


# City and Borough of Sitka

PROVIDING FOR TODAY...PREPARING FOR TOMORROW

*Coast Guard City, USA*

## MEMORANDUM

**To:** Mayor Eisenbeisz and Assembly Members

**From:** John Leach, Municipal Administrator 

**Date:** June 14, 2021

**Subject:** Marine Services Center RFP Response and Lease Terms

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### **Background**

On May 1, 2021, a Request for Proposals (RFP) was issued to secure a lessee for section of the Marine Services Center (MSC) for their own business needs and reserve a minimum of 10% of the cold storage space for public use subject to a fee schedule.

### **Analysis**

The RFP was published for 30 days, and two proposals were received at closing (June 4, 2021). Both proposals were considered responsive to the RFP and were scored based on the criteria outlined in the RFP. The scoring team consisted of me, the Municipal Clerk, and the Public and Government Relations Director.

The two proposals (attached) received the following scores:

1. Sitka Sound Seafoods (SSS) – 100 of a possible 100
  - a. Plan to lease and operate a cold storage facility – 25 of a possible 25
  - b. Plan to accommodate public use of cold storage – 25 of a possible 25
  - c. Proposed price for lease of a cold storage facility – 50 of a possible 50
2. Seafood Producers Cooperative – 50.004 of a possible 100
  - a. Plan to lease and operate a cold storage facility – 25 of a possible 25
  - b. Plan to accommodate public use of cold storage – 25 of a possible 25
  - c. Proposed price for lease of a cold storage facility – 0.004 of a possible 50

The SSS (a division of North Pacific Seafoods) proposal was chosen as the top proposal.

### **Fiscal Note**

North Pacific Seafoods proposes a lease price of \$11,845.90 per month. The lease will begin on July 1, 2021 and expire on June 30, 2023. In accordance with current policies,

SSS will pay their portion of the billed monthly utilities for the MSC building.

The public cold storage fee schedule is attached to the SSS proposal and is in accordance with terms requested in the RFP. Approval of this lease will include approval of their proposed public storage rates.

**Recommendation**

Approve the attached 2-year lease with SSS.

Encl: MSC Request for Proposals  
Seafood Producers Cooperative proposal  
Sitka Sound Seafoods proposal  
RFP scoring results  
North Pacific Seafoods lease

REQUEST FOR PROPOSALS (RFP)  
by  
THE CITY AND BOROUGH OF SITKA, ALASKA  
for  
RENTAL OF MARINE SERVICES CENTER  
COLD STORAGE SPACE

**A. Overview**

The City and Borough of Sitka (CBS) is requesting proposals from firms interested in leasing, until June 30, 2023, 8,400 square feet of refrigerated cold storage at Sitka's Marine Services Center (MSC) to meet their needs and to provide cold storage services to the seafood processing interest in the community.

**B. Description of Facility**

The cold storage facility is located at 600 Katlian Street in Sitka, Alaska. The building contains about 21,000 square feet of which about 16,500 square feet is presently operated as cold storage.

An as built drawing of the property is included as Attachment A.

The CBS will make available 8,400 total square feet of refrigerated cold storage for exclusive use of the lessee for cold storage of product related to their business. The CBS requires a minimum of 840 square feet (10%) of the 8,400 square feet be made available for public cold storage. Major components of the exclusive space will include:

- Cold storage space with the capability to store approximately 1,440,000 pounds of seafood at -10° to -20°F.
- Shared office space and warm-up room for cold storage staff.
- Refrigeration, lighting, heating and other utility services required for use. Utilities are paid by CBS, then split and billed to the lessees based on occupancy.

In addition, the lessee will have access and use of common spaces in the building and at the site for the following uses:

- Restrooms for employees
- Access to building for delivery of product to the facility for cold storage.
- Access to the building for van loading frozen product for off-site delivery.
- Covered receiving area to accommodate receiving and handling of seafood from the processors main plant into cold storage.
- Loading dock for placing frozen product into vans for shipment.
- Electrical service for charging fork truck batteries.

**C. Excluded Uses at the Site**

The following uses are specifically prohibited at the site or as a part of the lessees use of the common spaces or exclusive use spaces:

- Primary processing of seafood.
- Delivery or handling of unprocessed seafood.
- Secondary processing of seafood.
- Retail sales. The term “retail sales” means direct retail sales to customers coming to the site to view and purchase a product. Examples would be a marine chandlery, sales equipment, provisions and supplies, and sales of seafood products similar to a grocery or convenience store operations.
- Equipment storage or any other activity not directly related to the lessee’s exclusive use cold storage activities at the site.

#### **D. Items to be Provided by the Lessee**

- All equipment for handling the lessee’s seafood products for cold storage including electric fork trucks and electric charging equipment.
- Racks or stacking aids for cold storage.
- Totes, boxes, or other supplies related to lessee’s cold storage service activities.
- Telephone, garbage collection or any other utility required for operations. Utilities are paid by CBS, then split and billed to the lessees based on occupancy.
- All permits or licenses required for lessee’s operations.
- All utilities to be the responsibility of the lessee.

