



**Request for Proposal (RFP)
Private Sector Development of Marine
Service Industry**



REQUEST FOR PROPOSALS (RFP)
by
THE CITY AND BOROUGH OF SITKA, ALASKA
for
THE CONSTRUCTION AND OPERATION OF A MARINE HAULOUT AND SHIPYARD

Overview

The project consists of selecting a private entity(s) (developer or developers) willing and able to privately fund and operate a marine haul out and ship yard, furnishing all financing, labor, materials, equipment, tools, supervision, and other facilities necessary to create and manage the marine facility(s).

The City and Borough of Sitka (CBS) is requesting proposals from qualified entities for the project described herein. The following subjects are discussed in this RFP to assist you in preparing your proposal.

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A. Introduction and Additional Information

The Gary Paxton Industrial Park (GPIP) Board of Directors, through the City and Borough of Sitka (CBS), desires to select a private entity(s) to fund, construct, and operate marine facilities to form a marine service sector. The site is located at the Gary Paxton Industrial Park, the site of the former Alaska Pulp Company (APC) pulp mill located five miles southeast of downtown Sitka. The site is on the road system.

In 1999 the Gary Paxton Industrial Park (GPIP) property was transferred from Alaska Pulp Corporation to the City and Borough of Sitka. (CBS).

The property and the near-shore, submerged tidelands were extensively studied, and an

environmental Memorandum of Understanding was concluded between CBS and the State of Alaska. Details of that memorandum are included in the Appendices.

GPIP is managed by a five-member Board of Directors (GPIP Board) who are appointed by the CBS Assembly.

During the ensuing years some of the original GPIP property has been sold and leased, and portions of the GPIP infrastructure have been improved. In 2018 the GPIP Board began actively planning for a private entity to fund, construct and operate a marine vessel haulout and related marine shipyard services.

Sitka has a substantial marine customer base. All developers are encouraged to complete their own due diligence of proposed customer base.

B. Preferred Outcome

The CBS' preferred outcome from this RFP is the selection of an experienced and well financed private sector Developer(s) is to create a privately funded and managed marine services shipyard at the GPIP. Specifically, CBS is seeking a private sector Developer(s) to construct and operate a marine vessel haul out facility and an EPA approved boat washdown area(s).

Developers are expected to finance the full project development. Qualification packages must demonstrate the team's ability to finance the project without CBS funds.

CBS desires that Developer have a functional vessel haul out system in place as soon as possible.

Additionally, CBS has available for long-term lease up to 6.8 acres of GPIP uplands for the Developer to create opportunities for marine tradesmen and support businesses that support Sitka's commercial and sport fishing fleets. GPIP uplands may be possibly purchased by Developer. Any consideration by the Sitka Assembly to sell uplands will be based upon a successful record of marine haul out and shipyard management by the Developer.

A map and a listing of the GPIP uplands that are available under this RFP are included in the Appendices.

Developer will be able to sublease the GPIP parcels and set its own haul out service fees and sublease rates for the GPIP uplands.

Any long-term lease or sale of GPIP property to the Developer will have use restrictions consistent with the preferred outcome as negotiated with CBS. All use of any GPIP property will be subject to regulatory action by federal, state, and municipal regulators, which is the sole responsibility of the selected Developer to determine.

Access to the existing waterfront ramp by the public must be maintained to assure access to the GPIIP uplands for those entities who have existing businesses at the Park. However, the Developer will be authorized to schedule and manage third party access to the ramp if Developer elects to use the ramp in its boat haul out operations.

Additional: The City and Borough of Sitka reserves the right to negotiate with the finalist(s). The City and Borough of Sitka retains the right to refuse or accept any and/or all proposals.

C. Scope of Services

The project consists of furnishing all funds, labor, materials, equipment, tools, supervision, and other facilities necessary to perform the design, construction and operation of the proposed marine facility(s) in accordance with the standards and criteria of the City and Borough of Sitka and State and Federal agencies.

