



# CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS  
330 Harbor Drive  
Sitka, AK  
(907)747-1811

## Minutes - Final

### City and Borough Assembly

*Mayor Gary Paxton*  
*Deputy Mayor Steven Eisenbeisz,*  
*Vice Deputy Mayor Kevin Mosher,*  
*Kevin Knox, Dr. Richard Wein, Valorie Nelson, Thor*  
*Christianson*

*Municipal Administrator: John Leach*  
*Municipal Attorney: Brian Hanson*  
*Municipal Clerk: Sara Peterson*

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Tuesday, June 30, 2020

6:00 PM

Assembly Chambers

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#### SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Knox and Nelson participated by videoconference.

**Present:** 5 - Christianson, Knox, Wein, Paxton, and Nelson

**Absent:** 2 - Eisenbeisz, and Mosher

IV. CORRESPONDENCE/AGENDA CHANGES

No agenda changes.

V. PERSONS TO BE HEARD

None.

VI. NEW BUSINESS:

A [20-135](#)

Appoint an Assembly Member to the University of Alaska Southeast Sitka Campus Advisory Council

Paxton relayed that the University of Alaska Southeast (UAS) budgets would be seen by the Legislative Finance Committee. He also noted the importance of the UAS campus for the community. Wein stated he had attended the last two meetings and noted the feeling of a sense of urgency. He offered to be the Assembly member to participate in the Council. He told of his concerns of detriment to the community if the Sitka campus was lost and if the campus were to be absorbed into the University of

Fairbanks which would be considered in the fall. Christianson thought that if it continued to look as though the campus would be cut back, then more response would be needed from the community as a whole. Christianson and Nelson were in support of Wein being appointed. Nelson stated she had been a member years ago and there used to be an Assembly member who sat on the council.

Garry White stated the council typically met twice a year but that they would meet more frequently until October.

**A motion was made by Christianson to appoint Dr. Wein to the University of Alaska Southeast Sitka Campus Advisory Council. The motion PASSED by the following vote.**

**Yes:** 5 - Christianson, Knox, Wein, Paxton, and Nelson

**Absent:** 2 - Eisenbeisz, and Mosher

**B**     [20-134](#)

Discussion / Direction / Decision regarding a contract to construct, maintain, and operate a haulout and shipyard at the Gary Paxton Industrial Park with Sitka Industrial Marine Shipyard, LLC (SIMS) formerly WC Enterprises

Municipal Administrator John Leach gave an overview, noting that staff was back before the Assembly as directed after entering into negotiations. He gave history of the process of the notification in November, Halibut Point Marine's haulout closure, the request for proposal (RFP), two bids received and scored, and WC Enterprises (Sitka Industrial Marine Shipyard, LLC - SIMS) was selected. He updated that SIMS recommended process for the haulout could not be completed with existing infrastructure. The negotiated contract was taken to the Gary Paxton Industrial Park (GPIP) Board of Directors where it was approved with the stipulation of legal review due to the funding profile change. He stated the change was outside the confines of the original bid. He would know mid September if the grant would be received.

Garry White SEDA Executive Director stated the terms were similar to others out at GPIP which controls the development. He noted that grant funds were a great opportunity, but it complicated this process. He said GPIP approved the terms with the stipulation that legal review it.

Christianson agreed that the addition of possible grant money was a huge change and felt that because of the grant uncertainty, it was a reason to slow down or reject the bid. He asked staff to make this a priority moving forward if the RFP's were rejected. Nelson spoke in opposition to the city managing the haulout. She had concerns from the beginning and felt another RFP should be issued after the grant situation was known. Wein spoke in support of the city starting the process and while moving forward, to then draw ideas in and develop it that way. He stated the RFP was a waste of time. He noted the need to reject these terms. He felt the submitters of the RFP could be involved in the future planning process and stated with more minds in the room, it offered a better solution. Paxton stated the contract was at a point of non responsiveness. He requested to have a plan on how to go out to bid and a plan if the grants were not received. He noted the need to have a haulout next summer, but that it was important to get the project done right even if it took longer. He commented to staff that the process needed to be high priority.

Public Comment: Dan Cooper of SIMS told of complications with the possibility of grant funding. He said he had asked throughout the process if they were outside the RFP terms and would like an extension to correct them. Michael Nurco would like to see the process move forward without recent replies to the RFP's. He suggested to

have set ground plans for what the boatyard needed. He encouraged the Assembly to slow down and would like to thank SIMS for their efforts. Baker Hensley stated he had submitted the proposal that wasn't selected and suggested that both RFP's get rejected. He though to issue a request for information. He recommended a user group on shipyard needs. Amy Underhill commented of the need of a local shipyard and the difficulties of taking boats to get hauled out elsewhere. She stated that a lot of work had gone into the RFP's.

**A motion was made by Wein to reject all bids. The motion PASSED by the following vote.**

**Yes:** 5 - Christianson, Knox, Wein, Paxton, and Nelson

**Absent:** 2 - Eisenbeisz, and Mosher

**VII. PERSONS TO BE HEARD**

None.

**VIII. EXECUTIVE SESSION**

None.

**IX. ADJOURNMENT**

**A motion was made by Christianson to ADJOURN. Seeing no objection, the meeting ADJOURNED at 6:45 p.m.**

**ATTEST:** \_\_\_\_\_  
**Melissa Henshaw, CMC**  
**Acting Municipal Clerk**