



**Sawmill Cove Industrial Park
Board of Directors Meeting
April 6, 2010 – 3:00 PM
SEDA Board Room**

A. CALL TO ORDER: The Chair called the meeting to order at 3:01 p.m.

B. ROLL CALL

Board Members Present: Grant Miller; Lowell Frank; Chris Fondell; Trevor Harang
Board Members Absent: Charles Horan
City Representatives: Jim Dinley; Theresa Hillhouse;
Others Present: Garry White; Linda Wilson; John Sherrod; Craig Giammona (Sitka Sentinel);
Denny Crews (OmegaSea) via telephone

C. REVIEW OF MINUTES – March 04, 2010

MOTION: M/S Fondell/Frank Moved to approve the minutes of March 04, 2010.

ACTION: Motion PASSED 4/0 on a voice vote.

D. CORRESPONDENCE AND OTHER INFORMATION (NONE)

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

F. REPORTS (NONE)

G. PERSONS TO BE HEARD (NONE)

H. UNFINISHED BUSINESS

1. OmegaSea

Mr. Miller recused himself due to a potential business relationship with OmegaSea. Mr. Harang, as Co-Chair, ran the meeting for this agenda item.

The Memorandum dated, April 5, 2010 was reviewed (included in packet).

Mr. White advised the Board that the City Assessor toured the parcel in question (Lot 16-C on the map provided in the packet) and determined that the value of this portion of Lot 16 was between \$3 and \$3.50 per square foot due to topography and the distance from utilities.

Mr. Crews asked if there will be room to the right side of Lot 16 to expand OmegaSea operations if needed. Currently the plat shows the existence of a utility easement.

Mr. White stated that the plat can be redone as needed to accommodate OmegaSea expansion.

The options and details under “Proposed Property Sale” in the memo were discussed by the Board, the Executive Director, and Mr. Crews.

The Following points were made during discussion:

- In determining how to structure job credits against the purchase price, the seasonal nature of OmegaSea’s business needs to be taken into consideration.
- OmegaSea would like to be operational some time this year.
- A purchase and sale agreement can be approved at one Assembly meeting, however it will need to go to the Planning and Zoning Commission first.

- The rate of \$15 per hour has been used as the minimum pay for a family wage job and needs to be the standard for job credits.

MOTION: M/S Fondell/Frank moved to direct the Municipal Attorney to draft a purchase agreement with OmegaSea as per the following parameters:

OmegaSea pays market rate for the property.

A. A maximum \$10,000 credit is paid back to OmegaSea for every \$80,000 earned annually by employees earning at least \$15 per hour at the Sitka plant as evidenced by OmegaSea payroll records.

B. Job credits will cease when OmegaSea has reached the point when it has paid \$20,000 for the property or six (6) years from September 10, 2010, whichever comes first.

ACTION: Motion PASSED 3/0 on a roll call vote.

Fondell – Yes Frank – Yes Harang – Yes
Miller – recused Horan - Absent

I. NEW BUSINESS

1. Jon Hickman Lease

Mr. Hickman works at Silver Bay Seafoods and is requesting a month-to-month lease of space in the Administration Building for storage and personal use of exercise equipment. The proposed lease would be for Room 33 (187 square feet) at a rate of \$0.53 per square foot. The reduced rate is in consideration for built in shelving that takes up a portion of the space.

Ms. Hillhouse advised the Board that any use other than simple storage requires the tenant to have liability insurance that meets City standards.

MOTION: M/S Harang/Fondell moved to approve a month-to-month lease of room #33 in the Administration Building to Jon Hickman at a rate of \$100 per-month, pending approval for the proposed use by the Building Department and possession of liability insurance that satisfies City and Borough of Sitka requirements.

ACTION: Motion PASSED 4/0 on a roll call vote

Miller – Yes Harang – Yes Frank – Yes Fondell – Yes
Horan - Absent

J. ADJOURNMENT

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

ACTION: Motion PASSED 4/0 on voice vote.

The meeting adjourned at 3:48 pm.