

# HANSON MARITIME CO.

*P.O.Box 2594 Sitka, Alaska 99835 ~ 907-747-1055 ~ hansonmaritime.com*

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12 January 2019

City and Borough of Sitka  
Gary Paxton Board of Directors  
Scott Wagner, Chair

Re: Purchase portion of lot 9A RFP

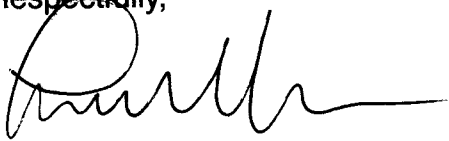
Dear Mr Wagner,

Please find attached our proposal for the purchase of the Utility Dock and portion of lot 9A, in response to the City and Borough of Sitka issued request for proposals dated 11 January 2019.

In addition to and following our proposal, we have attached supporting documentation that attests to our experience and history in performing the type of work that will be required in order to restore the utility dock. While only a sample, the documents represent private, local, and federal contracting going back over a decade.

Thank you for considering us for this opportunity.

Respectfully,

A handwritten signature in black ink, appearing to read 'Lee Hanson', with a long horizontal flourish extending to the right.

Lee Hanson  
President, Hanson Maritime Co.

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12 January 2019

City and Borough of Sitka,  
Gary Paxton Industrial Park Board of Directors,  
Scott Wagner, Chair

Re: Utility Dock, portion of lot 9A

Mr. Wagner,

The following shall serve as Hanson Maritime Company's proposal to acquire the former APC "Utility Dock" and associated tidelands, located in the Gary Paxton Industrial Park.

Owned and operated by life long Sitka residents, Hanson Maritime started in 1993 as the commercial diving and salvage sole proprietorship "Underwater Services" later incorporating as Hanson Maritime Co. We are a subchapter "S" corporation with no "parent" and have the following Corporate structure:

Lee Hanson - President / CEO / Shareholder  
Ahna Hanson - Vice President  
Rafe Hanson - Treasurer

Our current service lines are salvage, towing, diving, marine construction, and oil spill response. Also tying into these lines are crane operation and welding. We are the only salvage and oil spill contractor to the U.S. Coast Guard for Sitka and surrounding areas, and have the sole tug in Sitka that is Coast Guard certified. We are also the only diving firm in Sitka that offers underwater welding and burning, and were selected to subcontract on the new GPIP multipurpose dock, performing all underwater welding on the project.

In the last year, we've salvaged and returned to service, 9 vessels with a combined value in excess of \$2,000,000.00 and recovered from our waters over 5,000 gallons of diesel, and hundreds of gallons of oil. Since our inception we've salvaged a total of 106 vessels.

Currently there is no location in Sitka where we can moor a barge and because of this, we have one located in Hoonah. Additionally, our small oil spill response barge is

inconveniently located off the road system, slowing response times. Because of the industrial nature of our work, and the size of our tug and barges, we have determined that the utility dock would be ideal for our company. Having all of our assets under one roof will provide the stability we need to expand our company as outlined below:

## PLANNED USAGE

### CRANE / MARINE CONSTRUCTION:

Besides relocating our tug and barge to the utility dock, we will also be bringing in a mobile lattice boom crane. Hanson Maritime is a State of Alaska licensed marine contractor and has repaired or replaced many docks in Sitka. We would like to expand our business to include the manufacturing of floating docks, a new value added segment requiring new hires. Most of the residential docks in Sitka were installed in the 1970's or early 80's and are in need of replacement.

### GPIP BOAT YARD:

We will construct a building that houses a welding and machine shop. The facility will serve our own maintenance needs but also be a new expanded venture that will compliment a future boat yard at GPIP. We strongly believe that for the future yard to be successful, full services need to be offered on site, we intend to meet this need. Our crane will also be available to move within the Boat yard and GPIP site for customer/tenant projects. Hanson Maritime is also a dealer of Harbor brand Anodes (zincs) and would have them available to users of the yard.