#### **E. Items to be Provided by the CBS**

- Common building and site space of use by the lessee.
- Building maintenance of cold storage equipment and common areas at no charge to the lessee.
- Management of individual lease agreement to the site.
- Rate structure and operations requirements for public users of the cold storage facility.

\*\*\* The CBS will not be held liable for temperature variation in the MSC Cold Storage due to improperly handled (above 5°F in temperature and/or wet cardboard boxes) product being introduced to the cold storage vault by the lessee. All items stored are required to be frozen prior to placing them into the cold storage facility.

#### **F. General Contract Requirements**

The goal of CBS is to lease the cold storage space until June 30, 2023 to the entity who provides the best value to the City and Borough. The proposals will be evaluated based upon the following criteria:

- A. Award 0 to 25 points based upon the proposer’s plan to lease and operate a cold storage facility.

- B. Award 0 to 25 points based upon the proposer's plan to accommodate public use of the cold storage facility.
- C. Award up to 50 points for proposer's bid price to lease the cold storage facility.

Points will be awarded based upon this formula:

$$\frac{\text{Proposer's bid price}}{\text{Highest bid price received}} \times 50 = \text{Bid Price Points}$$

The total maximum number of points = 100

The City and Borough of Sitka reserves the right to negotiate with any proposer, to waive informalities in any of the proposals and to award the lease of the space to whichever entity is deemed to provide the best value for the Municipality at the sole discretion of the City and Borough of Sitka.

## G. Requirements for Proposal

Proponents submitting proposals must include the following information:

1. A letter of interest signed by an authorized representative of the Lessee.
2. A narrative clearly describing the Lessee's plan to lease and manage the cold storage facility and related infrastructure.
3. Clearly identify responses to the General Contract Requirements stated above.
4. A copy of current Alaska Business License.

## H. Schedule

Advertise Request for Proposals	May 1, 2021 to May 30, 2021
Proposals Due	June 4, 2021
Internal Review and Negotiations	June 7, 2021 to June 11, 2021
Possible CBS Assembly Award of Lease	June 22, 2021
Possible Commencement of Lease Occupancy	August 1, 2021

## I. Submissions and Inquiries

Submit Three (3) copies of your Proposal to:

City and Borough of Sitka, Municipal Clerk  
100 Lincoln Street,  
Sitka, Alaska 99835

Proposals will be received until **June 4, 2021**.

Any questions regarding this project should be directed to Tori Fleming, Contract Manager, at [publicworks@cityofsitka.org](mailto:publicworks@cityofsitka.org), (907) 747-1803.

Dates of Publication:

Sitka Daily Sentinel:



# SEAFOOD PRODUCERS COOPERATIVE

PRODUCERS, PROCESSORS & MARKETERS OF PREMIUM QUALITY SEAFOODS

City and Borough of Sitka  
Municipal Clerk  
100 Lincoln St  
Sitka AK 99835

Seafood Producers cooperative is submitting a proposal for the lease of the second half of the cold storage facility at 600 Katlian Street.

In response to the general contract requirements of the RFP, we offer the following:

**A) SPC's plan to lease and operate a cold storage facility.**

Seafood Producers Cooperative has leased half of the cold storage facility since the building opened. The leased area has been operated as a cold storage in conjunction with our seafood processing facility at 507 Katlian. Our storage of goods in the building has included frozen seafood, ice, and bait. The additional space offered under this RFP would be an extension of our longstanding operation of our leased portion.

**B) SPC's plan to accommodate public use of cold storage facility.**

If awarded the bid, SPC will continue to offer public access to cold storage under the terms and conditions recently approved by the administrator and assembly of Sitka. Our current lease does not have a minimum amount of storage space to be offered to the public. If we are awarded the bid, we will guarantee a total of 10% of the useable floor space in the facility for public storage. This would equal a total guaranteed available space of 20% of the side up for lease.

We have continuously provided public access to storage within our leased area. The rates did not adjust for many years and were below rates offered in Washington State. The facility has been open 5 days a week with customer service always available on weekends and holidays upon request. SPC is the only tenant of the cold storage that has satisfied the required public access. Our service of the public has been so complete that people refer to the 'city part of the cold storage' when referring to SPC's public storage services. We will continue to supply public storage access on our current part of the cold storage and hope to expand our offering if our bid is accepted.

**C) SPC's proposed price for lease of cold storage facility.**

SPC offers to pay the utilities and a base lease price of \$1/month. We will seek long term renters of the space. Rental space will be offered on a long-term lease expiring with our lease of the space. Renters will be required to pay a lease fee plus their share of the utilities. SPC will pay the city 100% of the lease revenue less 10% administrative fee. SPC does not have enough activity to fully utilize the entire space, year-round, at this time. Our offer guarantees the city the payment of the utility bill which is half of the net cost of the space. When the space was unoccupied for a year, the city paid the utility bill and had no income to offset the cost. Our preferred business to sublease part of the space would be Sitka Sound Seafoods.

