contracting operations out to a third party:

1. Oversight of public haul out.
  - A city operated haul out allows for governance of operations via Boards and Assembly
  - Public oversight allows for fair and equitable use of the facilities of all users
    - No gear class or customer is favored or another.
    - Potential Subleases are done competitively via a bid process.
  - Haul out user fees are regulated by municipal bodies and not decided by a third party.
  - Facility reputation
    - City oversight allows agreements to be crafted to allow the city to terminate agreements with marine service providers that are not providing quality work or not providing services as advertised.
    - Ability to ban bad actors in the marine service providers.
  - Public funds were used to fund construction of haul out. Public should have oversight of operations of facility they funded to develop.
  - Public oversight ensures that facility operates as a public haul out.
2. Environmental Risk
  - A city run facility has a better ability to control environmental risks
  - Citizen's investment is better protected.
3. Safety Risks
  - A city run facility allows for better safety regulations.
  - Multiple other tenants of the GPIIP have adjacent property to the haul out yard; a city run yard allows a forum for other tenants to address issues in a public forum.
  - Wear and tear on CBS owned infrastructure is controlled better by city run facility

## **Kodiak Shipyard**

Highmark Marine Fabrication via a Marine Travel Lift Operator Agreement operates the Kodiak Shipyard for the City of Kodiak. *(Please see attached agreement)*

Kodiak Shipyard started out as a city operated facility and switched to a contracted operation.

The Ports and Harbors Director of Kodiak suggests that the contracted operation is working well for the city and the haul out is busy. This model has public oversight and private operation.

Contract agreement terms:

- Term is for 5 years with annual review by the city.
- The city provides the equipment and facility to the operator.
- The contractor has non-exclusive right to all of the shipyard facilities.
- Operator is responsible for haul out and shipyard haul out services.
  - Shipyard services are detailed in Exhibit A of the agreement
- City sets the rates for shipyard haul out services via city council.
  - Shipyard rates are detailed in Exhibit B of the agreement.
- Contractor pays the City \$5,000 per month plus 15% gross receipts.

Pros of this model:

- Contractor is incentivized to conduct more business.

- City does not need to staff or perform shipyard services, including billing.
- Other business can use the yard outside of defined shipyard services.
- A public oversight board sets rates.

Cons of this model:

- Current shipyard haul out services fees are set much higher than the average costs in Sitka and Southeast Alaska.
- City is still responsible for oversight management and various other facility operations.
- City is still responsible for environmental issues at the facility and environmental management and reporting.

**Action**

- GPIIP Board discussion on GPIIP Haul Out operations.

## City & Borough of Wrangell

## Position Description

Position: Marine Service Center and Harbor Team Leader	Type: Permanent, Full-Time
Department/Site: Harbor Department	FLSA: Non-exempt
Reports to/Evaluated by: Harbormaster	Salary Grade: 19

### Summary

Performs daily management of the Marine Service Center and Port Yard. Schedules vessel haul-outs, operates the yard equipment and dictates traffic flow and yard usage with all users. Performs "lead" duties in regards to Port and Harbor Staff. Performs duties as part of the Department of Homeland Security Port Security Plan.

### Distinguishing Career Features

The Marine Service Center and Harbor Team Leader is responsible for directing many of the staff in the Harbor Department. The position requires a certain degree of knowledge, experience, self directedness, and comfort delegating.

### Essential Duties and Responsibilities

- Operates and maintains boat hauling equipment.
- Organizes and schedules the hauling, launching and movement of vessels.
- Serves as on-site coordinator of boat yard/port yard.
- Coordinates traffic flow and yard usage with all customers.
- Enforces Yard Rules and promotes "Best Management Practices".
- Translates all relevant billable information to Harbor Office.
- Serves as the "Lead" position for all port and harbor staff. Creates project lists and gives job assignments as required.
- Works in other sub-departments of port and harbor when Marine Service Center is not running.
- Performs and enforces duties outlined in the Wrangell Port Security Plan.
- Serves as acting Harbormaster when assigned.