### VALUE ADDED:

Upon completion of a salvage or rescue tow, we will bring vessels back to our facility for repair or refurbishment. Every year we tow vessels to Hoonah, Wrangell, or Ketchikan, for repairs that could be done in Sitka. We would invite local businesses to utilize the facility to carry out hydraulic, fiberglass, electrical, interior, or mechanical repairs on these vessels, generating additional revenue for our economy that is currently being lost. Because of Sitka's ideal location on the Gulf of Alaska, we would also like to see Sawmill Cove added as a "place of refuge" in the Alaska Dept. of Environmental Conservation "Subarea Contingency Plan" for vessels in distress. GPIP is the logical location to base a salvage/response company in Southeast Alaska.

## **DIVING:**

Going hand in hand with above, many vessels travel south that are too large to haul out in Southeast, i.e. large crabbers that are contracted as salmon tenders in summer. We have the ability to pull shafts and propellers on these vessels while dockside. We can also weld new anodes, replace transducers and sonars, carry out insurance surveys and other repairs, all while underwater.

## **SPILL RESPONSE:**

An added benefit of our response equipment being located at GPIIP, is protection of the nearby fish hatcheries and Deep Inlet terminal harvest area. With many large fishing vessels using the GPIIP and Deep Inlet harvest area, it's prudent to have this equipment nearby. Equipment would consist of our response barge dockside, containment boom in 20' containers, and an assortment of sorbent products. We recently purchased an EPA certified incinerator for disposing of oiled sorbents and recovered fuel/waste oil. Previously these materials were sent outside for disposal at high cost, but we can now generate revenue and employment from this "waste". Key to this venture will be the Utility Dock and its industrial setting.

## **BULK WATER AND MULTIPURPOSE DOCK:**

With our tug being located at GPIIP, SEDA could exploit this in the effort to sell water or moorage at GPIIP and the Multipurpose dock. The line "tug available on site" costs the City of Sitka nothing but has tremendous value in marketing the site.

## **STORAGE:**

Although it is not one of our core services, limited storage would be available for bait sheds, nets, and skiffs. With the current gear storage company moving away from this market, we would take on some percentage of local gear. Our crane would also be available to pick fishing gear that is to be stored elsewhere at GPIIP.

## **SUPPORT FOR EXISTING GPIIP BUSINESSES:**

Hanson Maritime had the pleasure of towing NORTHLINE SEAFOOD'S barge to GPIIP from Dall Island near Ketchikan. We hope to tow it out upon completion and hopefully many more. We also speculate that they will from time to time have need for other services such as crane use. Besides NORTHLINE SEAFOODS, we are certain that our relocating to the Utility Dock will benefit the SILVER BAY SEAFOODS fleet. Every service we offer can only help strengthen their position in Sitka's economy.

## PROPOSED ACQUISITION

Hanson Maritime Co. is seeking ownership of the Utility Dock and underlying tidelands extending 60' beyond the face, 10' beyond the North end, and 20' beyond the South end. We do not want any portion of lot 9 beyond the west edge of the dock. Total square footage would be 33,640 valued at \$67,280.00

The Utility Dock has not been used since the City Of Sitka took over ownership of the mill site. During construction of the GPIP Multipurpose Dock, the City of Sitka contracted with TURNAGAIN MARINE CONSTRUCTION INC. for demolition of the Utility Dock for \$90,000.00. TURNAGAIN later asked to be let out of its obligation to demolish the dock having substantially underbid the task. Hanson Maritime is suggesting that the City of Sitka views the Utility Dock as having a negative value in excess of \$90,000.00. We further suggest that the tide lands also have a negative value in that, in order to utilize them for a new purpose, you would have to first demolish the dock at a price that exceeds the market value of the tidelands.

Hanson Maritime is offering no cash for the utility dock and tidelands. To understand this proposal in monetary terms we are offering the following: Remove the Utility dock and tidelands from the CBS inventory for \$90,000.00, to be reconciled through disposal of tidelands valued at \$67,280.00 to Hanson Maritime. The difference of \$22,720.00 will remain un-disbursed to Hanson Maritime but will instead be credited as paid to the City and Borough of Sitka by Hanson Maritime. The difference of \$22,720.00 shall be considered our bid for the property.

