



BOARD OF DIRECTOR'S MEETING

WEDNESDAY, APRIL 26TH, 2023 - AGENDA

3:00 PM

Room 6 Harrigan Centennial Hall

Regular Meeting

3:00 PM

<u>Item</u>	<u>Action</u>
A. Call to Order	Acknowledge
B. Roll Call	Acknowledge
C. Review of Minutes	Motion to Approve
FEBRUARY 27TH, 2023	
D. Correspondence & Other Information	Acknowledge/Questions
E. Changes/Additions/Deletions to Agenda	Change/Add/Delete
F. Reports	
G. Persons To Be Heard	
H. Unfinished Business	
1. NSRAA Lot 2 & 3 Combination Request	Discussion/Recommendations
2. GPIIP Haul Out Development Discussion	Discussion/Recommendations
3. Danen Vest dba Electric Adventures Proposed GPIIP Use and Tariff Adjustment Request (PULLED)	Discussion/Recommendations
I. New Business	
1. GPIIP Dock Security Services Agreement	Discussion/Recommendations
2. Adventure Sitka, LLC GPIIP Tariff Adjustment Request	Discussion/Recommendations
Adjournment	

The Mission

It is the mission of the Gary Paxton Industrial Park Board and management, by direction of the Sitka Assembly, to strategically develop the park in a fiscally responsible manner that maximizes its economic benefit to the community through creation of meaningful jobs in conformance with established community plans and policies.



329 Harbor Drive, Suite 212
Sitka, AK 99835
Phone: 907-747-2660

Monday, April 24, 2023

MEMORANDUM

To: Gary Paxton Industrial Park (GPIP) Board of Directors
From: Garry White, Director
Subject: NSRAA Lot 2 & 3 Combination Request

Introduction

The Northern Southeast Regional Aquaculture Association (NSRAA) met with the GPIP Board on June 27th, 2022 to request to combined Lot 2 and Lot 3 at the GPIP into one continuous lot and to have the related leases amended to reflect the new lot. The GPIP Board approved the following motion:

Mitchell/Ystad moved for the approval of NSRAA combining Lot 2 & 3 and the amendment of the lease.

Action: **Passed (4/0)** on a roll call vote (Mr. Wagner recused himself)

The request from NSRAA for lot combination did not include the request for including an apartment on the lots for the site residential care taker. Per Sitka General Code (SGC) 22.16.015-1 residential use at the GPIP is not permitted. Per SGC code 2.38.080, the GPIP Board has ability to approve any uses at the GPIP, except retail and business uses, and natural resource extraction and mining support facilities uses.

NSRAA is requesting that the GPIP Board approve the use for on-site residential use to allow for a site care taker.

Background

NSRAA is a private non-profit corporation created to assist in the restoration and rehabilitation of Alaska's salmon stocks and to supplement the fisheries of Alaska.

NSRAA currently has entered into lease agreements with the CBS for both Lots 2 & 3. Both leases with the CBS are set to expire on May 1, 2026. Both leases allow NSRAA the option for (4) successive terms of (10) ten years.

NSRAA is in the process of expanding their hatchery operations by constructing another hatchery on Lot 3. The planned expansion is requiring lots of space and even with approved setback variances, the plans show that more space is needed. The expansion will help alleviate crowding, increase capacity and address emergency water loss issues with existing facility. NSRAA estimates the new production will have an ex-vessel value of \$5-\$8 million dollars

The City and Borough of Sitka (CBS) and NSRAA entered into a lease agreement for Lot 2 of the GPIIP in 2006 with an initial term of 10 years with a lease amount of \$1,200 annually. The lease was extending in 2016 for another 10 years with an option to extend the lease for (4) four – additional 10 year terms. The lease amount was increased to \$2,400 annually, with the lease amount to be negotiated at each extension.

NSRAA leased the undeveloped Lot 2 from the CBS in 2006 and constructed a multi-million dollar fish hatchery on the property, including an outfall pipe that extends into the bay. The hatchery provides millions of Coho and Chum Salmon to the common property fishery in the Sitka area. The GPIIP hatchery has created 1 ½ FTE job at the site and provides other economic benefits to the community through fish harvest and processing.

