

BOARD OF DIRECTOR'S MEETING

MONDAY, MARCH 18, 2023 - AGENDA 3:00 PM

Room 5 Harrigan Centennial Hall

3:00 PM **Regular Meeting** Action **Item** A. Call to Order Acknowledge B. Roll Call Acknowledge Motion to Approve C. Review of Minutes **DECEMBER 14TH, 2023** D. Correspondence & Other Information Acknowledge/Questions E. Changes/Additions/Deletions to Agenda Change/Add/Delete Reports G. Persons To Be Heard H. Unfinished Business Discussion/Recommendations 1. GPIP Haul Out Development Discussion I. New Business 1. Adventure Sitka LLC Dock Use Agreement Discussion/Recommendations Discussion/Recommendations 2. Silver Bay Seafoods Lot 9c Lease Request

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 December 14, 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, Casey Campbell

Members Absent: Lauren Mitchell

Staff Present: Garry White

City Representatives: Chris Ystad, John Leach

Others Present: Members of the public

C. Review of Minutes – November 13, 2023

Motion: M/S Johnson/Campbell to approve the minutes of November 13, 2023.

Action: Motion Passed 4/0 on a voice vote.

D. Correspondence & Other Information- None

E. Changes/Additions/ Deletions to Agenda- None

- F. **Reports** Mr. White gave a very brief report since the last meeting was only a few weeks ago. He expressed the important place to spend time was on the unfinished and new business below.
- G. Persons to Be Heard-None
- H. Unfinished Business -

1. GPIP Haul Out Operations Discussion

Mr. White explained 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.

Estimated haul out revenue and operations cost were discussed. There was a lengthy discussion about the suggested rates to be competitive with our neighboring

alternatives and how it should be managed. The board conversation was leaning towards contracting this out with some input or oversight of rates. Mr. Wagner suggested that if there was a "park manager," cost for dock management would not have to be shared with Harbors. Mr. Johnson suggested there should be an administrative (park manager) and a labor side of operations. Mr. Leech suggested this body would give oversight on rates, then the assembly would approve rates, city park manager and assistant could run the scheduling, billing, etc and there could be a contractor that handles the labor. Conversation will continue.

I. New Business-

1. GPIP FY2025 Budget

Mr. White discussed the overall FY25 budget and the additions that will be needed with the Haul Out. There was a brief discussion clarifying everything from storage fees to insurance to projected revenue. He 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 and \$10k for in the installation of second security camera in haul out yard area.

Motion: M/S Goeden/Johnson to approve the budget as presented.

Action: Motion Passed 4/0 on a roll call vote.

2. Sitka Salmon Shares Lot 4 Short Term Rental

The GPIP Board discussed they need to incentivize Sitka Salmon Shares to get their stuff off the Lot 4 property so the city does not acquire a bunch of old equipment. Mr. White suggested they enter into a \$3,000/ month lease agreement for raw land until they clear their items. Everything from a boom truck to containers to everything in between. Mr. Campbell suggested that is no longer even their business name.

Motion: M/S Goeden/Johnson move to proceed with the \$3,000 lease agreement to

clear the space.

Action: Passed (4/0) on a roll call vote.

J. Adjournment

Motion: M/S Campbell/Johnson move to adjourn the meeting at 4:25pm.

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

Garry White

From:

Adam Olson <adam_olson@nsraa.org>

Sent:

Monday, March 11, 2024 10:56 AM

To:

Garry White

Subject:

NSRAA Industrial Water

Hello Gary,

I wanted to provide an update to you as the GPIP Director on the status of potential projects between NSRAA and the CBS Electric Department regarding water delivery to the GPIP. As NSRAA has moved towards expanding its hatchery operations in the park we have been working towards infrastructure upgrades to provide an average of 14cfs of water, with peak demand of 20cfs, to our facilities as per the water delivery agreement between NSRAA and the CBS. Originally NSRAA proposed a revision to the existing 16" tap at the "secret shack" to increase the water availability from around 10-11cfs to the maximum of 20cfs. Subsequent discussions with the CBS Electric Department indicated a strong desire to abandon the old "mill era" infrastructure near the secret shack and wet well and seek an alternate penstock tap location. An ancillary discussion that validated this approach was the original opinion that the raw water fireline that supplies the GPIP was to be abandoned by Public Works. That opinion has since changed with no plans to maintain or abandon that line.

The CBS Electric has designed a 24" tap off the penstock drain located immediately adjacent to the new powerhouse building. CBS Electric intends to own/control the main tap and initial root valve, then distribute to other end users of industrial water, currently just NSRAA but potentially public works. In addition to this proposed tap, the proposed plan is to remove the 36" operated valve on the line that feeds the old mill filter plant and install a blind flange on both sides of that valve location. This design is intended to be submitted to FERC for approval to construct.

