

**Gary Paxton Industrial Park - Board of Directors Meeting
May 10th, 2018 3:00pm SEDA Conference Room**

A. CALL TO ORDER: The Chair called the meeting to order at 3:00pm

B. ROLL CALL

Members Present: Scott Wager, Sheila Finkenbinder, Hugh Bevan, Wayne Unger, Dan Jones (tele-conference)

Members Absent: None

City Representatives: Keith Brady, Richard Wein

Others Present: Garry White, Rob Woolsey (Raven Radio), Shannon Haugland (Daily Sitka Sentinel), John Webby (Tele-conference), Lisa Terry (Tele-conference), Don Franklin (Tele-conference), Sarah Nelson.

C. Review of Minutes – April 19th, 2018

MOTION: M/S Finkenbinder/Bevan moved to accept the minutes of April 19th, 2018

ACTION: Motion PASSED 5/0 on a voice vote

D. Correspondence & Other Information

Financials in packet. No questions about it.

E. Changes/Additions/Deletions to Agenda

Move H-1 to end of meeting. No opposition.

F. Reports

Executive Director

GPIP DOCK

Mr. White informed the board that the GPIP dock looks good. It is open for public and the first tenant last month was NSRAA. It worked really smoothly. Worked with Harbor Department to develop birthing application. It was sent out and filled in. They had the time to meet and get set up. The Harbor Department met them out there and documented the size of the vessel and captured the moorage. Mr. White calculated the tariff based on birthing application, which was \$239.02. Bill was submitted to Stan at the Harbor Department and is being sent to finance.

Mr. Bevan asked if there was any feedback from the user on the rates.

Mr. Wagner: Moving more product may not make sense when you can do it for free other places in town.

Mr. Bevin: Sliding scale for quantity.

Mr. White suggested that the rates will need to be adjusted depending on comments from end users. He stated the example of Silver Bay moving some seine skiffs. Current tariff is \$7.03/ton and Mr. White wants to adjust it to meet various uses.

Mr. Bevan: suggested having a line item for seine skiffs.

Signs have been ordered.

Still waiting for ACS to install the phone line.

Security camera has been ordered. It is a dome type camera that can move and record.

Mr. White did a Raven Radio interview to promote the dock, to let the public know it is open.

AML did not have any issues moving the containers on the dock.

Mr. Unger commented that people should be able to call the Harbor to use the dock and not have to do the application process to get on the schedule. Mr. White said they will not refuse service. The hope is to have so much demand that people will have to plan ahead. The current process is four days.

Ms. Finkenbinder: When will we do the grand opening/ribbon cutting ceremony? After camera is in and signs are up.

GPIP ACCESS RAMP

PND was selected to design, engineer, and permit that access ramp. Plan is to investigate the current ramp and area near the utility dock. Northline Seafoods has agreed to share all of its information on the existing ramp and meet with the consultant as well.

BULK WATER

Mr. White has been meeting with Arctic Blue Waters. They agreed to the \$10,000 terms. The draft water purchase agreement is sent to legal to work on. Their 12 million gallon ship will take 30 hours to fill. This works with water delivery rate we have.

BOTTLED WATER

Negotiations with the group out of Costa Rica. They are looking for a water source where the water is not taken from another use. Our water is high quality and carbon neutral. The bottles they will use decompose to paraffin wax at the end of their shelf life. This group is interested in coming and they have investors lined up. They will bottle here. Our water has the perfect PH of 6.9 which is ideal for high end coffee, tea, and water.

BULK ROCK

Need to figure out what to do with 16b, 19, and 20. 19 is currently leased to Fortress of the Bear on a short term basis.

ADMINISTRATION BUILDING

Invitation to bid on the Administration Building has missed the last few Assembly meetings. Brian Hansen is aware that he has not been meeting the expectation of the GPIP Board. Hopefully he will have it up this next Assembly meeting.

GREEN & GOLD DISTRIBUTORS

City executed a contract. It is signed.

The \$100,000 transfer of funds from the raw water fund to the electrical fund was approved by the Assembly. Current Consultant are going over design assumptions now.

G. Persons to Be Heard – none

I. New Business

1. Silver Bay Seafoods Lot 9c Lease Request

Request from Silver Bay Seafoods to lease 10,000 square feet for camper trailers. We have done this for the past four years. It is a good short term lease.

MOTION: Bevan/Jones Motion to accept Silver Bay Seafoods lease proposal.

ACTION: Motion Passed 4/0

Yes: 4 – Bevan, Wagner, Jones, Finkenbinder

No: 0

Wayne Unger recused.

2. Trident Seafoods Inc. Lot 6 Lease Request

Requesting a portion of lot 6 to store fishing gear.

John Webby (telephone) looked at property as reassessed no issues with assessed value. Contention is that 9% is higher than they are used to seeing in like type situations & cities. Proposal to do 3 year lease with 3 year option for \$10,000 a year. Usage for storage of fishing gear.

Questions were asked by board members about if they are going to create jobs here with their use of that property and who will move the equipment. Mr. Webby answered that they plan to use local contractors to move equipment and a foray for Trident Seafoods to move into Sitka. Fishermen will spend more time and money in Sitka if they have facilities to support them.

Mr. Bevan does not support a 38% increase in rates. He thanked Trident for their interest in the industrial park and for the data points from other communities. His concern it that too much of the site will be used for storing fishing equipment. He agrees at 3 years, no extensions or options to purchase. If they put up a fence, it should not affect Michelle at Bike and Hike at all.

MOTION: M/S Bevan/Jones Moved to recommend the City and Borough of Sitka Assembly lease 34,860 square feet of Lot 6 to Trident Seafoods for a term of 3 years at a rate of \$14,120.00 annually, with no buying option and no extension.

Discussion:

- Mr. White, potential water bottling operation is interested in the property.
- Unsure of tying up property for 3 years.
- Marine services does includes storage of equipment.
- Depends what they will store for long term, seine skiffs and nets.

FRIENDLY AMENDMENT: Finkenbinder change it to a two year lease.

Bevan and Jones think three years is the correct term, friendly amendment not accepted.

ACTION: Motion PASSED 5/0

Yes: 5 – Finkenbinder, Jones, Bevan, Wagner, Unger.

H. Unfinished Business

1. GPIIP Strategic Plan

- Mr. White is working of getting the maps to the board. Remove the sign from Lot 23. Lot 6 easement, the fire line is dead. Clearing up any easement issues and will get new subdivision map. City has a map of the utilities and electrical.
- Starting to run out of property. Sawmill farm will get cleaned up and then that property will be available after the lien is released. The idea is to run out of land.
- South Korean group interested in doing a fish meal plant in Sitka. In contact with different fish processors, but are looking for a different kind of fish.
- How do we end this Board's existence? Average timeline is 20 years and 80% of development is from existing industry.
- Mr. Jones is in favor of a Marine Services Center. Get an outside company to manage the park.
- We need a crane on the dock. Need to find money for it.
- It would be nice to provide facilities – restrooms and showers.
- Mr. Bevan suggested closing the gate at night for safety.

J. Adjournment: M/S Bevan/Finkenbinder moved to adjourn the meeting at 4:05pm