Action

- GPIIP Board discussion and recommendation on NSRAA’s request to allow for a residential site care taker on the combined lots 2 & 3.



329 Harbor Drive, Suite 202
Sitka, AK 99835
Phone: 907-747-2660

Tuesday, April 25, 2023

MEMORANDUM

To: Gary Paxton Industrial Park (GPIP) Board of Directors
From: Garry White, GPIP Director
Subject: GPIP Haul Out Development Discussion

Introduction

On October 4th, 2022, the citizens of Sitka voted to appropriate ~\$8.18 million dollars from the Sitka Permanent Fund for the development of a haul out and shipyard at the Gary Paxton Industrial Park (GPIP).

The attached GPIP Vessel Haul Out Development Project Charter outlines the project goals, project scope, and timeline for moving the development forward. The Charter was developed by CBS and GPIP staff and approved by the GPIP Board at its November 2022 meeting.

Phase 1 of the Project Charter scope addresses the steps needed for the waterfront development.

Phase 1: Waterfront Development (Completed December 2024):

1. Planning and Cost Estimates

The CBS has discussed multiple different locations on the GPIP properties for the location of haul out and shipyard infrastructure. A thorough investigation of potential locations related to various environmental factors is needed. Conceptual design should include movement of vessels on the uplands to account for existing utilities and infrastructure. Planning efforts should include master planning for additional larger haul out infrastructure and access ramp improvements if funding becomes available. Planning phase will include working with the community via GPIP Board meetings to ensure the proposed design services the greatest amount of the Sitka fleet.

The CBS entered into a contract with PND Engineering Inc. (PND) in March to provide professional services for the GPIP Haul Out Development.

PND visited the GPIP in March to conduct bathymetry, site surveying, and other site investigations to create the attached GPIP – Vessel Haul Out Site Selection Decision Matrix to help the Board select a site location.

PND will be presenting on the decision matrix during the meeting (presentation attached).

The goal of the April 26th meeting is to approve the selection of a site location for haul out piers

Background

The GPIIP Board has long recognized the importance of the fishing and maritime industry to the community of Sitka.

The GPIIP Board and CBS have been working on vessel haul out development concepts since the GPIIP properties were acquired. The CBS has repeatedly included marine haul out infrastructure requests in both its Federal and State Legislative Priorities. The CBS recently applied for a USDOT Build Grant in 2020, 2021, 2022 and plan to apply for future grant opportunities.

The CBS has released multiple Request for Proposals (RFP) for private sector development of a haul out at the GPIIP since 2009. None of the private sector development proposals moved forward due to multiple reasons, including cost of construction.

Action

- GPIIP Board selection of a site for vessel haul out piers.



329 Harbor Drive, Suite 212
Sitka, AK 99835
Phone: 907-747-2660

Monday, April 24, 2023

MEMORANDUM

To: Gary Paxton Industrial Park (GPIP) Board of Directors
From: Garry White, Director
Subject: GPIP Dock Security Services Agreement

Introduction

The City and Borough is required to have a Facility Security Plan (FSP) to address security concerns when certain vessels use the GPIP Dock.

CBS Harbor Department staff implemented a FSP and acted as Facility Security Officers (FSO) for the 2022 GPIP Dock during cruise ship moorings. Due to staffing concerns the CBS Harbor Department is recommending that FSO and FSP requirements be outsourced to Cruise Line Agencies of Alaska (CLAA). CBS Legal Department has developed the attached Agreement for Security for the Board's review and approval.

Background

The Maritime Transportation Security Act 2002 passed by Congress requires security procedures and programs for ports and vessels. The United State Coast Guard (USCG) implements and regulates the program. The USCG has developed a three-tiered Maritime Security system called MARSEC designed to easily communicate to the USCG and the maritime industry pre-planned scalable responses for credible threats. Each ports FSP needs to address each MARSEC level. A FSO is responsible to ensure the FSP is followed.

Large passenger vessels mooring at the GPIP Dock fall into MARSEC and require a FSP and need FSO to follow the plan.

Agreement for Security Services - Storage

Section 6 of the Agreement designates an area for storage of equipment to provide security services. Please review the attached Exhibit A as a proposed storage area.

