



**Sawmill Cove Industrial Park
Board of Directors Meeting
March 23, 2009 – 3:00 PM
SEDA Office
329 Harbor Drive, Suite 212**

A. CALL TO ORDER

The Vice-Chair called the meeting to order at 3:00 pm.

B. ROLL CALL

Board Members Present:	Trevor Harang	Chris Fondell	Charles Horan
Board Members Absent:	Grant Miller	Lowell Frank	
City Representatives:	Scott Brylinsky	Theresa Hillhouse	Brent England (arrived 3:15)
Others Present:	Garry White	Linda Wilson	John Sherrod

Dick Kearns added via phone at 3:15

C. REVIEW OF MINUTES – February 25, 2009

MOTION: M/S Fondell/Horan moved to approve the minutes of February 25, 2009.

ACTION: Motion PASSED unanimously 3/0 on a voice vote

D. CORRESPONDENCE AND OTHER INFORMATION

Mr. White stated that, as requested at the previous SCIP Board meeting, Mr. Brylinsky had done some research into the condition of the SCIP utility dock. Research to date indicates that the utility dock is of similar construction and age to the pulp dock and is therefore likely to be in similar condition. Mr. White referred to the memo dated June 07, 1999 "Sawmill Cove - Dock Inspection Report" (included in the packet).

Mr. Brylinsky stated that funding to demolish the utility dock was NOT included in the capital request. Capital funds have been requested for demolition of the chlorine dock.

Mr. Horan suggested that the utility dock might be repaired with the techniques now being used to repair the pulp dock. Once repaired, the dock may be appropriate for light use without interfering with future development plans.

E. CHANGES/ADDITIONS/DELETIONS TO THE AGENDA (NONE)

F. REPORTS

Mr. White reported that he is working with the Sitka Tribe of Alaska as they move forward with plans for the new Tannery facility at SCIP. STA will be putting out an RFP for construction soon.

Mr. White stated that the US Forest Service has moved into their lease area of the Administration Building. This is a short-term lease.

Mr. White advised that the Marine Service RFP will be on the Assembly agenda tomorrow night, March 24, 2009.

Mr. Brylinsky reported that one lessee, Mr. Roddy, has stored fishing gear at SCIP and stopped paying rent. Certified letters have been returned and there has been no response to phone calls. The police department has been consulted on what can be done with abandoned property. The property can be disposed of.

Ms. Hillhouse advised that the City should send the lessee a release for his signature, acknowledging that the property will be disposed of. If he does not sign the release, the City may charge, a disposal fee for the property. All such correspondence should be sent both certified and regular mail. If a letter sent via regular mail is not returned, the City will assume that it was received.

Mr. White stated that Mike Knauss has been storing fishing gear at SCIP and will remove his property and end his lease as soon as he is able to get access. The City receives \$100 per month for this lease and it likely costs the City more to maintain access to the site (snow plowing etc...) than the lease is worth.

Mr. England reported that security cameras at SCIP are now working.

G. PERSONS TO BE HEARD (NONE)

H. UNFINISHED BUSINESS

1. TAB Bulk Water Extension

Mr. Dick Kearns was added to the meeting via teleconference at 3:15 pm.

Mr. White asked Mr. Kearns to provide a status report on the items TAB must complete to receive an extension of its bulk water contract.

Mr. Kearns reported that the document of non-consignment is already in the mail. The remaining \$18k will be paid tomorrow (March 24, 2009). A copy of the confession of judgment will be faxed by the end of today.

Ms. Hillhouse stated that the Assembly will need confirmation that the \$18k has been received by the City in order to have the motion to approve the bulk water contract extension go forward. Mr. Kearns will need to contact Dave Wolff, the City Finance Director, and arrange for him to provide confirmation that the \$18k has been received.

Mr. Kearns responded that this is not a problem. Mr. Kearns also stated that he will fax a copy of the confession of judgment directly to the City Attorney's office before the end of the day.

Ms. Hillhouse advised Mr. Kearns that he needs to contact the Municipal Clerk in order to set up teleconference connection to the Assembly meeting.

Mr. Kearns stated that the first contract for bulk water that is coming forward is for just under one billion gallons and this should be 50% funded within the next few weeks.

MOTION: **M/S Horan/Fondell** moved that if outstanding issues addressed in the letter of March 12, 2009 are taken care of by the time of the Assembly meeting on February 24th, 2009, the SCIP Board recommends that the Assembly approve amendment number one to TAB's bulk water agreement.

ACTION: **Motion PASSED** unanimously 3/0 on a voice vote

I. NEW BUSINESS

1. Lot 22 (Stores Building) RFP

Mr. White stated that a draft RFP for sale of the Stores Building (Lot 22) is complete and ready for review. One person has already expressed interest in this property and will respond to the RFP rather than present a proposal now, in order to follow an open public process.

Mr. White reviewed the evaluation criteria and selection process:

- Qualifications and experience of the entity(s)
- Concept or plan that creates net new jobs and/or revenues for the City.
- Purchase price

- Environmental impact
- Start-up schedule
- Subjective – confidence in developer(s)

Mr. White stated that he provided Mr. Horan with a draft of the RFP for his review and comments. Copies of Mr. Horan's edited RFP were distributed and the edits discussed. The following points were brought forward during discussion:

- The option to lease the property was added to the RFP in order to broaden the options and allow for more proposals to come forward.
- Concerns were raised about liability issues if the Stores Building were leased rather than sold. Ms. Hillhouse advised that a lease would be more complex and require the approval of the City's insurance company.
- Ms. Hillhouse stated that the sale of Municipal property valued over \$500k requires a public vote. There is currently an exemption for property at SCIP. This exemption is being challenged in court and if overturned, will affect future property sales at SCIP.
- The Board can review and consider all proposals to lease or purchase the property, but does not have to accept any of them.

MOTION: **M/S Horan/Fondell** moved to accept the RFP with the revisions stated and subject to review by appropriate City staff.

ACTION: **Motion PASSED** unanimously 3/0 on a voice vote

2. Daily/Weekly Rental Policy

Mr. White stated that there are occasional requests for use of the classroom or conference room in the Administration Building. In order to simplify the process of renting these spaces on a daily or weekly basis, rules and rates need to be set. This process for daily/weekly rental will apply only to space in the Administration Building. After reviewing the rental policies of the Centennial Building, Mr. White suggested following a similar system. Clients would request the use of a room on a first come use basis. The clients information would be faxed to the CBS contract coordinator and then on to CBS finance for billing. The SCIP Director and City staff would have the authority to lease rooms in the Administration Building on a daily/weekly basis without obtaining Board approval for each request.

Mr. Brylinsky endorsed the proposal.

MOTION: **M/S Fondell/Horan** moved to accept the short-term, daily/weekly rental system as proposed.

DISCUSSION:

Mr. Horan suggested adding a cleaning deposit to the agreement. This was discussed and the Board agreed by consensus to add a refundable cleaning deposit to daily/weekly rentals of rooms in the Administration Building.

Mr. England expressed concern about renting any space downstairs that had been flooded until the area is cleaned. He also stated that the downstairs restrooms would require cleaning and maintenance.

Mr. Brylinsky stated that these items of concern would be addressed.

ACTION: **Motion PASSED** unanimously 3/0 on a voice vote

J. ADJOURN

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

ACTION: **Motion PASSED** unanimously 3/0 on a voice vote.

The meeting adjourned at 3:58 pm.