

Memo and materials submitted by GPIIP Director Garry White



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

Thursday, January 23, 2020

MEMORANDUM

To: Gary Paxton Industrial Park Board of Directors &
Hugh Bevan, Interim CBS Administrator

From: Garry White, GPIP Director

Subject: GPIP Vessel Haul-Out Facility Discussion

Introduction

The GPIP Board has long recognized the importance of the fishing and maritime industry to the community of Sitka.

The GPIP Board and CBS have been working on vessel haul out development concepts since the GPIP properties were acquired. Please see the attached GPIP Port Facility Overview Memorandum for background and more information on past efforts.

Most recently, the GPIP Board has worked with the community and an outside engineering firm on concepts to construct an access ramp for vessel haul outs using either hydraulic trailers or amphibious marine travel lifts.

The public announcement in the fall of 2019, that Halibut Point Marina (HPM) will cease public haul out operations in the next few years has intensified the priority of establishing a marine haul out facility at the GPIP. The CBS received a proposal from HPM to build infrastructure to support the establishment of a vessel haul out at the GPIP in November 2019.

The GPIP Board met on December 4th, 2019 to discuss overall GPIP Waterfront Development and the proposal from HPM. The GPIP Board did not discuss the merits of the entire HPM proposals, but rather focused on what infrastructure is needed to support the fleet in a vessel haul out. (Draft minutes from 12/4/2019 GPIP meeting attached)

HPM has since withdrew its proposal. The GPIP Board, CBS, and community are now working towards the development of a vessel haul out facility at the GPIP properties. Much discussion on how to best service the local fleet and create an economic driver at the GPIP has taken place on the following:

- Ownership of facility and operations:
 - CBS owned and operated marine services facility
 - CBS owned infrastructure/ Multiple Private operators
 - Private owned and operated
 - CBS enters into a DBFOM (Design- Building – Finance – Operate – Maintain) agreement with a third party for the haul out construction and operation.

- Infrastructure needed to support the fleet:
 - Physical infrastructure
 - Equipment
 - What lifting capacity is needed
- Funding for the haul out construction and operations :
 - Grant funds
 - CBS Borrowing
 - Selling or trading CBS property to acquire funds
 - Private Sector investment

Ownership of facility and Operation Options

There are multiple options for the CBS to consider for ownership of a haul out facility and operations of the facility.

1. CBS Owned and Operated haul out facility

- CBS would design, build, fund, operate, and maintain the haul out.

The estimate costs for the CBS to fund the construction of a vessel haul out with an Access Ramp is \$7,574,391 (2019 PND Engineering estimate). The GPIB Board looked at developing the haul out facility in phases. The GPIB Board set the following priorities:

1. EPA approved water treatment infrastructure - \$461,378
2. EPA approved wash down pad or water collection infrastructure - \$399,035
3. Ramp infrastructure improvements, including installing a concrete ramp - \$1,946,284
4. Upland improvements (Electric, water, lighting, etc) - \$2,579,463
5. Timber float - \$910,831
6. CBS owned infrastructure to haul vessel (Hydraulic trailer or lift) - \$1,277,400

Financial estimate of borrowing funds

If the CBS chooses to borrow the ~\$7.5 million dollars, an estimated, back of the napkin, financing repayment is as follows:

\$7.5 million dollars borrowed at a rate of 5.5% (75 basis points over current prime) for 20 year term = \$619,098 in annual debt service.

CBS Operations

The following numbers are a back of the napkin analysis if the CBS chooses to operate a vessel haul with CBS employees.

- The numbers below only consider direct financials of the haul out operations and not the other economic benefits of a haul out to the community.

Potential Haul out Revenue

- The 2014 planning document titled the “Preliminary Screening-Level Feasibility Assessment and Planning for a Marine Center at Sawmill Cove Industrial Park”, prepared by Northern Economics for the CBS suggests estimate annual haul out revenues at \$90,700.