Our intended use of the additional space is to hold more inventory in Sitka for reprocessing and boxing during the off season. At the peak of our season, we are forced to send product south on the barge for further value added work at outside contractors. Use of this space will result in more local employment for Sitkans during the off season. The additional wages of new project would be in excess of \$20,000 per month.

Our proposal is not a clean cash proposal. We do think we can maximize the value of the space for the City of Sitka through sublease income, increased employment and continued operation of the only public cold storage service in Sitka.



6-3-21

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Stephen Rhoads  
VP of Procurement  
Seafood Producers Cooperative  
507 Katlian St  
Sitka AK 99835  
Mobile: 907-738-0128  
Email: [srhoads@spcsales.com](mailto:srhoads@spcsales.com)



# ALASKA DEPARTMENT OF REVENUE

## Fisheries Business License

Valid Jan 01, 2021 through Dec 31, 2021

License No

172

**Licensee**

SEAFOOD PRODUCERS COOPERATIVE

**Licensed Activity: Shore-based Processor**

Licensed to perform activity as a Shore-based Processor described under AS 43.75.

This certifies that the licensee agrees to file a fisheries business tax return stating the value of fisheries resources processed or exported from the state for the license period and to pay fisheries business taxes in full on or before March 31 following the end of the license period. Licensee agrees to comply with all statutes and regulations governing fisheries business taxes. This license cannot be transferred or assigned.

**Licensed Location**

SITKA PLANT  
507 KATLIAN DR  
Sitka, AK 99835-0000

**BONDED**



Under AS 44.25.040

**Maria Tate**

Licensing Specialist

12/30/2020

Issue Date

Caution: This does not permit you to do business in Alaska without complying with other State or US Laws.

# Sitka Marine Services Center

## General Terms and Conditions

(Revised 05/13/2021)

### **Regular Warehouse Hours**

- A. Regular hours of operation are 8:00 a.m. to 5:00 p.m. Monday through Friday, except holidays. Phone reservation is required two hours before delivery. Call 907-738-4371 or 907-747-5811
- B. Receipt and delivery on Saturday, Sunday, and Holidays can be arranged with prior notice.

### **Handling and Storage**

- A. Rates for handling and storage will be computed on the following basis:
  - 1. Shipments into storage received from the first day of any month through the 14<sup>th</sup> day of the same month will be charged a full month's storage.
  - 2. Shipments into storage received from the 15<sup>th</sup> day of any month through the last day of the same month will be charged one-half month's storage.
- B. Handling charges are due the first month shipments are received, within 10 days of the date of invoice. Minimum lot charges are \$30 per pallet/tote per month. Minimum charge per customer is \$30.00 per month.
- C. All Products will be stored in totes/pallets supplied by SPC/SMSC or by owner. If owner of product chooses to take tote/pallet belonging to SMSC when shipping product customer will be charged \$25.00/tote and \$10.00 per pallet. SMSC will create label for customer indicating what products/weights/description are in the tote.
- D. Handling charges cover the ordinary labor and duties incidental to receiving goods at warehouse door, stowing and delivering to warehouse door, but do not include labor for sorting, weighing, marking, sampling, inspecting or unloading.
- E. The Sitka Marine Services Center, upon 30 days written notice to the owner, may require the removal of the goods or any portion thereof and require payment of all charges attributable to those goods whether or not there has been default by the owner under these terms and conditions. If the goods are not removed, the Sitka Marine Service Center shall sell the goods and may exercise any other rights it needs to recover unpaid bill.

### **Delivery in/out of Warehouse**

- A. No goods shall be delivered or transferred without complete written instructions from the owner.
- B. When goods are ordered out of the warehouse, storage charges shall be paid through the end of the month in which the goods leave the warehouse.
- C. If the Sitka Marine Center is unable due to causes beyond its control to deliver the goods prior to the expiration of the current storage period, the goods will be subject to storage charges for the next succeeding storage period.

### **Transfer of Ownership of Goods in Warehouse**

- A. When part of a lot is transferred in the warehouse from one party to another and requires physical separation of the goods in the lot, the new pallet/tote charge for separation will be created to whom the transferee designates.
- B. Goods transferred in the warehouse from one party to another may be subject to the Warehousemen's Lien for storage charges of the transferer. The Sitka Marine Services Center may require payment of all charges owed by the transferor prior to transferring goods in the warehouse.