### Qualifications

#### ▪ **Knowledge and Skills**

Requires a working knowledge of the principals of vessel handling. Requires a working knowledge of hull types and the differences associated with hauling them. Requires working knowledge of the safety issues associated with boat yards. Requires working knowledge of boatyard Best Management Practices. Requires working knowledge of vessel blocking procedures. Requires working knowledge of container companies practices and procedures.

#### ▪ **Abilities**

Ability to operate, or learn to operate port equipment including but not limited to, boats, forklifts, loaders, hydraulic trailers, pressure washers, Travelift and other mechanical equipment. Ability to coordinate safe traffic flow within yard with all users. Ability to coordinate and schedule haul-outs, launches and any other boat yard activities. Ability to

communicate courteously and professionally to customers, coworkers and members of the general public.

- **Physical Abilities**

Ability to lift and carry 50 pounds. Ability to work in all weather conditions. Ability to work throughout all hours of the day.

- **Education and Experience**

High School Diploma or GED.

- **Licenses and Certificates**

Valid Alaska Driver's License. Valid CDL. Basic First Aid and CPR certificate or the ability to gain certificate within 6 months.

- **Working Conditions**

Work is performed outdoors in all weather conditions and at all hours.

*This job/class description, describes the general nature of the work performed, representative duties as well as the typical qualifications needed for acceptable performance. It is not intended to be a complete list of all responsibilities, duties, work steps, and skills required of the job.*

## City & Borough of Wrangell

## Position Description

Position: Marine Service Center Relief Operator	Type: Permanent, Full-Time
Department/Site: Harbor Department	FLSA: Non-exempt
Reports to/Evaluated by: Harbormaster	Salary Grade: 17

### Summary

The Marine Service Center Relief Operator daily routine includes but is not limited to safely operating multiple types of heavy equipment to move vessels and materials to designated work and storage areas. Schedules vessel haul-outs, operates the yard equipment and dictates traffic flow and yard usage with all users. Performs preventative maintenance on all Marine service Center equipment and buildings. Keeps daily OSHA logs for equipment compliance. Performs duties as part of the Department of Homeland Security Port Security Plan.

### Distinguishing Career Features

The Marine Service Center Relief Operator is responsible for making sure all equipment and blocking is kept in safe working order. Must be able to operate a 150 & 300-ton Mobile vessel crane and 40-ton hydraulic trailer. Must possess a high regard for safety in the workplace.

### Essential Duties and Responsibilities

- Operates and maintains boat handling equipment.
- Check equipment daily for proper fluid levels and general operation including hydraulic lines and fittings, forks and straps condition and report any maintenance/repair issues to Port and Harbor Director and Marine Service Center Leadman.
- Organizes and schedules the hauling, launching and movement of vessels.
- Serves as on-site coordinator of boat yard/port yard.
- Coordinates traffic flow and yard usage with all customers.
- Enforces Yard Rules and promotes "Best Management Practices".
- Translates all relevant billable information to Harbor Office.
- Organizes all yard equipment including blocking and boat stands.
- Properly secure vessels on hydraulic trailer
- Places keel blocks, boat stands and support blocks under vessels in accordance with size of vessel.
- Position hull support blocks and frames against boat bottom for vertical support.
- Works in other sub-departments of port and harbor when Marine Service Center is not running.
- Performs and enforces duties outlined in the Wrangell Port Security Plan.
- Serves as acting Port and Harbor Director and Marine Service Center Coordinator when assigned

### Qualifications

- **Knowledge and Skills**

Requires a working knowledge of the principals of vessel handling. Requires a working



knowledge of hull types and the differences associated with hauling them. Requires working knowledge of the safety issues associated with boat yards. Requires working knowledge of boatyard Best Management Practices. Requires working knowledge of vessel blocking procedures. Requires working knowledge of container companies' practices and procedures.

- **Abilities**

Ability to operate, or learn to operate port equipment including but not limited to, boats, forklifts, loaders, hydraulic trailers, pressure washers, Travelift and other mechanical equipment. Ability to coordinate safe traffic flow within yard with all users. Ability to coordinate and schedule haul-outs, launches and any other boat yard activities. Ability to communicate courteously and professionally to customers, coworkers and members of the general public.