(*Rate is based on \$10-12 per foot for round trip haul out)

- The GPIIP Director contacted HPM and obtained historic haul out revenues for their operation. Average recent haul out revenues are ~\$165,000 annually. (**Rate is based on \$18 per foot for round trip haul out*)

Potential Yard/Storage Revenue

- The GPIIP Director contacted HPM and obtained historic yard/storage revenues for their operation. Average recent yard/storage revenues are ~\$91,000 annually

Estimate Operational Expense

(**Note: The following estimates were based off actual expense numbers provided by HPM*)

Payroll Expense (Equipment operator and helper)	\$160,000
Repairs/Maintenance (Equipment)	\$20,000
Yard Maintenance	\$5,000
Fuel	\$25,000
Electrical	\$20,000
Liability Insurance	\$24,000
Property Insurance	\$14,000
Garbage	\$15,000
Total	\$283,000

Cash Flow

Based off the above, back of the napkin analysis, the CBS would lose \$27,000 annually operating the haul out.

Total estimate Revenue	\$256,000 (\$165k + \$91k)
<u>Total estimate Expense</u>	<u>\$283,000</u>
Cash Flow	-\$27,000

Total estimated annual subsidy required = \$646,098 (Debt service + operational costs)

2. CBS owned haul out facility/Multiple Operator

- CBS would design, build, fund, operate, and maintain the haul out.
- CBS would enter into agreements with private operators to provide haul out services.
 - A RFP could be used to select operator(s).
 - A tariff schedule or lease agreements would be developed to assess charges for use of CBS facilities and property.

The Estimate cost for the CBS to fund the construction of a vessel haul out with an Access Ramp is \$6,296,991 (2019 PND Engineering estimate minus cost of equipment to haul vessels). Private operators would be responsible for providing their own equipment to haul vessels.

Financial estimate to borrowing funds

If the CBS chooses to borrow the ~\$6.3 million dollars, an estimated back of the napkin financing repayment is as follows:

\$6.3 million dollars borrowed at a rate of 5.5% (75 basis points over current prime) for 20 year term = \$520,042 in annual debt service.

CBS Operations

There are multiple options for entering into agreements with potential operators of the haul out to determine potential revenue and expense estimates.

3. Private Owner and Operated

- CBS enters into a DBFOM (Design- Building – Finance – Operate – Maintain) agreement with a third party for the haul out.
 - The CBS would enter into a lease agreement or sell property to a private entity, which would construct and operate the haul out.
 - A RFP would be used to select the private entity.

Financial estimate

- The numbers below only consider direct financials of leasing property for a haul out and not the other economic benefits of a haul out on the community.

Under this option the CBS would receive lease revenue for the property leased to private entity.

Potential lease revenue

(*Note: Estimate based off 2018 Assessed values considering a 4.5% return on asset)

<u>Lot</u>	<u>Value</u>	<u>Potential Annual Lease Revenue</u>
Lot 6	\$255,200	\$11,484
Lot 7	\$188,100	\$8,465
Lot 8	\$199,400	\$8,973
44k SF Lot 9a	\$352,000	\$15,840
Lot 9b	\$43,500	\$1,958
Lot 15	\$509,700	\$22,937
Total	\$1,547,900	\$69,657

Conclusion:

If the CBS chooses to fund the construction of the haul out infrastructure there will need to be a substantial subsidy. Grant funds are still being investigated with the Federal and State delegations and other agencies. A private owned and operated haul out facility provides minimal cash flow to the CBS but allows the venture to move forward without a CBS subsidy.

Infrastructure needed to support the fleet

The GPIB Board has held multiple meetings throughout the years to determine the best infrastructure to construct at the GPIB to support the fleet and create an economic driver for the community. Multiple site locations, physical infrastructure (access ramp vs travel lift piers), and lift capacities have been discussed. The EPA approved water treatment facility, water collection infrastructure, and upland utilities will be needed for a functional haul out regardless of the infrastructure constructed to remove vessels from the water. Direction needs to be finalized on which method to lift vessels from the water and lift capacity for phase I of the development of the GPIB Marine Service Center.

The CBS currently has a functional gravel access ramp located on the northern portion of Lot 9a at the park. The access ramp was funded and constructed in 2017 by Northline Seafoods. Northline Seafoods successfully hauled its barge for retrofitting, creating multiple new jobs at the GPIIP. Northline Seafoods has stated that it wishes to continue to utilize the access ramp for future barge projects. The access ramp needs additional improvements to be used for public vessel haul outs.

The Board had a robust discussion with around 50 members of the local fleet at its December 4th, 2019 meeting and came to the conclusion that the proposed infrastructure by HPM would meet most of the fleet's needs.

The HPM proposal consisted of travel lift piers with a width of at least 26', a 100 ton travel lift. The site location was on the southern end of Lot 9a and did not interfere with operations of the current access ramp.