### **Loading and Unloading**

- A. Handling rates in this tariff do not include loading or unloading vans, trucks or any other vehicles.
- B. In loading, unloading and sorting goods, the Sitka Marine Services Centers acts as agent for the owner and will not be responsible for errors or shortages, because goods are billed "Shipper's Load and Count". Owner may furnish checker to verify load and count, otherwise the Sitka Marine Services Center record of load and count shall be conclusive, and the Sitka Marine Services Center shall have no liability for later discrepancies.
- C. Owner shall deliver a Bill of Lading or other document against which owner shall be solely responsible for verifying the amount of goods described in the warehouse receipt. In the absence of such documents for verification, the amount of goods delivered to owner shall be conclusively presumed to be the amount of goods delivered to the Sitka Marine Services Center by the owner, regardless of the amount described in the warehouse receipt.



### **Liability**

- A. The responsibility of a warehouseman in the absence of a written contract is the reasonable care and diligence required by law. The Sitka Marine Services Center will have no responsibility for concealed damage, leakage, variation in weights, or loss of weight by reason of defective or insufficient containers, occurring while goods are in storage or are being handled, nor for failure to detect or remedy same.
- B. Perishable goods or goods susceptible to damage through temperature changes or other causes incidental to general storage, are accepted into general storage only at the owner's risk for such damage as may result from general storage conditions.
- C. All commodities of a very perishable nature are stored at owner's risk and shall be inspected once a week by the owner or his designated agent. The Sitka Marine Services Center will not assume responsibility except for the maintenance of a given temperature, which will be stated at the time of storage.
- D. Liability of the Sitka Marine Services Center for loss or damage to goods shall in no case exceed \$.50 per pound, unless excess value is declared by the customer at the time the goods are stored. A charge will be made for such excess value.
- E. By delivering goods to the warehouse or delivering instructions to the Sitka Marine Service Center regarding the contents and packaging of goods in the warehouse, the owner thereof thereby warrants and represents to the Sitka Marine Services Center that such goods are not adulterated or misbranded within the meaning of the Food and Drug Cosmetic Act. If the Sitka Marine Services Center accepts such goods and ships such goods in good faith, and incurs any damage, loss, expense, or liability arising from such acceptance or delivery under the Food and Drug Cosmetic Act or under any other law, order or regulation, the owner shall defend and indemnify the Sitka Marine Services Center against same, including attorney's fees.

### **Insurance**

The goods stored are not insured by the Sitka Marine Services Center and the storage rates do not include insurance coverage other than Warehouseman's Liability Coverage with the limitations described above. By delivering goods to the warehouse, owner instructs the Sitka Marine Services Center not to obtain insurance on the goods stored, unless the Sitka Marine Services Center has agreed in writing to obtain such insurance for the benefit of the owner.

### **Waiver of Severability**

- A. Failure on the part of the Sitka Marine Services Center to insist upon strict compliance with any provision hereof shall not constitute a waiver or Estoppel to later demand strict compliance.

- B. If any provision hereof is declared invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be in any way affected or impaired thereby.

### **Liens**

- A. The Sitka Marine Services Center shall be entitled to a lien on all goods held in the warehouse under a customer account, and such lien shall be in the amount of all storage, handling and related charges incurred by such customer, and all expenses reasonably necessary for preservation of the goods or reasonably incurred by the Sitka Marine Service Center in exercising its lien rights. If the goods are transferred out of the warehouse, the lien for any unpaid charges relating to such goods shall be enforceable against any goods remaining in the warehouse under the same customer account. In addition, by delivering goods to the warehouse, the customer grants a security interest in the goods and all proceeds derived from the goods for all charges described above, whether incurred before or after such delivery.
- B. If goods are transferred into the warehouse from one party to another, and charges relating to the goods have not been paid in full on the date of the transfer by the transferor, the lien for all such charges shall attach to all goods retained in the warehouse by the transferor and to the goods transferred to the transferee. The Sitka Marine Service Center may require a transferee to acknowledge such lien rights prior to transferring such goods to the transferee in the warehouse.

### **Payment Terms**

- A. All charges are due with payable 10 days from the date of invoice. A late charge of 1.5% per month will be assessed on outstanding balances for accounts past due.

### **Access to Goods**

- A. Customers, subject to insurance regulations and reasonable limitations, have access to their goods in the warehouse when accompanied by a warehouse employee.

# Sitka Marine Service Center

## Tariff Schedule

Handling and first month's storage (received frozen) will be charged at \$75.00 per tote.

Comment: These rates reflect the receiving dates for products handled by the Center

SMSC will only store food or bait products.

4 Nickerson, Suite 400, Seattle, WA 98109  
P.O. Box 31179, Seattle, WA 98103-1179  
P (206) 726-9900 F (206) 726-1571  
www.northpacificseafoods.com



June 1, 2021

Sara Peterson, Municipal Clerk  
City and Borough of Sitka  
100 Lincoln Street  
Sitka, AK 99835

RE: Marine Services Center RFP Response

Dear Sara,

Attached is the Sitka Sound Seafoods (SSS), a division of North Pacific Seafoods, Inc. response to the City of Sitka request on RFP for the Marine Services Center. SSS is offering to pay \$11,845.90 per month in lease amount and one-half of the billed monthly utilities. We understand that this lease of space will last until June 30, 2023. Included with this letter of interest is the following documents.