Action

GPIP Board approval on agreement to provide security services. GPIP Board approval of Exhibit A for storage area.

Instructions:
 In the yellow colored boxes, input scores for each option and criteria according to the scoring system defined in the "Definition of Criteria" column.
 All other cells update automatically.

Key		
Input score here		
Highest scored option		
Lowest scored option		

Gary Paxton Industrial Park - Vessel Haulout Site Selection Decision Matrix

Category	Decision Factors		Options and Scoring									Definition of Criteria	
	Criteria	Weight %	Option 1 - South, Adjacent to SBS			Option 2 - Over Existing Ramp			Option 3 - Adjacent to NSRAA				
			Input Score	Normalized Score	Weighted and Normalized Score	Input Score	Normalized Score	Weighted and Normalized Score	Input Score	Normalized Score	Weighted and Normalized Score		
Cost	1 Construction Cost	20.0%	1.30	0.77	0.15	1.10	0.91	0.18	1.00	1.00	0.20	ROM Estimated Construction Cost \$ Amount (Ratio to Lowest Cost) Level of permitting efforts associated with the option. 1 = Minimal 2 = Average 3 = Extraordinary	
	2 Permitting Required	2.5%	2	1.00	0.03	2	1.00	0.03	2	1.00	0.03	Geotechnical conditions conducive to project? 1 = Conducive 2 = Neutral 3 = Not Conducive	
	3 Geotechnical Conditions	2.5%	2	1.00	0.03	2	1.00	0.03	2	1.00	0.03	Does the option provide access to allow for deep draft vessels? 1 = Good Access 2 = Neutral 3 = Poor Access	
	4 Deepwater Access	7.5%	1	1.00	0.08	2	0.50	0.04	2	0.50	0.04	Does the option provide access to suitable utilities; electrical, water, sewer, storm? 1 = Good Access 2 = Neutral 3 = Poor Access	
	5 Available Utilities	7.5%	1	1.00	0.08	1	1.00	0.08	1	1.00	0.08	What level of upgrades are required to the existing access corridor to accommodate travel lift operations? 1 = Minimal upgrades 2 = Some Upgrades 3 = Neutral 4 = Significant Upgrades 5 = Prohibitive Upgrades	
	6 Existing Corridor Required Improvements	10.0%	4	0.50	0.05	2	1.00	0.10	2	1.00	0.10	Exposure to wind and wave conditions that may limit operations. 1 = Minimal Exposure 2 = Some Exposure 3 = Exposed	
Operations	7 Wind and Wave Exposure	5.0%	2	0.50	0.03	1	1.00	0.05	1	1.00	0.05	Proximity to proposed boat storage. 1 = Close 2 = Neutral 3 = Far	
	8 Proximity to Upland Storage Area(s)	10.0%	3	0.33	0.03	1	1.00	0.10	2	0.50	0.05	Potential for operations conflicts with GPIIP vehicular and pedestrian traffic. 1 = Minimal conflict potential 2 = Some conflict potential 3 = Significant conflict potential	
	9 Traffic Conflicts and Safety	10.0%	3	0.33	0.03	2	0.50	0.05	1	1.00	0.10	Does securing the pier and boatyard with fencing and gates impact other GPIIP operations? 1 = Minimal Impacts 2 = Some Impacts 3 = Significant Impacts	
	10 Security	5.0%	3	0.33	0.02	1	1.00	0.05	1	1.00	0.05	Does the option conflict with current or potential future operations, revenue streams and/or private enterprise? 1 = Minimal conflicts 2 = Some conflicts 3 = Significant conflicts	
	11 Impacts to Adjacent Operations	2.5%	3	0.33	0.01	3	0.33	0.01	1	1.00	0.03	Does the option provide space to construct an initial 150T pier followed by a future larger pier. 1 = Yes 2 = No	
Expansion	12 Expansion Capability	10.0%	1	1.00	0.10	1	1.00	0.10	1	1.00	0.10	Risk of cost or schedule inflation due to unknown/ undetermined variables at the time of this analysis. 1 = Low Risk 2 = Moderate Risk 3 = High Risk 4 = Very High Risk	
Risk	13 Overall Constructability Risk	7.5%	2	1.00	0.08	2	1.00	0.08	2	1.00	0.08		
		100.0%	Overall Scores*			69.55	87.77			91.25			