Since, the December 4th, 2019, the GPIIP Director has had multiple meetings with various members of the local fleet on various locations, vessel lifting infrastructure, and lift capacity for a future haul out operation.

Potential Haul out site locations/Physical Infrastructure

1. Northern End of Park (Water Access Easement Area).
 - Conceptual design focuses on travel lift piers
 - The GPIIP Board discussed constructing travel lift piers in the water access easement located between Lots 2 & 4. (See attached map)
 - Water depths have come into questions on this site.

(*Note: Travel lift piers could be angled toward deeper water)

Benefits of this site

- Close to current access ramp.
 - EPA wash down infrastructure could be centrally located.
- Located near proposed upland haul out yard and infrastructure.

Cons of site

- Potential water depth issues.

2. Current Access Ramp location (Lot 9a)

- The GPIIP Board has focused on this site in the summer of 2018. The 2019 PND Engineer's number are related to this site. (See attached map)

Benefits of this site

- Demonstrated success of hauling barges at this location
 - No additional improvements needed to continue to haul barges.
- Current angle of ramp of 8% is consistent with suggested ramp angle presented by PND Engineers.
- Located near proposed upland haul out yard and infrastructure
- Allows for use of both hydraulic trailers and amphibious travel lifts

Cons of site

- Potential water depth issues for haul vessels (more investigation needed)

3. Southern end of Lot 9a (near GPIP Dock)
 - Conceptual design focuses on travel lift piers
 - This site was proposed by HPM.

Benefits of this site

- Water column is good.
- Travel lift piers are in line with prevailing winds
- Close to covered work area (Former bottling plant building)

Cons of site

- Potential congestion issues with GPIP Dock.
- Existing infrastructure would need to be moved

Equipment/Lifting Capacity

There are multiple options for lifting vessel out of the water that other communities have used at vessel haul outs.

Table 1. General Cost Comparison for Selected Vessel Haul-outs at Alaska and Washington Facilities, 2013

Location/Facility	Maximum Capacity (Tons)	Vessel Length			
		30 Feet	58 Feet	75 Feet	100 Feet
		Haul-out Cost (\$)			
Craig	Trailer - 60 Tons	300.00	NA	NA	NA
Hoonah	Trailer - 35 Tons	360.00	NA	NA	NA
Hoonah	Lift - 200 Tons	330.00	754.00	975.00	1,300.00
Juneau - Auke Bay Loading	Trailer - 45 Tons	270.00	NA	NA	NA
Juneau - Deharts Marina**	Lift - 15 Tons	540.00	NA	NA	NA
Juneau - Near Aurora Basin**	Lift - 35 Tons	540.00	NA	NA	NA
Ketchikan - Air Marine Harbor	Rail - 160 Tons	360.00	696.00	900.00	NA
Ketchikan - Air Marine Harbor	Lift - 50 Tons	300.00	NA	NA	NA
Kodiak Fullers Boat Yard	Lifts - 150, 100, 50, and 25 Tons	332.00	786.00	1,800.00	4,000.00
Kodiak Shipyard	Lift - 600 Tons	1,590.00	3,074.00	3,975.00	6,000.00
Petersburg	Trailer - 25 Tons	300.00	NA	NA	NA
Petersburg	Trailer - 50 Tons	360.00	NA	NA	NA
Petersburg	Rail - 260 Tons	300.00	440.00	637.50	NA
Port Townsend	Hoist - 70 Tons	252.38	NA	NA	NA
Port Townsend	Lift - 300 Tons	330.00	638.00	900.00	1,400.00
Seattle - Seaview Boatyard	Lift - 165 Tons	240.00	696.00	1,200.00	NA
Seward*	Lift - 50 Tons	236.25	NA	NA	NA
Seward*	Lift - 250 Tons	346.50	1,218.00	1,575.00	2,100.00
Sitka - Halibut Point Marine***	Lift - 80 Tons	540.00	1,044.00	NA	NA
Skagway	Trailers - 30 and 20 Tons	200.00	NA	NA	NA
Wrangell*	Trailer - 40 Tons	225.00	NA	NA	NA
Wrangell	Lift - 150 Tons	330.00	696.00	975.00	NA
Wrangell - Wrangell Boat Shop	80 and 60 Tons	180.00	348.00	NA	NA

Notes: NA = this facility does not have the capacity to haul out a vessel of this size.