Narrative Operational Plan for the Marine Service Center.  
Operational Plan includes responses to the General Contract Requirements.  
Copy of current Alaska Business License.  
Copy of current Alaska Food Code 2021 Establishment Permit for a Warehouse.  
Proposed General Terms and Conditions.

If you have any questions regarding this letter of interest or the documents provided, please feel free to contact me at 1-907-738-1270.

Sincerely yours,

Bill Grant  
Fleet Manager/Asst. Manager  
Sitka Sound Seafoods  
329 Katlian Street  
Sitka, Alaska 99835

enclosures

<b>Alaska Pacific Seafoods</b>	<b>Pederson Point</b>	<b>Sitka Sound Seafoods</b>	<b>Togiak Fisheries</b>	<b>Red Salmon</b>	<b>Ocean Resources International</b>
627 Shelikof Ave	P.O. Box 99	329 Katlian Street	P.O. Box 30	P.O. Box 10	P.O. Box 31179
Kodiak, Alaska 99615	Naknek, Alaska 99633	Sitka, Alaska 99835	Togiak, Alaska 99678	Naknek, Alaska 99633	Seattle, WA 98103-1179
P (907) 486-3234	P (907) 246-4461	P (907) 747-6662	P (907) 493-5331	P (907) 246-6809	P (206) 726-9900
F (907) 486-5164	F (907) 246-6657	F (907) 747-6268	F (907) 493-5133	F (907) 246-6810	F (206) 726-1667



4 Nickerson, Suite 400, Seattle, WA 98109  
P.O. Box 31179, Seattle, WA 98103-1179  
P (206) 726-9900 F (206) 726-1571  
www.northpacificseafoods.com



SITKA SOUND SEAFOODS  
RESPONSE TO PROPOSAL FOR LEASING PART CITY OF SITKA MARINE SERVICE CENTER  
OPERATION PLAN

Sitka Sound Seafoods (SSS), a division of North Pacific Seafoods, Inc. would operate the proposed leased part of the Marine Service Center for both the public and its own use. The space allocated to the public use would be 10% (840 Square feet) of the floor space being leased. The public space would be a combination of storage racks and floor space to stack totes or palletized product. The storage racks can accommodate 60 single pallet slots and 120 if double stacked.

Space would be made available for all fully packaged, commercially frozen products on a first come first serve basis. SSS will not, on the grounds of race, color or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by law

Hours of operation would be 8:00 am to 5:00 pm Monday through Friday, except holidays. Given prior notice, arrangements would be made to accommodate receipt and delivery of product on Saturday, Sunday and holidays. Arrangements will need to be made through the SSS office and contact phone number is 907-747-6662.

Products received by SSS would be placed on pallets or in totes if needed at owners' expense if not provided. Products received would be identified and weights placed on an SSS Sales Receipt and a hand printed label placed on the boxes/pallet. Storage costs would start to be accumulated at the time of arrival. First invoice would reflect the date storage began and any other charges associated with receiving and storing the product. Rates for storage and charges are included in the General Terms and Conditions document provided with this proposal which does include minimum lot/customer charges per month. Invoices for charges would be sent on a monthly basis.

No goods shall be delivered or transferred without complete written instructions from the owner. These instructions may be in the form of an email or letter. During the busy summer season, it may be possible to accommodate requests on a shorter notice time than during the winter. Activity at the Marine Service Center will vary depending on the different seafood processing seasons and use of the facility. All storage charges and charges for services will need to be paid prior to the release of the product.

Products placed in storage may be transferred in the warehouse from one party to another and would require physical separation of the goods. Costs associated with this separation would be billed at the amount listed in the General Terms and Conditions. All storage charges may be required to be paid prior to transferring goods in the warehouse from one owner to another.

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<b>Alaska Pacific Seafoods</b>	<b>Pederson Point</b>	<b>Sitka Sound Seafoods</b>	<b>Togiak Fisheries</b>	<b>Red Salmon</b>	<b>Ocean Resources International</b>
627 Shelikof Ave	P.O. Box 99	329 Katlian Street	P.O. Box 30	P.O. Box 10	P.O. Box 31179
Kodiak, Alaska 99615	Naknek, Alaska 99633	Sitka, Alaska 99835	Togiak, Alaska 99678	Naknek, Alaska 99633	Seattle, WA 98103-1179
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F (907) 486-5164	F (907) 246-6657	F (907) 747-6268	F (907) 493-5133	F (907) 246-6810	F (206) 726-1667



Storage rates do not include loading or unloading vans, trucks or any other vehicles. Loading and unloading loose frozen fish will be billed at the current hourly labor rate. During the loading and unloading process, owner may furnish checker to verify load and count. Owner shall provide Bill of Lading or other documents against which owner shall be solely responsible for verifying the amount of goods described in the warehouse receipt.

