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Thursday, May 13, 2021

MEMORANDUM

To: Sitka Community Boatyard Group

From: Garry White, Director

Subject: GPIIP Board Response to SCB Proposal

Introduction

The Gary Paxton Industrial Park (GPIIP) Board of Directors met on April 21st and May 12th, 2021 in Executive Session, during its Board meetings as the Selection Committee, to evaluate your proposal to construct and operate a marine haulout and shipyard at the GPIIP.

The Selection Committee has determined that the proposal was responsive to the Request for Proposal (RFP) requirements.

The Selection Committee evaluated the proposal and gave the proposal a score of 65 points out of a total of 140 points. The scoring was completed on a consensus basis. The Selection Committee discussed each criteria outlined in Section H of the RFP and came to a consensus on a score for each category.

The GPIIP Board exited the Executive Session as the Selection Committee and provided the following statement:

“The Selection Committee accepts the proposal from the Sitka Community Boatyard (SCB) on conditions that certain aspects of the proposal are negotiated with the GPIIP Executive Director and team, and ultimately brought back to the GPIIP Board for approval of recommended lease terms.

The Selection Committee offers to start with an upland and tideland lease on the southern portion of Lot 9a for the initial phase development of a travel lift piers, retaining wall, and staging dock as outlined in the proposal, including the purchase of a 150 ton vessel lift.

The Selection Committee is recommending that no CBS funds, from either GPIIP Working Capital or the Southeast Economic Development Fund, be used for the initial phase development.

The Selection Committee offers to lease Lot 9b and/or a portion of Lot 9c for the development of a wash down pad and water treatment facility, upon SCB securing non-CBS funding and contracts for the initial phase development on Lot 9a.

The Selection Committee offers to lease additional property to SCB contingent on funding being identified for construction of needed infrastructure to operate a haul out.

The Selection Committee encourages the CBS to continue to apply for Grant funding to construct the complete haul-out with award information available in the fall of 2021. The level of CBS funding for various portions of the marine haul out and shipyard development will be open for discussion at that time.”

Sitka Community Boatyard Proposal Scoring

The Selection Committee scored the proposal as follows:

1. Qualifications, Financial Ability & Experience of the Developer(s) and the Design Engineer. From the proposal and from your own knowledge of this firm, give from 1 to 30 points with the best score as 30.

- SCORE: (1-30) 15

Rationale: Lack of experience in project management for a project this size. Lack of experience in dealing with Government procurement policies. Project estimate costs appear to be underfunded based upon private construction cost estimates. Financing plan does not contain guaranteed funding options.

2. Concept Plan. Does the concept plan express and understanding of the Request for Proposals? Does the plan accommodate other users of the marine facilities? Does the plan accommodate other uses of the Gary Paxton waterfront and uplands? Does the plan provide jobs to the community? Does the plan support the marine industry? Score from 1 to 30 points.

- SCORE: (1-30) 20

Rationale: Conceptual design appears to meet community desires. Did not address all portions of RFP preferred outcomes. Subleases to third parties needs more details.

3. Rates & Fees Bid. Does the proposal define what size of land and at what rate the Developer(s) is willing to lease both submerged and uplands or purchase uplands? What is the offered rate? Does it define a fee for the use of marine facility? The CBS Assembly prefers long term leases that match the anticipated life of the proposed marine facility(s), but will accept all proposals including ownership options. Scoring will be weighted towards lease rates or purchase prices that provide the best long term benefits to the community. Score from 1 to 30 points with higher lease rates or purchase price receiving a higher score.

- SCORE: (1-30) 10

Rationale: Lease rates to CBS are variable and very low for the amount of property requested.

4. Operations Plan. Does the proposal provide for adequate management and maintenance of the facilities? Will other users of the marine facilities be accommodated? Score from 1 to 30 points.

- SCORE: (1-30) 15

Rationale: Lack of detail of operations.

5. Ability to Meet Project Schedule. Should the proposal clearly reflect that the Developer(s) could meet the design, permitting and construction schedule identified in this request for proposals; the firm shall be awarded 20 points. Otherwise, the firm shall be awarded less than 20 points.

- SCORE: (1-20) 5

Rationale: Schedule appears to be very aggressive and not achievable. Lack detail in design. Permitting schedule does not seem realistic with other recent projects both private and public.

Final Scoring

TOTAL SCORE: 65

Action

The GPIP Board looks forward to working with the Sitka Community Boatyard Group on the development a marine haul out and shipyard to service the community of Sitka.