Since the 16" tap that NSRAA is currently using is not planned for decommissioning due to the fact the raw water fireline needs to stay in service, NSRAA is again working with engineers for a replacement/upgrade to that system that feeds the 42" bulk water line. Since there still remains the desire to abandon the old filter plant wet well (known to be leaking), NSRAA is working on engineering a blowoff for the 42" bulk line so the valve at the old wet well could be closed and allow for pressure relief in the event the NSRAA pressure reducing valve failed.

As it currently stands, the NSRAA pressure reducing valve is the only system that is capable of supplying the bulk water line that feeds the GPIP, with the exception of the NSRAA after bay pumps and NSRAA CSW pumps.

Additionally, as far as we are aware, there are no plans for the pipe rack bridge to be decommissioned, though I believe it will be maintained as a pipe rack only. There have also been other discussions with CBS electric about alternate ways to convey industrial water across Sawmill Creek. However, they have indicated that would be up to the end user of the water to fund and maintain.

Let me know if you have any questions or would like any further information.

Adam Olson

Operations Manager



O: (907) 747-6850 C: (907) 752-1308



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

Wednesday, March 13, 2024

MEMORANDUM

To:

Gary Paxton Industrial Park (GPIP) Board of Directors

From:

Garry White, GPIP Director

Subject:

GPIP Haul Out Development Discussion

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 conceptual design includes a 150-ton vessel lift and other various components for the haul out to operate. The conceptual design included 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 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 \$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 meeting.

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.

Development Updates

Project Construction

The attached Project Cover Sheet outlines project scope of work, budget and key milestones. Per the sheet, items 1-10 have been mostly completed. Recent work includes the following:

- 35% Preliminary Design The 35% design has been completed.
- The CBS is current evaluating CMAR contractor proposals. This process should be complete before the end of the month.
 - The CMAR process will allow contractors to collaborate with planners and engineers to finalize the design of the project, estimated to be complete the end of June.

150-Ton Vessel Lift Purchase

An Invitation to Bid ITB) has been developed and released for the purchase of a 150-ton vessel lift.

Working with other regional vessel haul out facilities and haul out operators the following specifications are included in the ITB.

150-Ton Marine Vessel Hoist Specifications

The City and Borough of Sitka requires a 150-Ton marine vessel hoist and wireless remote control, with the following specifications: Provide a vessel hoist that meets or exceeds the operational features of the basis of design. The basis of design for the 150-Ton marine vessel hoist is the Marine Trave lift 150 TG with the following specifications:

- Minimum Rated Lifting capacity: 330,000 pounds, distributed equally between hoists at maximum load.
- Hoist Construction: Straddle-style, open-ended, steel structural frame, eight-wheel support, pneumatic rubber tires (two tires at each corner of the frame). The hoist shall be capable of straddling and carrying loads or boats with high masts and superstructures.
- Minimum Inside Clear Dimensions: 32' (w) x 34'0" (h)
- Engine: John Deere Diesel John Deere 4.5L Tier 4, 139 HP @ 2200 RPM / 104 KW, Liquid Cooled or approved equivalent.
- Number of hoists: Minimum Four (4) independently controlled hoists. Two-speed hoists options 5/11 feet per minute.

- Drive Two-speed drive options. Hydraulic gear-type drive with a minimum travel speed of 70/140 feet per minute
- Surface Grade Minimum grade ability on compacted gravel surface shall be 5%.
- Wire Rope: Compacted 8 x 26, Galvanized IWRC, 3/4", with 32 line parts. Provide hoist cables sufficient in length to accommodate a haulout pier elevation of +21', extreme low water elevation of -4, and vessel drafts up to 15'.
- Slings 2-Ply Nylon slings shall allow for adjustment of the vessel hull both forward and aft. Sling dimension 12' x 44'. Nylon slings shall meet 5.1 safety factor. Chine and keel pads made from think reinforced rubber or vinyl for maximum sling protection.
- Articulated Pivot Trunnion Allowing the frame of the hoist to flex in the event of uneven terrain, without causing structural damage or risking the safety of the load.
- Flanges Flanges should be of bolting style, allowing reconfiguration of the dimensions of the hoist to meet various hull requirements.
- Separate Lifting Pumps One for each winch, for even lifting between front and rear drum sets.
- 100% of the available hoist height should be usable.
- 316-L Stainless Steel Tubing
- Marine-grade controls and gauge devices.
- Travel and operational lights.
- Hose Covers shall be made of Cordura to protect from damaging UV rays and abrasions.
- Coatings Zinc rich epoxy primer and engineered siloxane topcoat. Standard colors.
- Wireless Remote Control with backup cab controls direct to valve.
- Manufacturer's factory representative shall meet with CBS maintenance staff to finalize any preferred or optional components such as engine types and spare parts before approval of shop drawings and/or final hoist scope.
- Manufacturer's factory representative shall travel to Sitka to provide direction for hoist setup (Owner to provide assisting equipment) and an additional eight-hour day of operational training with CBS personnel.
- Maintenance and Operations Manuals with warrantee certificates and information shall be provided 30 days in advance of the manufacturer's representative traveling to Sitka for training.