SSS will take reasonable and diligence in caring for stored product. Without a written contract between the owner and SSS, SSS is not responsible for concealed damage, leakage, variation in weights or loss of weight for any reason. Products received must be frozen, fully packaged, and have been commercially produced in compliance with the Food, Drug and Cosmetic Act.

Owner will insure store product at the SSS Marine Service Center at their own expense. Charges for storage do include insurance. SSS may agree to in writing to obtain such insurance for the benefit of the owner at their discretion.

SSS reserves the right to place a lien on product for non-payment. All charges for storage/handling must be paid prior to release. All charges are due and payable 10 days from the date of invoice. A late charge of 1.5% per month will be assessed on outstanding balances for accounts past due. Customers, subject to insurance regulations and reasonable limitations, have access to their goods in the Maine Service Center when accompanied by an SSS employee.

Moving product from the SSS main plant to the Marine Service Center will be done with a flatbed truck or placed in a container van for movement. A propane forklift may be used to move the product from the truck to the landing of the Marine Service Center. Electric full mast forklift will be used to move and store the product inside the building.

SSS will use the Marine Service Center to store their own products of like kind for shipment south. Both loading of product into containers and over the seawall to a freighter will take place from this location. Most of the product will be accumulated during the busy summer season when many different species and grades of seafood are processed. Once enough product is accumulated for shipment, arrangements will be made for either a container van or freighter to be loaded. Local transportation will move the container to a barge for shipment and the freighter will delivery the product to a cold storage in Seattle. All the paperwork regarding the shipment of product from the Marine Service Center will be processed at the SSS main plant. Wireless technically is used to communicate between the Marine Service Center and the plant.

Many different types of bait are needed to keep on hand to supply our fishing fleet. The Marine Service Center will be used for this purpose. Due to the nature of the fishing seasons, a large quantity of bait needs to be purchased and stored. Along with longline bait, there is troll herring.

Some items that we supple to local restaurants and sell in our retail store are purchased from outside sources. We carry a variety of seafood that cannot be harvested locally for resale. This inventory moves at different paces at different times of the year and must be purchased when available. This requires product to be stored for long periods of time.

SSS currently has an Alaska Business License (727062) and Alaska Food Code Establishment Permit (3386) for a warehouse.

4 Nickerson, Suite 400, Seattle, WA 98109  
P.O. Box 31179, Seattle, WA 98103-1179  
P (206) 726-9900 F (206) 726-1571  
www.northpacificseafoods.com



SITKA SOUND SEAFOODS  
MARINE SERVICES CENTER

General Terms and Conditions.

Regular Warehouse Hours

- A. Regular hours of operation are 8:00 am to 5:00 pm Monday through Friday, except holidays.
- B. Receipt and delivery on Saturday, Sunday and Holidays can be arranged with prior notice.

Handling and Storage

- A. Rates for handling and storage will be computed on the following basis:
  - 1. Shipments into storage received from the first day of any month through the 14<sup>th</sup> day of the same month will be charged a full month's storage.
  - 2. Shipments into storage received from the 15<sup>th</sup> day of any month through the last day of the same month will be charged one-half month's storage.
- B. Handling charges are due the first month shipments are received, within 10 days of the date of invoice. Minimum lot charges are \$12.00 per lot per month. Minimum charger per customer is \$50.00 per month.
- C. Handling charges cover the ordinary labor and duties incidental to receiving goods at warehouse door, stowing and delivering to warehouse door, but do not include labor for sorting, weighing, marking, sampling, inspecting or unloading.
- D. Charges for extra services incidental to storage will be billed as the service is performed if available. Charges are net as billed, and not discount will be allowed.
- E. The Sitka Sound Seafoods Marine Services Center, upon 30 days written notice to the owner, may require the removal of the goods or any portion thereof and require payment of all charges attributable to those goods whether or not there has been default by the owner under these terms and conditions. If the goods are not removed, the Sitka Sound Seafoods Marine Services Center may sell the goods and may exercise any other rights it has under the law.

**Alaska Pacific Seafoods**  
627 Shelikof Ave  
Kodiak, Alaska 99615  
P (907) 486-3234  
F (907) 486-5164

**Pederson Point**  
P.O. Box 99  
Naknek, Alaska 99633  
P (907) 246-4461  
F (907) 246-6657

**Sitka Sound Seafoods**  
329 Katlian Street  
Sitka, Alaska 99835  
P (907) 747-6662  
F (907) 747-6268

**Togiak Fisheries**  
P.O. Box 30  
Togiak, Alaska 99678  
P (907) 493-5331  
F (907) 493-5133

**Red Salmon**  
P.O. Box 10  
Naknek, Alaska 99633  
P (907) 246-6809  
F (907) 246-6810

**Ocean Resources International**  
P.O. Box 31179  
Seattle, WA 98103-1179  
P (206) 726-9900  
F (206) 726-1667



## Delivery In and Out of the Warehouse

- A. No Goods shall be delivered or transferred without complete written instructions from the owner.
- B. When goods are ordered out of the warehouse, storage charges shall be paid through the end of the month in which the goods leave the warehouse. The Sitka Sound Seafoods Marine Services Center shall be given a reasonable time to carry out delivery instructions. A reasonable time will be deemed to be 10 days from the date written instructions are received from the owner.
- C. If the Sitka Sound Seafoods Marine Services Center is unable due to causes beyond its control to deliver the goods prior to the expiration of the current storage period, the goods will be subject to storage charges for the next succeeding storage period.