We believe this proposal is fair and of good value to the City and Borough of Sitka. \$90,000.00 was insufficient to complete the task of demolishing the dock, yet we have chosen to honor the figure in our proposal. Also, the tidelands relating to the Utility dock are impaired and restricted to industrial or commercial use. The general public will not lose out on recreational opportunities or water access because of the potential of this property being transferred to private ownership. Creating jobs and tax revenue is the best use of this property and the logical avenue for the public to benefit.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read 'Lee Hanson', with a stylized, flowing script.

Lee Hanson  
President, Hanson Maritime Co.

## PROPOSAL EXPOUNDED

### QUALIFICATIONS / CREDENTIALS:

Lee Hanson

- Diving since 1984, commercially 1993. *Association Of Diving Contractors* commercial certification #171 1995.
- Recognized Salvage Master, U.S. Coast Guard.
- Master of Towing Vessels Unlimited
- Master of Inspected Vessels 200 Gross tons Near Coastal
- Unlimited RADAR Observer
- Qualified welder, structural, pipe, underwater
- Alaska CDL
- Crane operator

### COMPANY MEMBERSHIPS / QUALIFICATIONS:

- *American Salvage Association*
- U.S.C.G. BOA contractor
- *Southeast Conference*
- State of Alaska contractor
- *Marine Exchange of Alaska*

### EXPANDED EMPLOYMENT / BENEFIT TO SITKA:

- Immediately, 2 new hires with 5+ after new shop constructed.
- Just as important as creating new jobs, preserving existing jobs.
- Hanson Maritime is the only company in Sitka that works to protect the marine environment that our fishing and visitor industries depend on.
- Having a complete marine services company in Sitka reduces maintenance and new construction costs to the municipality and private businesses by reducing mobilization costs and shortening repair times.
- Construction projects will result in a temporary increase in our workforce with additional hires from what is listed above.
- New sales tax will depend on when and how many of our proposed uses are allowed to commence. Also, whether or not a boat yard is built at GPIP will significantly affect our sales tax returns. Conservatively, without a boatyard or new expanded service lines, we estimate \$6,000.00 per year in new sales tax. At this time the majority of our sales are in government, exceed the taxable limit, or are outside the municipality.

### START TIME FOR BUSINESS:

- We are an established business and are ready to proceed immediately barring any restrictions imposed by the City and Borough of Sitka.



Incorporated

CONSULTING  
ENGINEERS

**PND, INC. Consulting Engineers**  
**Professional Services Agreement for Diving Services**  
**(Fixed Fee)**

May 19, 2004

PND 042046.01

To: Captain Lee Hanson  
Hanson Maritime Co.  
P.O. Box 2594  
Sitka, Alaska 99835

This Agreement authorizes you as Subconsultant to proceed with the WORK described below, subject to the conditions noted herein and signatures by all parties. You are required to meet the same conditions and contract commitments required by PND's Agreement with the Owner, which is attached. Subconsultant agrees to commit his equipment, expertise and best efforts in the performance of this work and to perform the WORK within the required time frame and fee estimate.

**TITLE OF WORK:** US Coast Guard Cutter Maple Dock Inspection

**DESCRIPTION OF WORK:** Perform diving inspection of piles below waterline in accordance with USCG Task Order (attached) and Hansen Maritime Co Letter to Chris Gianotti, dated May 14, 2004.

All WORK authorized herein shall be delivered to and approved by PND, Inc., Chris Gianotti, P.E., before its final acceptance.

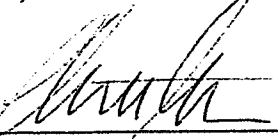
**FEE BASIS FOR ADDITIONAL WORK:** Fixed Fee of \$~~██████████~~

**SCHEDULE:** All WORK shall be completed and delivered to PND by July 1, 2004.

Agreed By:

**ENGINEER:**

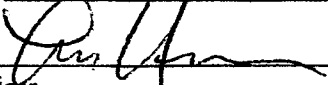
PND, INC. CONSULTING ENGINEERS

By:   
PND Authorized Representative

**SUBCONTRACTOR:**

Accepted this 4<sup>th</sup> day of June, 2004

Company Hansary Maritime Co.