*Rates are per hour.

**Price for haul-out includes a free wash down of the vessel.

***Price for haul-out includes a \$6 per foot environmental fee.

Source: Compiled by Southeast Strategies, 2013.

(*Note: HPM Marine Travel Lift is 88 ton)

The GPIP Director has been in discussions with multiple groups on the use of various pieces of equipment to haul vessels and barges. There are multiple benefits and cons for every piece of equipment.

Equipment types

There are multiple types of equipment to haul vessels. The GPIP Director has only investigated marine travel lifts, amphibious travel lifts, and hydraulic trailers.

1. Marine Travel Lifts

- Land based lifts that use travel lift piers to haul vessels.



Benefits

- Travel lifts have traditionally been used in Sitka, fleet is more used to them.
- Equipment does not go into water, potential for less corrosion.

2. Amphibious Travel Lifts

- Travel lifts that use an access ramp to haul vessels.



Benefits

- Used with access ramps

- Can share access ramps with hydraulic trailers.

Cons

- Greater risk for corrosion
- Issues lining up vessel in windy conditions

3. Hydraulic Trailers

- Trailers that use an access ramp to haul vessels.



Benefits

- Used with access ramps
 - Can share access ramps with Amphibious travel lifts.

Cons

- Greater risk for corrosion
- Issues lining up vessel in windy conditions

Lifting Capacity

The GPIP Board at its Dec. 4th, 2019 meeting recommended moving forward with a 100 ton marine travel lift.

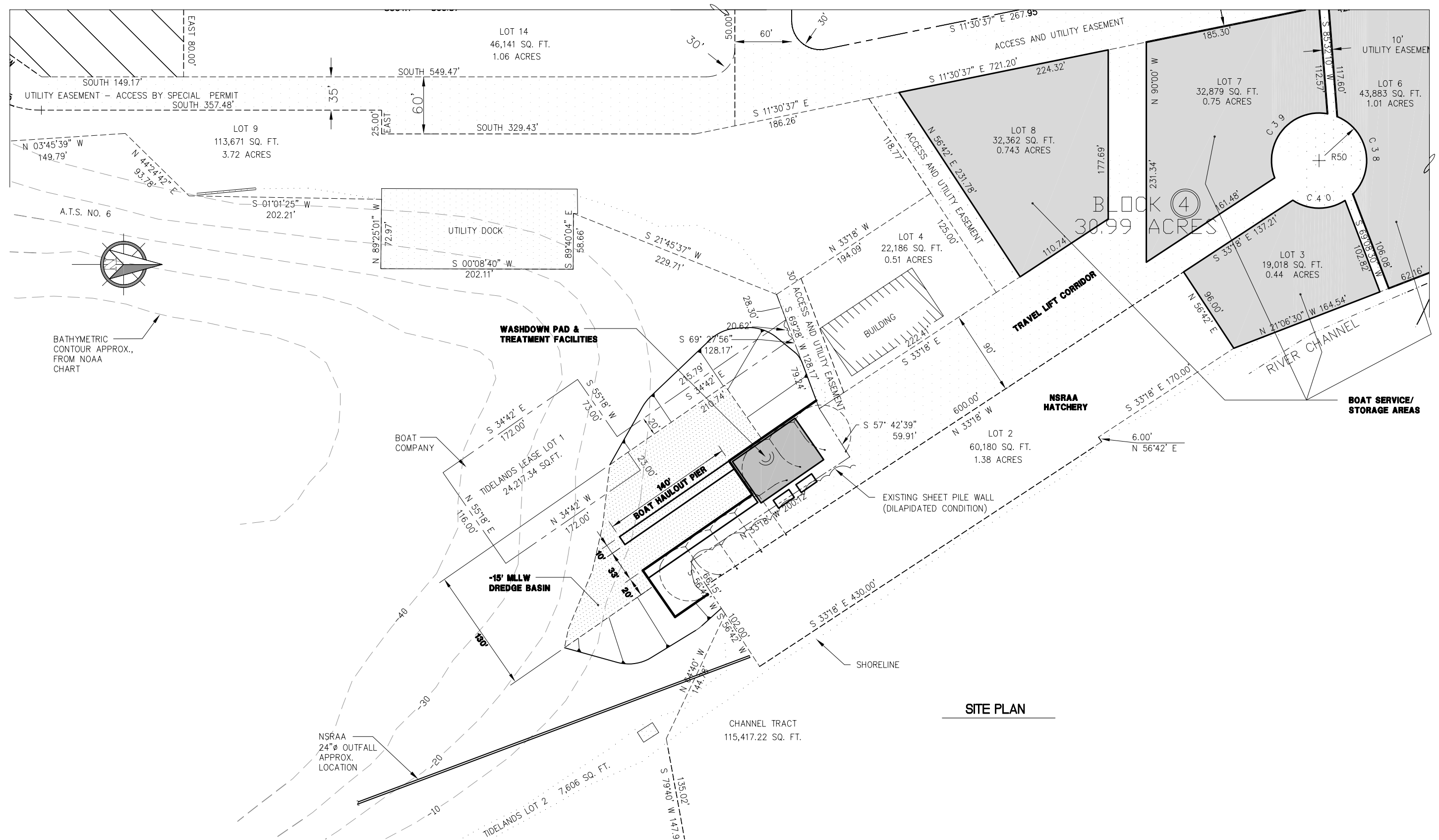
- Lifts in the 45 ton to 100 ton capacity are lower cost and can accommodate a majority of the local fleet.
- Lifts in the 150-300 ton range cost more, but can accommodate large vessels.
 - Larger vessels tend to spend more on vessel projects and attract marine service providers, creating more jobs.