- **Physical Abilities**

Ability to lift and carry 50 pounds. Ability to work in all weather conditions. Ability to work throughout all hours of the day.

- **Education and Experience**

High School Diploma or GED.

- **Licenses and Certificates**

Valid Alaska Driver's License. Valid CDL. Basic First Aid and CPR certificate or the ability to gain certificate within 6 months. Forklift Certificate

- **Working Conditions**

Work is performed outdoors in all weather conditions and at all hours.

*This job/class description, describes the general nature of the work performed, representative duties as well as the typical qualifications needed for acceptable performance. It is not intended to be a complete list of all responsibilities, duties, work steps, and skills required of the job.*



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

Tuesday, December 5<sup>th</sup>, 2023

## MEMORANDUM

To: Gary Paxton Industrial Park (GPIP) Board of Directors  
From: Garry White, Director  
Subject: FY2025 GPIP Enterprise Budget

### **Introduction**

Section 2.38.150 of the Sitka General Code states the following:

#### **2.38.150 Preparation and submission of a budget.**

The director shall prepare the budget in accordance with approved city and borough procedure and format and shall submit it to the board of directors for approval and recommendation to the assembly. The board of directors shall modify the budget as it deems necessary and forward it to the municipal administrator for transmittal to the assembly. The board shall annually prepare and submit to the municipal administrator a proposed six-year capital improvements program for submittal to and consideration by the assembly. (Ord. 00-1568 § 4 (part), 2000.)

### **Additional Information**

Attached is the following:

- Draft FY2025 operational budget

### **Capital Budget Suggestions**

The GPIP Director is recommending the following capital budget suggestions:

- Rollover of \$24,999 previous budgeted for the installation of a permanent potable water line attachment to the GPIP Dock
- \$10k for in the installation of second security camera in haul out yard area.

### **Action**

- Board discussion and approval of FY2025 operational and capital budget.



Contract services	\$97,171	\$95,445	\$96,623	\$106,839	\$97,521	\$91,848	\$112,725	\$47,433	\$181,725
landfill testing							\$3,600		\$3,600
ADEC oversight							\$1,500		\$1,500
SEDA contract							\$90,000		\$90,000
road maintenance							\$3,000		\$3,000
snow removal							\$3,000		\$3,000
Janitorial							\$0		\$0
electrician							\$3,000		\$3,000
surveyor							\$5,000		\$5,000
wastewater testing							\$0		\$0
sprinkler/alarm							\$0		\$1,500
stormwater testing							\$1,000		\$1,000
audit fees							\$2,625		\$2,625
dock management							\$0		\$67,500
Interdepartmental services	\$36,520	\$73,191	\$70,122	\$66,864	\$83,336	\$98,742	\$90,000	\$34,855	\$90,000
Legal Fees		\$5,276	\$30,208	\$522	\$23,341	\$1,704	\$5,000	\$0	\$5,000
Bad Debts		\$39,958	\$2,147	\$404	\$0	\$4	\$0	\$0	\$0
Vehicles	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tools/small equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$0	\$1,000
Advertising	\$651	\$202	\$0	\$457	\$0	\$0	\$1,500	\$0	\$1,500
Credit card expense	\$549	\$685	\$1,072	\$1,059	\$371	\$488	\$2,500	\$212	\$500
Interest Expense	\$6,472	\$4,854	\$3,236	\$1,618	\$0	\$0	\$0	\$0	\$0
Note Princial Payment	\$49,783	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Expense	\$683	\$85	\$1,032	\$0	\$0	\$0	\$1,000	\$0	\$1,000
<b>Total Operating Budget</b>	<b>\$244,021</b>	<b>\$279,503</b>	<b>\$244,472</b>	<b>\$220,088</b>	<b>\$254,132</b>	<b>\$229,667</b>	<b>\$284,225</b>	<b>\$106,279</b>	<b>\$554,425</b>