## Transfer of Ownership of Goods in Warehouse

- A. When part of a lot is transferred in the warehouse from one party to another and requires physical separation of the goods in the lot, the charge for separation will be on an hourly labor rate.
- B. Goods transferred in the warehouse from one party to another may be subject to the Warehousemen's Lien for storage charges of the transferor. The Sitka Sound Seafoods Marine Services Center may require payment of all charges owed by the transferor prior to transferring goods in the warehouse.

## Loading and Unloading

- A. Handling rates in this tariff do not include loading or unloading vans, trucks or any other vehicles. A charge of \$.70 per cwt will be charged for loading and unloading. Minimum charge for loading or unloading vans, trucks or other vehicles is \$50.00. Loading and unloading loose frozen fish will be billed at the current hourly labor rate.
- B. In loading, unloading and sorting goods, the Sitka Sound Seafoods Marine Services Center acts as agent for the owner and will not be responsible for errors or shortages, because goods are billed "Shipper's Load and Count". Owner may furnish checker to verify load and count, otherwise the Sitka Sound Seafoods Marine Services Center shall have no liability for later discrepancies.
- C. Owner shall delivery a Bill of Lading or other document against which owner shall be solely responsible for verifying the amount of goods described in the warehouse receipt. In the absence of such documents for verification, the amount of goods delivered to owner shall be conclusively presumed to be the amount of goods delivered to the Sitka Sound Seafoods Marine Services Center by the owner, regardless of the amount described in the warehouse receipt.

## Liability

- A. The responsibility of a warehouseman in the absence of a written contract is the reasonable care and diligence required by law. The Sitka Sound Seafoods Marine Services Center will have no responsibility for concealed damage, leakage, variation in weights, or loss of weight by reason of defective or insufficient containers, occurring while goods are in storage or are being handled, or for failure to detect or remedy same.
- B. Perishable goods or goods susceptible to damage through temperature changes or other causes incidental to general storage, are accepted into general storage only at the owner's risk for such damage as may result from general storage conditions.
- C. All commodities of a very perishable nature are stored at owner's risk and shall be inspected once a week by the owner or his designated agent. The Sitka Sound Seafoods Marine Services Center will not assume responsibility except for the maintenance of a given temperature, which will be stated at the time of storage.
- D. Liability of the Sitka Sound Seafoods Marine Services Center for loss or damage to goods shall in no case exceed \$.50 per pound, unless excess value is declared by the customer at the time the goods are stored. A charge will be made for such excess value.
- E. By delivering goods to the warehouse, or delivering instructions to the Sitka Sound Seafoods Marine Services Center regarding the contents and packaging of goods in the warehouse, the owner thereof thereby warrants and represents to the Sitka Sound Seafoods Marine Services Center that such goods are not adulterated or misbranded within the meaning of the Food And Drug Cosmetic Act. If the Sitka Sound Seafoods Marine Services Center accepts such goods and ships such goods in good faith, and incurs any damage, loss, expense or liability arising from such acceptance or delivery under the Food and Drug Cosmetic Act or under any other law, order or regulation, the owner shall defend and indemnify the Sitka Sound Seafoods Marine Services Center against same, including attorney's fees.

## Insurance

The goods stored are not insured by the Sitka Sound Seafoods Marine Services Center and the storage rates do not include insurance coverage other than Warehouseman's Liability Coverage with the limitations described above. By delivering goods to the warehouse, owner instructs the Sitka Sound Seafoods Marine Services Center not to obtain insurance on the goods stored, unless the Sitka Sound Seafoods Marine Services Center has agreed in writing to obtain such insurance for the benefit of the owner.



#### Waiver of Severability

- A. Failure on the part of the Sitka Sound Seafoods Marine Services Center to insist upon strict compliance with any provision hereof shall not constitute a waiver of Estoppel to later demand strict compliance.
- B. If any provision hereof is declared invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be in any way affected or impaired thereby.