Conclusion: There are multiple options for site location, equipment type, and lift capacity. There are benefits and cons for each location, equipment, and lift capacity.

Next Steps

1. GPIP/Assembly direction of different ownership options.
 - CBS ownership
 - Where is funding coming from?
 - Private Ownership
 - What terms would the CBS like to include in DBFOM lease agreement?
2. GPIP/Assembly direction on potential site location.
 - Access ramp location.
 - North end of park.
 - South end of Lot 9a.
 - Allow private industry to propose via RFP for any/all locations.
3. GPIP/Assembly direction on potential equipment and lift capacity.
 - Traditional travel lift.
 - Amphibious travel lift.
 - Hydraulic trailer.
 - Allow private industry to propose equipment and lift capacity via RFP process.
4. Other GPIP/Assembly discussions
 - Potential for short term goals to service fleet with phased development.

N:\07XXX\072072.01 Sawmill Cove Multipurpose Dock\Drawings\PND\BOAT HAULOUT CONI.dwg, CONCEPT2



SITE PLAN

PRELIMINARY



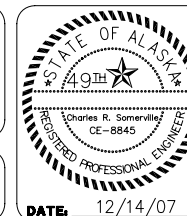
REVISIONS					
REV.	DATE	DESCRIPTION	DWN.	CKD.	APP.

PND
ENGINEERS, INC.

9360 Glacier Hwy, Ste. 100
Juneau, Alaska 99801
Phone: 907-586-2093
Fax: 907-586-2099
www.pnd-anc.com

DESIGN: CRS
DRAWN: PJD
CHECKED: CRS
APPROVED: CRS

SCALE: SCALE IN FEET
0 50 100 FT.



DATE: 12/14/07

**SAWMILL COVE INDUSTRIAL PARK
BOAT HAULOUT**

SHEET TITLE:

**CONCEPT NO.2
SITE PLAN**

PND PROJECT NO.: 072072.01 DWG. FILE:

2
SHEET
2 OF 2



REVISIONS					
REV.	DATE	DESCRIPTION	DWN.	CKD.	APP.

P

N

D

ENGINEERS, INC.

9360 Glacier Highway Ste 100
Juneau, Alaska 99801
Phone: 907-586-2093
Fax: 907-586-2099
www.pnd-anc.com

DESIGN: PLR
DRAWN: KLL

CHECKED: CRS
APPROVED: CRS

SCALE: 0 80 160 FT.