Best overall option: **Option 3 - Adjacent to NSRAA**

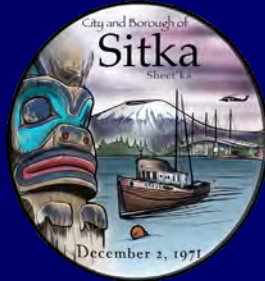
Score Summary by Category								
Major Category	Total Weight	Option 1 Score*	Option 1 Rank	Option 2 Score*	Option 2 Rank	Option 3 Score*	Option 3 Rank	Major Category
Cost	50.0%	40.38	3	44.43	2	46.25	1	Cost
Operations	32.5%	11.67	3	25.83	2	27.50	1	Operations
Expansion	10.0%	10.00	1	10.00	1	10.00	1	Expansion
Risk	7.5%	7.50	1	7.50	1	7.50	1	Risk
Totals	100.0%	69.55	3	87.77	2	91.25	1	

Gary Paxton Industrial Park Vessel Haulout Project

April 26, 2023



Garry White
GPIP Director



Michael Harmon, P.E.
CBS PWD & Project Manager



Dick Somerville, P.E., PIC
Tyler Bradshaw, P.E., PM
Greg Meissner – Marine Services Planner

Presentation Agenda

- Project Charter Goals & General Scope
- PND Task 1 Scope of Services
- Public Meeting Schedule
- Subsequent Project Tasks 2-4
- Available Upland Development Lots
- **Haulout Pier Site Selection – Today's Primary Focus**
- Site Development Options
- Site Selection Decision Matrix Industry Guidance
- Site Selection Decision Matrix & Recommendation
- Next Steps

Project Charter - Goals

1. Develop 150 T haulout facility – having capacity to haul the majority of the Sitka fleet
2. Plan future infrastructure to haul vessels greater than 150 T
3. Plan future infrastructure via GPIIP Access Ramp to haul vessels & barges for repair and refurbishment
4. Develop GPIIP uplands into a working shipyard to support the marine services industry
5. Retain and grow local marine service sector jobs
6. Provide critical infrastructure for emergency vessel repairs
7. Reduce travel costs and emissions for vessels having to travel to other regional shipyards

General Project Scope

1. Maximize Phase 1 infrastructure development within initial \$8.2 M budget
2. Procure a 150 Ton Marine Travelift boat hoist
3. Construct Haulout Pier for 150T hoist with ability to expand to a larger capacity in the future
4. Wash down pad(s) & wash water treatment
5. Boatyard – maximize secured space on site for both work & storage operations
6. Storm water runoff with discharge treatment from boat yard meeting regulatory requirements
7. Power, lighting, water and sewer services
8. On site restroom, small shop and office space

Note: It is not anticipated that all improvements will be possible within the initial budget so scope decisions will need to be made during design development.

Wrangell 150T Travelift Boat Hoist



Wrangell 300 T ASCOM Boat Hoist



Hoonah 200T Travelift, Haulout Pier, Wash Down & Boatyard



Wrangell Boat Yard



Heated Wash Down Pad (Hoonah Boat Yard)



Washwater Treatment, Restrooms & Small Shop Building (Hoonah Boat Yard)



Boat Yard Utilities – fire, water, sewer, power, lighting & security



Boat Yard: Stormwater Yard Runoff Controls Water Quality Unit – Collection & Treatment



PND Engineers

Task 1 Scope of Services

- NTP for Task 1 Services issued on March 29, 2023
- Site reconnaissance & existing conditions research
- Surveying – topo, bathymetry & property boundaries
- 6 Public Meetings – Tonight is the first meeting focusing on the **haulout pier site selection**
- Scoping, conceptual designs & refined cost estimates for selected site
- ID required permits – local, state and federal
- Develop Basis of Design – summarize design criteria