Bid should include spare parts as follows:

- Two spare tire assembly without rim.
- One spare rim.
- Four complete sling assembly sets (cables and straps), including chine and keel protectors each.

GPIP Haul Out Operations

A Request for Proposals (RFP) for GPIP haul out operations has been drafted and is currently being modified. The goal is to finalize the RFP for GPIP Board review at the next meeting.

The RFP is based a model used by the Kodiak Shipyard for their haul out operations. Instead of defining, what services, compensation, and fees the CBS wishes to have included in an operational agreement, it asks the potential operator to provide what services they would be willing to do and charge. The RFP is written to allow negotiations of the scope of services and compensation with a final agreement brought back to the Board and Assembly.

The CBS envisions a lease agreement with the potential operators.

Grant Opportunities

The CBS is planning to apply for another Denali Commission grant this year. Based off discussion at the GPIP Board level, the CBS is looking at applying for funding to add electrical infrastructure to the yard. An outside consultant has been hired to provide a conceptual design and cost estimate for electrical work. A grant application will be developed in the next few weeks.

Action

• GPIP Board discussion and direction on vessel haul out development updates.

PROJECT COVER SHEET – Updated March 12, 2024

Project Title/ Number: GPIP Vessel Haul-Out Deve	elopment – Phase 1			
Project Manager: Michael Harmon	Project Spor	nsor: Garry White		
Project Description: ✓ Design ✓ Construction □ Other Planning, Environmental Perm of Phase 1 Improvements included Pad, North Boat Yard and 150 Alaska. Project Charter Available? ✓ Yes □ North Pad, North Boat Yard and 150 Alaska.	uding a 150-Ton Boa T Boat Hoist at Gary	at Haul-Out Pier, Wa	ash Down	
Project Charter Available: 7 Tes - 140	,			
Project Status: (highlight green, yellow, red) Scope	schedule	Bu	dget	
Milestones:	Olloudio			
Recently Completed ✓ 04.26.23 Site No. 2 Selected by GPIP BOD ✓ 06.01.23 Concept 4 Pier Selected by SME ✓ 06.22.23 GPIP BOD adopted Concept 4 ✓ 07.25.23 Assembly Adopted Concept 4 ✓ 09.07.23 Geotech NWP issued by USACE ✓ 09.29.23 Geotech Field Investigation Complete ✓ 11.13.23 Project Rescoping, Base Bid and Add Alts decided by GPIP BOD	Upcoming □ Q1 '24: Environnemental Permit Applications, Prelim. Design, CMAR RFP & Contract □ Q 2-3 '24: Final Design, Regulatory Review □ Q2-4 '24: Material Procurement □ Q4 '24 – Q1 '25: On Site Construction □ Boatyard Operational: Q1 '25			
Project Budget:				
Estimated Total Project Cost	\$	\$15,058,533		
Working Capital Loans Grants Other Total Funded	\$1,0	\$8,281,040 \$0.00 \$1,000,000.00 \$0.00 \$9,281,040		
Funding Gap		\$5,777,493		
Contract Management: (list all contracts anticipated on the	project)			
<u>Contractor/Function*</u> PND - Planning, Surveying, PIP, Concepts, ROM Budge Permits, Met-Ocean, Geotech, Prelim Design, CMAR R	ets, T&M	<u>Amount</u> \$1,103,847	% of Project 13%	
PND – PM, Final Design, CA/CI	T&M/LS	\$376,493	5%	
CMAR Contractor & Project Contingency (Base Bid)	CMAR	\$5,650,700	68%	
Travel Lift Purchase (Base Model)	LS	\$1,150,000	14%	
818 General Comments:				

Key Milestones: 12.14.23 UPDATE

Key Tasks & Milestones	Start Date	End Date
Project Charter Approval: The Project Charter is brought to GPIP Board for approval.		11/21/22
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
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	10/15/24*
12. 35% Preliminary Design	11/15/23	3/1/24
13. Prepare CMAR RFP	11/15/23	1/15/24*
14. CMAR Solicitation & Contract Execution	1/15/24	3/1/24
15. PND Final Design w/ CMAR, CBS & GPIP	3/1/24	6/1/24
16. Material Procurement	3/15/24	12/1/24
17. On Site Construction	10/15/24	3/15/25
18. Secure Operator for 2025 Season	3/15/24	3/15/25
19. Procure 150T Boat Hoist	12/1/23	2/15/25
20. Haul Out is Operational		3/15/25
* Critical Path Items		
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.		