SCALE IN FEET

CITY & BOROUGH OF SITKA
GARY PAXTON RAMP PROJECT

SHEET TITLE:
CONCEPT PLAN NO. 3

PN&D PROJECT NO.: 182060

DATE: AUG. 23, 2019

1
SHEET
1 OF 3



**Gary Paxton Industrial Park – Board of Directors Meeting
Dec 4, 2019, 3:00pm – Centennial Hall, Room 3
GPIP – DRAFT MINUTES**

A. CALL TO ORDER: The Vice Chair, Vaughn Morrison, called the meeting to order at 3:07pm

B. ROLL CALL

Members Present: Scott Wagner (Arrived 3:15), Vaughn Morrison, Sheila Finkenbinder, Al Stevens, Mike Johnson

City Representatives: Hugh Bevan, Shiloh Williams, Stephen Weatherman, Thor Christianson, Richard Wein, Mike Harmon

Others Present: Lee Hanson, Garry White, Brigitte Klakring, Chris Ystad, Dan Cooper, Tyler Green, Rob Lihou, Andrew Callstine, R. Eliason, Karen Johnson, Chuck Olson, Baker Hensley, Pat Glaab, Terry Perensovich, Dan Falvey, Jeff Farvour, Chris McGraw, Jacob Ogilvie, Tamy Stevenson, Shawna Thornton, Jason Gjertzen, Charlie Wilber, Mike Gassman, Kai Olney-Miller, Ken Creamer, Phil Nasz, Kent Barkau, Frank Balovich, Dick Curran, Scott Saline

C. Review of Minutes – October 21, 2019

MOTION: M/S Finkenbinder/Johnson moved to approve the minutes of October 21, 2019.

ACTION: Motion PASSED 4/0 on a voice vote.

D. Correspondence & Other Information – None

E. Changes/Additions/Deletions to Agenda – Mr. White suggested we move H.1 (GPIP- Strategic Planning) to end of agenda.

MOTION: M/S Finkenbinder/Johnson moved to put H.1 at end of agenda.

ACTION: Motion PASSED 4/0 on a voice vote.

F. Reports – None

G. Persons to Be Heard – None

H. New Business –

1. GPIP Waterfront Development/ Haul Out Proposal

Mr. White gave an overview of the history, scope and goals of this project. He explained that this decade long discussion began in 2007 when a marine survey was conducted to create a list of desires from a new haul out. It was continued in 2009 when an RFP was put out globally with only one response from a company in Bellingham requiring \$25 million to construct. He continued, in 2014, a public meeting was conducted to understand fleet wide needs and after this meeting it was determined that a good amount of work could be conducted without being hauled out. Mr. White went on, fast forward a few years and Northline added their ramp concept and has left us

with the infrastructure to continue this. He continued, while this is a suitable alternative for some projects our town's current haul out system at Halibut Point Marine will be discontinued sometime in 2021, leaving the city with a need for a new haul out. Mr. White explained an engineering firm was contracted to break the potential project down into six different phases totaling 7.5 million dollars. The plan included:

- A. Treat wastewater from washdowns for EPA.
- B. Capture water from washdowns.
- C. Improve current ramp infrastructure.
- D. Upland improvements of water, electric, sewer, etc. for the haul out yard acreage that is set aside.
- E. Timber float.
- F. Purchase haul out equipment.

Mr. White invited Mr. McGraw to come forward. Mr. McGraw explained that his company, Halibut Point Marina, has submitted a proposal to the CBS to fund a new 100 ton, 26 foot wide haul out for a trade of 17 acres of city property.

Mr. White opened a conversation to discuss this proposal to the individuals present. He noted the goal of this conversation was to ensure this proposal met the needs of the fleet, not the proposal specifications regarding the land value or trade agreement as that is city assembly business.

With such a strong turnout from the public a great deal of conversation occurred regarding the need for additional washdown space, difference in cost between a 100 ton and 150 ton haul out, need for a finger pier, width of the haul out, and how we can compete against other successful boat yards like Wrangell.

Mr. McGraw explained a 150 ton haul out would cost 1.5-2 million dollars more and he feels a 100 ton haul out will service 90% of our fleet. He added, the bigger boats can be rolled up the ramp. After much discussion the crowd tended to agree. Mr. Christianson added, CBS does not have funds to build either size, so this trade is a very alluring option.

Mr. Leo discussed concerns of southeast winds and the need to add a finger pier and/or float for boats to bounce off of so boats don't end up beached. Mr. Johnson stressed this concern as well and suggested CBS adds that into a revised proposal.

Many showed concerns regarding the washdown and explained that it is often a bottleneck. Mr. Olson suggested CBS add additional washdowns when negotiating with Mr. McGraw. Additionally, many mentioned the success of Wrangell's boat yard and how that in addition to the haul out they have skilled laborers and indoor facilities for people to work on their boats. Mr. White explained that was the vision for GPIP as well and that details would be discussed in the strategic planning portion of the agenda.