#### Liens

- A. The Sitka Sound Seafoods Marine Services Center shall be entitled to a lien on all goods held in the warehouse under a customer account, and such lien shall be in the amount of all storage, handling and related charges incurred by such customer, and all expenses reasonably necessary for preservation of the goods or reasonably incurred by the Sitka Sound Seafoods Marine Services Center in exercising its lien rights. If the goods are transferred out of the warehouse, the lien for any unpaid charges relating to such goods shall be enforceable against any goods remaining in the warehouse under the same customer account. In addition, by delivering goods to the warehouse, the customer grants a security interest in the goods and all proceeds derived from the goods for all charges described above, whether incurred before or after such delivery.
- B. If goods are transferred in the warehouse from one party to another, and charges relating to the goods have not been paid in full on the date of the transfer by the transferor, the lien for all such charges shall attach to all goods retained in the warehouse by the transferor and to the goods transferred to the transferee. The Sitka Sound Seafoods Marine Services Center may require a transferee to acknowledge such lien rights prior to transferring such goods to the transferee in the warehouse.

#### Payment Terms

- A. All charges are due and payable 10 days from the date of invoice. A late charge of 1.5% per month will be assessed on outstanding balances for accounts past due.

#### Access to Goods

- A. Customers, subject to insurance regulations and reasonable limitations, have access to their goods via appointments scheduled during business hours, during which product will be brought out to the loading dock for inspection.

# SITKA SOUND SEAFOODS MARINE SERVICES CENTER

## TARIFF SCHEDULE

Handling and first month's storage (received frozen) gross weights per cwt.

Comment: These rates reflect the receiving dates for products handled by the Center.

1/14 rates are for inventory received between the 1<sup>st</sup> and the 14<sup>th</sup> of a month (full month storage charge).

15/ME rates are for inventory received between the 15<sup>th</sup> and month end (50% of monthly storage charge).

	Weekday		Weekend/Holiday	
	1/14TH	15/ME	1/14TH	15/ME
All Freight	6.00	4.00	7.20	4.80
Labor Rates	Regular Time		Overtime	
Hourly Labor	\$35.00/HR		\$52.50	
Forklift and Driver	\$45.00/HR		\$67.50	
Stenciling Cartons	Hourly			
Physical Transfer of Goods	Hourly			
Inspections	Hourly			
Container Loading/Unloading	.70 cwt (\$50.00 Minimum)			
Truck Loading/Unloading	.70 cwt (\$50.00 Minimum)			
Miscellaneous Charges				
Warehouse Receipts/Book Transfers	\$15.00 each			
Minimum Charge per Lot	\$12.00 per month			
Minimum Charge per Customer	\$50.00 per month			
Preparation of Container Load Plans	\$15.00			
Materials	Cost plus 20%			



## Permit To Operate

Alaska Department of Environmental Conservation

Division of Environmental Health  
Food Safety and Sanitation Program



### Approved Processes

Cooking In Steam  
Cooking In Water  
Freezing  
Heading/Butchering  
IM-S Ice  
Manufacturing  
(Seafood)  
Roe-Salted  
Salted/Brining: wet or  
dry  
Roe-Green

This permit is granted to NORTH PACIFIC SEAFOODS INC  
SITKA SOUND SEAFOODS  
4 NICKERSON ST STE 400  
Seattle, WA 98109

Doing business as SITKA SOUND SEAFOODS

For operation of PL-2 Land-Based Processing 5000 or more lbs/day, as required by  
AS 17.20.065 and 18 AAC 34 SUBJECT TO IN-PLANT INSPECTION

Located at 329 Katlian ST Sitka, AK 99835

This permit is Annual, expires 12/31/2021, and may be revoked at any time. Issued under the provisions of Alaska Statute, Title 17, Alaska Administrative Code, Title 18, as amended or revised, and other applicable State Laws and Regulations.



## **Alaska Food Code 2021 Establishment Permit**

Division of Environmental Health  
Food Safety & Sanitation Program

Permit Number: 3386  
Issued to: NORTH PACIFIC SEAFOODS INC  
For: Sitka Sound Seafoods Warehouse  
For Operation of: FM-9 Warehouse  
Located at: 611 Katlian ST Sitka, AK 99835

This permit, issued under the provisions of 18 AAC 31, is valid until the noted expiration date or unless suspended or revoked by the department.

This permit is not transferable for change of ownership, facility location, or type of operation. It must be posted in plain view in the establishment and is the property of the State of Alaska.

Expiration Date:  
December 31, 2021

Program Manager:

A handwritten signature in black ink, appearing to read "Kimberly S. O'Neil", is written over the printed name of the Program Manager.

**If you have questions or concerns regarding  
safe food handling practices call toll free:**

# **1-87-SAFE-FOOD**

**(in Anchorage call 334-2560)**





Final Certified Ranking		
Rental of Marine Services Center Cold Storage Space		
June 4, 2021		
Name of firm	<i>Seafood Producers Cooperative</i>	<i>North Pacific Seafoods</i>
Firm's plan to lease & operate a cold storage facility (0-25pts)	25	25
Firm's plan to accommodate public use of the cold storage facility (0-25pts)	25	25
Price (0-50)	0.00422087	50
Totals	50.00422087	100

John Leach, Administrator

Sara Peterson, Municipal Clerk

Melissa Henshaw, Public & Government Relations Director

 6/7/21  
 6/7/21  