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

Tuesday, March 12, 2024

MEMORANDUM

To:

Gary Paxton industrial Park Board of Directors (GPIP Board)

From:

Garry White, Director

Subject:

Adventure Sitka, LLC GPIP Dock Use Agreement

Introduction

Adventure Sitka LLC is again requesting to utilize the GPIP Dock and the GPIP unimproved, access ramp to transfer passengers from the GPIP to one of its marine tour vessels for the 2024 season. Adventure Sitka LLC and the CBS entered into the attached dock use agreement for the 2022 and 2023 tourist season. The agreement is on a month-to-month term until it is terminated by either party.

Background

Adventure Sitka is a locally-owned tour company that was established in 2020. Adventure Sitka has been using the GPIP Dock to transport tourist to the Silver Bay Homestead (located at the end of Silver Bay) after a visit to the Fortress of the Bear via a 44'x16' Armstrong Catamaran. The tour will has a maximum capacity for about 46 people. Customers transfer between a motor coach and a sightseeing boat at the GPIP Dock. Per Adventure Sitka, the tour operates up to four tour departures per day on the busiest cruise ship days, and that number of tours would require five vessel dockings. The boat would be moored at the dock for as little as 10-minutes to debark or embark guests, and it would remain at the dock for no more than 25-minutes if one group of guests is debarked and then another group embarked. No luggage or equipment would be loaded or unloaded during these transitions, and no utilities would be required. No equipment of any kind would need to be left at the GPIP Dock when the vessel is not present.

Adventure Sitka Proposal

Adventure Sitka requests to on load and off load passengers at the GPIP Dock when it is available for a fee of \$1.00/passenger. When the Dock is full, Adventure Sitka wishes to use the access ramp to transfer passengers with no fee.

GPIP Port Tariff Information

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.

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

- The GPIP Port Tariff includes fees for 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.
 - The 2024 Dockage fee for vessels 0 80' feet in length is \$1.45/foot/day. (2023 Agreement lists fee at \$1.34/foot/day)
 - The GPIP Tariff fee for incidental use of the dock is \$35/hour for up to 4 hours.
- The GPIP Port Tariff requires that vessels wishing to dock or moor at the facility obtain Assignment/Berthing Reservation from the Harbor Master by filling out a Berthing Application.
- The GPIP Port Tariff includes fees for Wharfage.
 - 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.
 - The GPIP Port Tariff includes a Passenger Vessel Fee which are charges assessed to passenger vessels and cruise ships using the Port of Sitka.
 - The 2024 Passenger Vessel Fee is \$5.00 per person.
- The GPIP Port Tariff includes charges for Miscellaneous Services. A fee to use the Access Ramp were put in place for anticipated vessels for haul out services.
 - The GPIP Tariff fee for the access ramp is \$1.50/foot/day.
- The GPIP Port Tariff allows for Preferential User Agreements (PUA). PUA's are agreements to allow for negotiated rates and terms with users outside of the standard Port Tariff fees.

Additional Information

• The GPIP Director recommends that any use of the dock be considered non-exclusive use, vessels using the facility must complete a GPIP Vessel Berthing Application and follow CBS Harbor scheduling processes.

Action

• GPIP Board recommendations on updates to the Dock Use Agreement including, potential rates and terms for the development of an updated PUA between the CBS and Adventure Sitka.



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

Friday, March 15, 2024

MEMORANDUM

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

From: Garry White, Director

Subject: Silver Bay Seafoods - 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.

Background

Lot 9c was lease for the same purpose to SBS on a short-term basis the last eight 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 \$440.28/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.

Garry White

From: Mike Jr Duckworth <mikejr.duckworth@silverbayseafoods.com>

Sent: Thursday, March 14, 2024 12:09 PM

To: Garry White

Subject: 2024 SBS Lot 9C Lease

Hello Garry

I'd like to see if Silver Bay Seafoods is able to lease Lot 9C in the Gary Paxton Industrial park for our upcoming 2024 salmon season. The dates we'd like to occupy would approximately be May 1st 2024 thru October 1st 2024.

Look forward to hearing from you.



Michael Duckworth Jr. PLANT MANAGER - SITKA 4400 Sawmill Creek Rd. Sitka, AK 99835

MOBILE 360-934-9113 OFFICE 907-747-7996