Lastly, Mr. Johnson explained the need to ensure the haul was not a standard haul out, but has some bells and whistles. There are a variety of models and we want one that will be most profitable.

At this point, 4:28pm, the board felt they had covered the variety of topics necessary to make a decision of whether or not to recommend CBS move forward with negotiations.

Mr. Bevan informed Board and audience that the final location of the haul out has not been finalized. The CBS is investigating the Bathymetry of the Sawmill Cove area.

MOTION: **M/S Stevens/Morrison** moved to recommend the CBS assembly moves forward with negotiations on Mr. McGraw's proposal contingent on that the marine piers are at least 26 feet wide, that the 100 tons Marine Travel Lift is new and not used equipment, that additional wash down space in added to proposal, that a finger float is added, that additional infrastructure on marine piers is added to allow for people exit the vessels before vessel is hauled.

ACTION: **Motion PASSED 5/0 on a roll call vote.**

4:39pm The Chair called for a 10 minute intermission. Many left at this point.

4:49 The Chair resumed the meeting.

I. Unfinished Business –

1. GPIIP Strategic Plan

Mr. White explained people are already wanting to buy property at GPIIP if the new haul out proposal proceeds. He asked the board for suggestions on if he should begin accepting offers as they come in or do an RFP for marine service trades locations. Mr. Wagner suggested Mr. White move forward with an RFP and the board can refine it and publish once the proposal is finalized.

The board opened the conversation up to the floor.

The remaining in the crowd discussed the need to plan out the space accordingly before beginning leases keeping in mind where retail space makes most sense versus where covered work spaces makes the most sense to ensure the area is most profitable and malleable to the haul out specs.

Dr. Wein also suggested we improve the lease process and extend the lease term lengths, Mr. Christianson agreed.

Mr. Wagner suggested Mr. White move forward with an RFP and re-mapping of the specific units that will be available for lease. He also suggested we discuss removing the retail ban from that area at the next meeting. The board all agreed.

Mr. Christianson stated should this all move forward it will be an exciting time for economic development in Sitka.

J. Adjournment: **M/S Finkenbinder /Morrison** moved to adjourn meeting at 5:31pm.



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

Wednesday, January 22nd, 2020

MEMORANDUM

To: Hugh Bevan, Interim CBS Administrator
From: Garry White, GPIIP Director
Subject: GPIIP Port Facility Overview

Background

The CBS has investigated the potential for a vessel haul out facility at the GPIIP since the property was acquired by the CBS.

In November 2001, the GPIIP Board of Directors, though the CBS Public Works Department retained Peratrovich, Nottingham and Drage, Inc. (PND) to develop a waterfront development plan for the GPIIP. The Sawmill Cove Industrial Park Waterfront Development Plan, completed in April 2002, identified potential waterfront improvements that could enhance the GPIIP and meet the mission of the GPIIP Board and CBS. Included in the potential improvements were; a vessel haul out, a small boat harbor, and a bulkhead dock. The waterfront development plan provided estimated construction costs, but did not determine the economic viability or the feasibility of the projects.

Marine Haul Out History at the GPIIP

Since acquiring the industrial site in 1999, the CBS considered the potential for development of a marine haul out at the Industrial Park. Every Legislative Priorities list from FY2005 through FY2016 included a reference to development of a marine industry and infrastructure at the SCIP and/or a specific funding request.

The GPIIP Board held multiple public meetings over the years to determine what type of infrastructure and equipment was needed for a successful vessel haul out, looked at various issues and concerns of the development of a haul out, and worked with various public and private entities on the funding and management of a haul out at the GPIIP.

Timeline:

In 2003, SEDA sponsored a Sitka Marine Industries Meeting with marine business owners and stakeholders.

In 2007, SEDA conducts the Sitka Marine Industries Survey. SEDA receives roughly 200 responses that are shared with the GPIIP Board and public on the wants and needs of the local fleet, marine operators and general public.

In 2007, PND provides two concept plans for a vessel haul out at GPIIP to the CBS.