Sitka has a substantial marine customer base. Approximately 665 vessels between 32 feet and 86 feet are permanently moored in the Sitka harbor system. Of those 665 vessels about 97% are 58 feet or less. Developer is expected to provide vessel haul out equipment and services that will support the Sitka fleet.

This work includes, but is not limited to the following:

Task 1: Ownership Criteria

The CBS Assembly's prefers long term leases that match the anticipated life of the proposed marine facility(s), but will accept all proposals including ownership options, for submerged and uplands. Any consideration by the Sitka Assembly to sell uplands will be based upon a successful record of marine haul out and shipyard management by the Developer. Public access to and from the waterfront is an essential element of the anticipated development plan. Business entity type must be included in proposal. Proposal should include lease rate or purchase amount desired.

Long term leases or purchase options should include a schedule of development benchmarks. The CBS will negotiate performance benchmark development criteria, including infrastructure construction and operational performance, to ensure the haul out will meet the needs of the community and fleet. Purchase options should expect to enter into a lease and meet performance benchmarks before execution of a sale. Purchase proposals should include assurances and/or terms and conditions, along with support for their legal enforceability, that the facility will remain a marine service facility in perpetuity or, at least, in the long term

Task 2: Location Analysis

In the proposal, discuss various marine facility(s) alignment alternatives and the budget costs for each alignment. The selected Developer(s) shall provide a marine facility(s) design survey and a tidelands boundary survey for CBS use in developing a tidelands lease.

Task 3: Geotechnical Investigation, Facility Design and Permits.

- a. The project site is known to have pulp mill debris offshore. Substantial subsurface (surface of ocean floor) information has been developed in the past by APC and CBS. This information is available.
- b. Upland work within the Industrial Park will involve excavation in areas with abandoned structures remaining from the APC pulp mill. Developer(s) should expect to encounter concrete foundations and other difficult excavation conditions.
- c. The selected Developer(s) shall acquire permits from State and Federal agencies necessary to construct the project. Uplands infrastructure will require approval from CBS Public Works Department, CBS Electric Department and CBS Building Official.

Task 4: Scope of Project

CBS requests that Respondents describe their qualifications to perform planning, financing, permitting, engineering, procurement, construction, operations and maintenance of the major infrastructure proposed to be constructed during the duration of the contractual term.

The following items are the required components of the project scope:

- Operate, manage and maintain the Haul-out and Shipyard for the duration of the agreement.
- Maintain and incorporate access to the current GPIIP ramp for vendors to haul large vessels for repair such as barges. Plan for areas to install anchors and cable systems to pull vessels up the ramp.

The aspirational project scope includes the following components:

- Provided haul-out and vessel washdown system for the next 20 years.
- Provide float for passengers to safely get off a vessel prior to being lifted out of the water.
- Consider commercial vendors and subleasing in other available lease areas.
- Consider providing available areas for public use.
- Consider improved covered areas for working on boats
- Consider long term storage of boats
- Consider installation of utilities for vendors and boat repair areas.

Permitting

The Developer shall prepare permit applications and obtain all permits necessary for the proposed construction activities and operations at the GPIIP. CBS will review all documents prior to agency submittal and support this effort as necessary and to the extent it is reasonably able to do so.

Construction

The Developer is expected to provide for design, construction and construction management services to deliver a quality Project. The Project Team is expected to have experience and qualifications to deliver the proposed development vision. CBS project management may periodically review the project delivery status and adherence to the contractual performance requirements.

D. Insurance Requirements

The Developer shall provide the following types of insurance:

1. Worker's Compensation at the limits required by the Alaska State Worker's Compensation Statutes.

2. Comprehensive General Liability	Minimum Limits
Single Limit	\$1,000,000
General Aggregate	\$2,000,000

- *premises operations
- *products/completed operations
- *blanket contractual
- *broad form property damage
- *personal injury
- *independent contractors

3. Comprehensive Automobile Liability	\$1,000,000
• Including all owned, hired and non-owned vehicles	

The City and Borough of Sitka shall be named as an additional named insured on all insurance policies. Sitka shall also be granted a full waiver of any rights of subrogation. These requirements extend to all sub-contractors.