By:   
Officer



# City and Borough of Sitka

PUBLIC SERVICES

100 LINCOLN STREET • SITKA, ALASKA 99835

PHONE (907) 747-1804 FAX (907) 747-3158

26 January 2005

Mr. Tom Williamson  
WS Construction  
Box 2505  
Sitka, Alaska 99835

Mr. Lee Hanson  
Hanson Maritime Company  
Box 2594  
Sitka, Alaska 99835

Subject: Request for Bid  
Sitka (Sawmill Cove Industrial Park) Pulp Dock Fendering

Gentlemen-

Attached please find one copy of construction drawings, and special provisions, for the subject project.

Please provide a lump sump bid to install the northern-most two piles as shown on sheet 3 of 5, in accordance with the project drawings and specifications, except without installation of the anodes as shown in Details A and D of sheet 4 of 5. All in-water work must be completed not later than 12:00 Midnight, Monday, 14 March 2005.

Written bids are due to this office not later than 10:00 AM, Friday 28 January 2005.

Best Regards,

Daniel Jones, P.E., City and Borough Engineer

cc: Richard Riggs, Public Works Director  
Tammy O'Neill, Contract Coordinator  
Jon Krebs, SEDA

file: 90365



**NOTICE TO PROCEED,  
SUSPEND, OR RESUME  
WORK ORDER**  
(Reference FSH 6309.31)

CONTRACT NUMBER

12011218P0010

UNIT

Hoonah Ranger District

PROJECT

Couverden Dock and Pile Repair and Maintenance

NAME AND ADDRESS OF CONTRACTOR

Hanson Maritime Co.  
Po Box 2594  
Sitka Ak 99835-7619

ORDER NUMBER

One

DATE ISSUED

November 9, 2018

**THIS IS YOUR NOTICE TO PROCEED, SUSPEND, OR RESUME WORK ON THE CONTRACT AS NOTED.**☒ **NOTICE TO PROCEED**This is your notice to proceed with the work on the above contract for the following items. AllThe time on this contract will start at the beginning of business on November 9, 2018☐ **SUSPENSION OF WORK**~~You are to suspend work for the following reason(s): \_\_\_\_\_~~~~Effective close of business \_\_\_\_\_ Item Numbers \_\_\_\_\_~~Type of Suspension ☐ Total ☐ Partial☐ ~~No charge will be made against contract time for period of suspension.~~☐ ~~Full count of contract time will continue.~~☐ ~~An equitable adjustment of contract time will be made for period of partial suspension upon resumption of work.~~**DO NOT RESUME WORK UNTIL YOU ARE NOTIFIED TO DO SO IN WRITING**☐ **RESUMPTION OF WORK**~~Item Numbers \_\_\_\_\_ Effective Beginning of Business \_\_\_\_\_~~~~Time charged during period of partial suspension \_\_\_\_\_ calendar days.~~

SIGNATURE



TITLE

Kim B. Toland, Contracting Officer

DATE

November 9, 2018

**PLEASE ACKNOWLEDGE RECEIPT BY RETURNING 1 COPY(S) TO USDA, FOREST SERVICE**

SIGNATURE

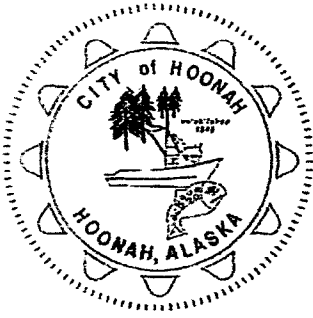
TITLE

DATE

**INSTRUCTIONS:**

If mailed to Contractor, send original by Certified Mail – Return Receipt Requested.

If delivered in person, have Contractor sign the acknowledgement and retain the original.



City of Hoonah

P.O. Box 360 Hoonah, AK 99829 (907) 945-3663 Fax (907) 945-3445

September 17, 2018

Lee Hanson  
Hanson Maritime Co.  
P.O. Box 2594  
Sitka, AK 99835

RE: City of Hoonah Blue Warehouse Anode Installation

Mr. Hanson,

This letter is to notify you that your firm's fee proposal for the Blue Warehouse Andoe Installation was considered by the full City Council for funding at last night's regular City Council meeting. They did fund the fee proposal your firm submitted for \$[REDACTED].00.

Your Firm can proceed with the work at your earliest convenience. We are looking forward to completing this important work for the City of Hoonah.

Please call or email if you have any further questions.

Regards,

Dennis H. Gray, Jr.  
City Administrator