PND Preliminary Engineer's Estimate

- Concept No. 1 = \$6,264,192 (Fill out in the tidelands to reach deeper water)
- Concept No. 2 = \$6,797,824 (Dredge a portion of the cover to create deeper)

In 2009, A Request for Proposal was developed and released for the construction of a vessel haul at the GPIIP. The RFP was mailed directly to a list of over 60 targeted clients and advertised globally. The GPIIP Director met with various marine service providers throughout the state and in the Puget Sound area that were interested in operating a marine haul out, but many were not interested in providing the funding for the base infrastructure needed for a haul out operations. The CBS received one proposal to the RFP from Puglia Engineering Inc. out of Bellingham, WA. Puglia and the CBS could not come to terms on the proposal and investment, due to large capital requirement (~\$21 million) requested to be funded by the CBS. (**Note: There was a global recession in 2009, access to capital was limited*)

In 2011 Halibut Point Marina updated their facilities to include 5 new EPA compliant wash down pads and widened the haul out by three feet to accommodate more vessels.

March 2014 a Preliminary Screening Level Assessment and Feasibility Study is completed for the GPIIP related to the viability of a vessel haul out, a large commercial vessel moorage, and a deep water multi-purpose dock at the GPIIP.

The following is a section of the Executive Summary related to the feasibility of a vessel haul-out facility at the GPIIP:

The analysis indicates a weak to moderate opportunity for a haul-out facility for vessels up to 150 tons and a weak opportunity for a haul-out facility for vessels over 150 tons. Under a scenario in which the existing Halibut Point Marine were to cease haul-out operations, the analysis would indicate a moderate to strong opportunity for a haul-out facility for vessels up to 50 tons.

The entire feasibility study can be found at this link.

<https://static1.squarespace.com/static/588a6f0ce6f2e19614b36071/t/5bcf5172419202d3830c8e4d/1540313533731/SCIP+Phase+2A+Preliminary+Screening-Level+Assessment+FINAL+%281%29.pdf>

September 2014, a report titled “Trends and Opportunities in the Alaska Maritime Industrial Support Sector” is released. The report is commissioned by the State of Alaska Department of Commerce, Community & Economic Development and completed by the McDowell Group. <http://www.mcdowellgroup.net/wp-content/uploads/2015/02/Trends-and-Opportunities-in-the-Alaska-Maritime-Industrial-Support-Sector.pdf>

In March of 2017, SEDA hosted a marine service meeting related to the development of a haul out at the GPIIP. A few comments from the public are the following:

- An access ramp is needed to support not only vessels, but barges in SE needing to get hauled out. Ketchikan is very expensive.
- Allen Marine is switching from a traditional marine ways to an access ramp.
- Covered work areas are needed.
- Finding a private entity to fund the base infrastructure for a haul out will be tough, the CBS should try to participate in finding funding.
- Sitka should look for a niche to find a competitive advantage over other region haul out facilities.

- A lot of vessel work can be completed while the vessel is in the water, future GPIIP Dock should allow constructed to allow for in water vessel work (completed).

August 1, 2017, Northline Seafoods leases a portion of Lot 9a for a 2 year term to construct a gravel access ramp to haul its barge for retrofit. The terms of agreement are for a ramp of 8% grade to be constructed by Northline and turned over the CBS at the end of the lease agreement.

In June of 2018, the CBS enters into agreement with PND to provide a conceptual design and estimate on constructing an access ramp for a vessel haul out operation. Conceptual design and estimate attached.

In August and September 2018, the GPIIP Board does a site visit for the potential access ramp and upland support areas. The Board discusses potential funding sources for the entire project and recommends a phased development approach due to the uncertainty of funding opportunities. The Board recommends the following priority of a phased development:

1. EPA approved water treatment infrastructure.
2. EPA approved wash down pad or water collection infrastructure.
3. Ramp infrastructure improvements, including installing a concrete ramp.
4. Upland improvements (Electric, water, lighting, etc.).
5. Timber float.
6. Potential CBS owned infrastructure to haul vessel (Hydraulic trailer or lift).

The GPIIP Board received estimate for Phased development at its October 2019 meeting. The GPIIP Board discussed funding and the potential for private sector development of a vessel haul out.

In November the CBS received a proposal from Halibut Point Marina (HPM) for private sector development of the infrastructure for a vessel haul out.

The GPIIP Board met in December 2019 to discuss the HPM proposal and passed the following motion:

MOTION: M/S Stevens/Morrison moved to recommend the CBS assembly moves forward with negotiations on Mr. McGraw's proposal contingent on that the marine piers are at least 26 feet wide, that the 100 tons Marine Travel Lift is new and not used equipment, that additional wash down space is added to proposal, that a finger float is added, that additional infrastructure on marine piers is added to allow for people exit the vessels before vessel is hauled.