E. Facility Operations

Developer shall be responsible for the day to day operation of the marine haul out and marine shipyard sublease areas. Developer is expected to work closely with the CBS and the GPIIP Board to create a fully functional marine haul out service sector at GPIIP.

CBS has an established a retail and business use zoning code for the GPIIP. This information is included in the Appendices.

F. Relationship with CBS

Developer shall be an independent contractor who has the exclusive right to operate a marine haul out and shipyard at GPIIP. Developer shall lease upland areas from CBS and Developer shall have the right to sublease those lands.

Developer shall be responsible for operating in accordance with all codes and laws and for enforcing the same requirements with any subleases that Developer may create.

CBS will operate all municipal utility systems such as electricity, water and sewer. Developer will be expected to connect to CBS utilities at Developer's expense.

Developer will also be required to pay all applicable CBS utility fees and charges.

Developer shall collect and remit CBS sales tax for services or sales that Developer provides at GPIIP.

Developer is responsible for the safety of persons using Developer's facilities.

Developer shall provide a port security plan, if required in the future.

G. Proposal Format and Content

Please direct questions regarding this RFP to:

Garry White – GPIIP Director
City and Borough of Sitka
100 Lincoln Street
Sitka, Alaska 99835
907-747-2660

Proposal Format

1. Letter of Transmittal

2. Narrative

- a. Brief description of the company including its experience, the experience of its key individuals and a financial statement to prove its ability to finance this project. Brief resumes of the Developer(s), managers and lead design engineers and of the key technical and operational personnel to be assigned to this project. Discuss the experience of these persons and relate that experience to this project.
- b. Provide a list of other marine facilities owned and/or operated.
- c. Include a plan/program that is designed to satisfy the requirements listed in the "Scope of Project." Describe your understanding of the project, the proposed work plan, and the schedule you intend to follow in order to complete the project in a timely manner.
- d. Provide a schedule for completion of the project.
- e. Provide a concept level layout of proposed marine facility(s) and uplands facilities and identify what concept the facility(s) includes as identified in the Preferred Outcome.
- f. Provide proposed submerged and upland lease rates and/or purchase prices offers.
- g. Provide a concept level operations plan for the facility(s). Describe the estimated number of employees and how operation would benefit the Sitka and Southeast marine industry.

Submit three (3) copies of your Proposal in a sealed, secure envelope marked as follow:

Gary Paxton Industrial Park
Proposal to Fund, Construct and Operate a Marine Haul Out and Shipyard
Proposal Dated: _____, 2021

Proposals shall be addressed to:
Municipal Clerk
City and Borough of Sitka
100 Lincoln Street
Sitka, Alaska 99835

Proposals shall be received until 2:00 PM on April 8th, 2021.

H. Evaluation Criteria and Selection Process

A selection committee consisting of the GPIB Board of Directors and the CBS Public Works Department will evaluate the proposals and make a recommendation of award to the CBS Assembly.

The committee will use the following criteria in deriving a numerical score for each proposal:

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.
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.
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.
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.
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.

The total maximum number of points = 140

CBS reserves the right to negotiate with any proposer, to waive informalities in any of the proposals and to award the marine shipyard development contract to whichever proposer is deemed to provide the best value for the Municipality at the sole discretion of CBS. CBS will notify the selected proposer and work with that selected proposer to draft and enter into an exclusive agreement that best satisfies the preferred outcome of this RFP.

I. Schedule

Advertise Request for Proposals	February 1, 2021 to April 1th, 2021
Proposals Due	April 8th, 2021
Internal Review and Negotiations	April 12, 2021 to May 7th, 2021
Possible CBS Assembly Award	June 2021

I. Appendices

Appendix A Environmental MOU between the State of Alaska and CBS

Appendix B GPIP Uplands Lease Lots and Their Areas

Appendix C GPIP Uplands Parcel Map of Potential Lease Lots

Appendix D GPIP Zoning Code Table of Permitted Uses

Appendix E GPIP Utilities

Dates of Publication:

Sitka Daily Sentinel: