



A. CALL TO ORDER

The Chair called the meeting to order at 6:30 pm.

B. ROLL CALL

Board Members Present: Grant Miller Trevor Harang (left at 8:15pm)
Charles Horan Chris Fondell Frank Lowell

City Staff: Jim Dinley Joe Castro Scott Brylinsky

Others Present: Gary White Linda Wilson
Verne Culp Dorrie Farrell Ann Wilkinson

C. REVIEW OF MINUTES –June 9th, 2008

MOTION: M/S Fondell/Horan moved to amend the minutes of June 09, 2008 to add missing acknowledgement of Chris Fondell as the second on the motion to approve the Silver Bay Seafoods Purchase and Sale Agreement.

ACTION: Motion PASSED unanimously on a voice vote

MOTION: M/S Fondell/Horan moved to approve the minutes of June 09, 2008 as amended.

ACTION: Motion PASSED unanimously on a voice vote

D. CORRESPONDENCE & OTHER INFORMATION

Mr. Miller distributed an e-mail from Clyde Bright with questions about the pulp dock and sale to Silver Bay Seafoods and the response sent by Mr. Miller.

Mr. Miller noted an article, included in the packet, about Nestle Waters efforts to acquire bulk water. He advised the Board to read the article and consider what might be learned that could be useful in moving forward in marketing Sitka's bulk water. Particularly, he noted, the need to include the public in developing sales of bulk water.

Mr. Horan suggested that the Board get a copy of the EcoNorthwest report mentioned in the article.

Mr. White advised the Board, regarding the May 29th letter to Mr. Kearns, that he has been in contact with three of TAB's investors, but has not talked to Mr. Kearns.

Mr. Castro stated that TAB is making progress to address the items of concern listed in the letter and they are moving in a positive direction.

E. CHANGES/ADDITIONS/DELETIONS TO THE AGENDA

The Chair added a discussion of TAB issues under New Business.

F. UNFINISHED BUSINESS

1. SCIP Strategic Plan

Mr. Fondell requested scheduling another SCIP meeting soon to discuss the multi-purpose dock issue. The Mayor has suggested a charter amendment to protect local retail business. There would be two related items placed on the ballot this year:

1. an item for an advisory vote - yes or no on a single berth, multi-purpose dock at SCIP
2. approval for an amendment to the City Charter that would exclude retail at SCIP that would compete with established business at other locations in Sitka. The two items need to be tied together so that if #1 is voted down, then #2 is discarded. Current restrictions on retail at SCIP could be amended by the Assembly without a public vote. Amending the City Charter would mean any changes to retail restrictions at SCIP would require a public vote.

Mr. Castro suggested that these items be placed on the November ballot instead of the October ballot, providing more time to prepare.

Mr. Horan requested a change to the header for item #5 of the draft SCIP Strategic Plan to "Market Bulk Water." He also requested that a matrix of action items from the Strategic Plan be developed to provide a summary document of status and progress.

Mr. Miller reminded the Board that a full Strategic Plan document will eventually need to be presented to the Assembly.

Mr. Horan advised that he is working to develop abstracts of the various SCIP parcels that could be used for marketing. He noted that any assessed value used for developing a lease would only be a starting basis for a sale, and that a proper full market appraisal would need to be done before selling any parcel.

Mr. Horan suggested that an RFP be developed for a marine haul out facility now and list the site in "as is" condition. Or find grant money to rebuild the shoreline.

Mr. White suggested that a public meeting be held with stakeholders to gather suggestions and options and determine what the needs and wants of the end users really are.

Mr. Horan suggested that such a meeting focus on four things:

1. defining the demand – what the end users need and want
2. conceptual design options based on the demand
3. how the facility will be operated and managed
4. how the facility will be funded

Mr. Miller agreed that a public meeting of stakeholders should be held as soon as possible, but should be scheduled to allow attendance by as many people from the fishing industry as possible.

Mr. White advised, regarding item #6.e. of the draft Strategic Plan, that three separate parties have contacted SEDA regarding development of a project to use wood waste for fuel (bio-bricks) with interest in locating the project at SCIP, possibly in the Stores Building.

Mr. Castro added that the representatives from Headwaters Economics said they would have one to two million dollars available soon to help with developing bio-fuel projects.

Mr. Castro also advised that \$30,000 to fix the sprinkler system in the Stores Building has been included in the FY09 budget.

Mr. Brylinsky stated that good electric service to the Stores Building is in place, however the end users may need to do some additional electrical work inside the building depending on their needs.

Mr. Horan suggested that the shop area of the Administration Building should be considered for the bio-brick project.

Mr. Miller stated that site selection will depend on the amount and type of space needed for pre-production, processing, and storage.

Mr. Castro suggested that Headwaters Economics could help with development of the business plan for this project.

Mr. Brylinsky stated that there is an active DSL line to the Administration Building and it would cost \$100-\$200 to add a transmitter for wireless reception in targeted offices. For about \$1,000 an antenna on the roof and transmitter can be added to bring cell phone service into the building.

Mr. Castro advised the Board to talk to Lori Blood at ACS first and secure a package deal for communications, before installing any additional communication equipment.

The list of "Potential Future Studies" (dated May 28, 2008) developed by Hugh Bevan was reviewed. From discussion the three surveys of highest, near term priority are:

Item #2: Perform bathymetric survey of the seafloor offshore of the proposed boat haul out

Item #4: Perform a subdivision of Lot 2, Block 3 into 2 or 3 lots that includes Fortress of the Bear lease and the City Recycling center lease areas.

Item #6: Determine the configuration and costs of installing bulk water piping system link between shore and ship.

Item #10: Evaluate the roof of the Stores Building to determine cost / benefits to replace vs. repair.

2. SCIP Management Structure

Mr. Dinley suggested a revision of Exhibit A – Scope of Work for the next contract between SEDA and the City (FY09) to delete the following words in item #2

“... to direction, supervision and..”

Item #2 shall read “Responds to requests of the Municipal Administrator.

Mr. Dinley advised that the Assembly approved the City FY09 budget on June 18th and that the SCIP Site Manager position has been funded at ½ time.

Mr. Miller asked if the duties of the SCIP Site Manager would be shifted to SEDA's Executive Director or City Staff.

Mr. Dinley responded that the City has a contract with SEDA to do the work: enforcement of laws and regulations; regular maintenance; and preparation of a budget with the help of the city Finance Director. The City is responsible for major maintenance and receiving lease payments. Everyone is responsible for safety at SCIP.

Mr. Brylinsky stated that the Executive Director belongs to SEDA by contract and is provided as “staff” to the SCIP Board.

Mr. Miller suggested holding a joint SCIP and SEDA Board meeting in order to clarify the role of the Executive Director and discuss other issues of common interest.

Mr. Horan stated that the Executive Director will need the authority to execute policy and lease requirements at SCIP.

G. NEW BUSINESS

1. Update on SCIP Tenants

Mr. Miller reported on the general status of lease payments for the various tenants at SCIP.

Mr. Horan suggested negotiating with TAB before enforcing the reverters and see if the City can reclaim all bulk water rights in exchange for an additional grace period.

Mr. White advised that as of December 7, 2008 the bulk water rights come back to the City anyway, unless TAB takes possession of and "exports" 20 million gallons of water before that date.

2. Silver Bay Seafoods expanded use of Stores Building

Mr. Miller reported that Silver Bay Seafoods would like to have a long term lease for an area of the Stores Building to use for storage and the repair of fishing nets. They also requested permission to drill some holes in the concrete floor. These requests need to be addressed and the lease revised to reflect any agreed upon changes.

Mr. Horan advised that the SBS lease also needs to be adjusted for additional use of electricity in the Stores Building.

Mr. Dinley reminded the Board that any long-term lease must be approved by the Assembly.

Mr. Horan stated that more strategic planning needed to be done re. best use of the Stores Building before any long term lease is offered.

Mr. Castro suggested that SBS set up its own utility account with the City to pay for electricity.

3. Bulk Water Status Report

The Board instructed Mr. White to continue working on developing a marketing plan for bulk water.

4. Benthic survey at SCIP

Consensus of the Board is to move ahead with having this survey done as soon as possible.

5. Net Storage at SCIP

Mr. Miller reported that someone is interested in a short-term lease of space in the Stores Building to store about 100 fishing nets.

Mr. Castro suggested the upper floor of the Stores Building might work for this purpose.

Mr. Horan expressed concern that a proper rate schedule has not been developed to account for the true operating expense of the building.

H. OTHER BUSINESS (NONE)

I. REPORTS (NONE)

J. ADJOURNMENT

MOTION: M/S Fondell/Horan moved to adjourn the meeting

ACTION: Motion **PASSED** unanimously on a voice vote.
The meeting adjourned at 8:40 pm.