PND Engineers

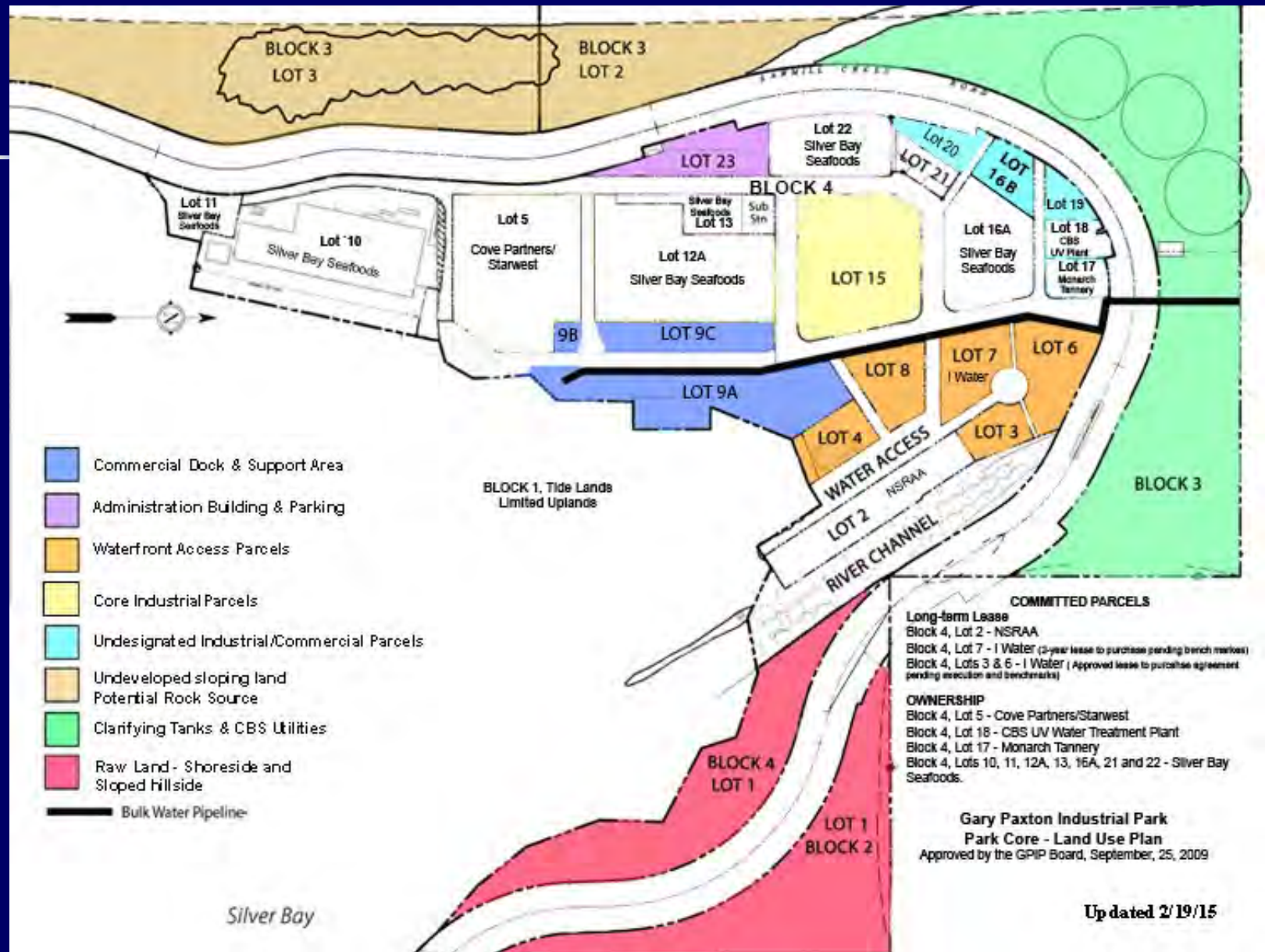
Task 1 Meeting Schedule

1. **Today: GPIIP BOD Mtg No. 1 – Haulout Pier Site Selection**
2. May: Subject Matter Experts (SME) Mtg 1 – present initial concept design & receive comments & suggestions
3. June: GPIIP BOD Mtg No. 2 – update concept plan based on SME comments
4. July: SME Mtg No. 2 – present final Charter w/ preferred concept plan, budget estimate & Basis of Design summary for comment
5. July: GPIIP BOD Mtg No. 3 – Approval of final Charter and refined Basis of Design
6. TBD: Assembly presentation & approval

Subsequent Project Tasks 2-4

- Task 2 – Geotechnical investigation, 35% preliminary design, selection of CM/GC (CMAR), 150 T Travelift procurement – Fall 2023
- Task 3 – Permitting & final design documents working in coordination with CM/GC – Spring/Summer 2024
- Task 4 – Construction, contract administration, inspection, testing & contract closeout followed by haulout operations in early 2025.

Available Upland Development Lots



Haulout Pier Site Selection Options 1-3



Haulout Pier Site Selection

4 Primary Scoring Categories

Category	Weight	Decision Factor Criteria
Cost	50.0%	Construction, Permits, Geotech, Deep Water Access, Available Utilities, Travel Corridor Imp.
Operations	32.5%	Wind/Wave Exposure, Proximity to Boatyard, Traffic Conflicts & Safety, Security, Impacts to Adjacent Operations
Expansion	10.0%	Capability to Expand in the Future
Constructability Risk	7.5%	Risk of Cost or Schedule Escalation
Total	100.0%	

Haulout Pier Site Selection Decision Matrix – Industry Guidance

Matrix was developed using Multi Criteria Decision Analysis Method, (MCDA)

- Structured process for evaluating options with multiple criteria for choosing the best solution
- Widely accepted, applicable to multiple industries/decisions
- Similar to a cost-benefit analysis but evaluates numerous criteria, rather than just cost

Scoring:

- Provides scores for each option based on the 13 criteria
- “Normalizes” scores to account for close options
- Allows for weight adjustments based on importance of Criteria
- Totals the weighted, normalized score to indicate apparent best option.

Haulout Pier Site Selection Decision Matrix

Gary Paxton Industrial Park - Vessel Haulout Site Selection Decision Matrix

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Risk	13 Overall Constructability Risk	7.5%	2	1.00	0.03	2	1.00	0.03	2	1.00	0.03	
		100.0%	Overall Scores*		89.55			87.77			91.25	

Haulout Pier Site Selection Ranking Summary (Least is Preferred)

Best overall option:		Option 3 - Adjacent to NSRAA						
Score Summary by Category								
Major Category	Total Weight	Option 1 Score*	Option 1 Rank	Option 2 Score*	Option 2 Rank	Option 3 Score*	Option 3 Rank	Major Category
Cost	50.0%	40.38	3	44.43	2	46.25	1	Cost
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Expansion	10.0%	10.00	1	10.00	1	10.00	1	Expansion
Risk	7.5%	7.50	1	7.50	1	7.50	1	Risk
Totals	100.0%	69.55	3	87.77	2	91.25	1	
*Note matrix scores multiplied by 100 for clarity.								

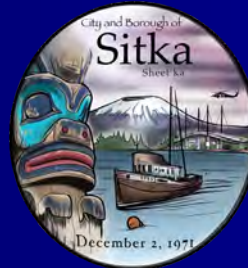
Site Option No. 3 is Preferred

Next Steps

- Debrief with CBS on Today's Meeting
- Complete Survey Base Map
- Further Develop Concept Design and Cost Estimate for **Selected Haulout Pier Site**
- Identify Permits Required
- Prepare Basis of Design Summary
- SME Meeting No. 1 – Solicit Public Input

GPIP Vessel Haulout Project

Thank you for your questions, comments
& suggestions!



Agreement for Security Services (Agreement)
Between
Cruise Line Agencies of Alaska (CLAA)
And
City and Borough of Sitka (CBS)

This Agreement for Security Services (**Agreement**) is entered into on this ____ day of _____, 2023, by and between Cruise Line Agencies of Alaska (**CLAA**), P.O. Box 8080, Ketchikan, Alaska 99901, and City and Borough of Sitka (**CBS**), 100 Lincoln Street, Sitka, Alaska 99835.

WHEREAS, CBS is owner of the Gary Paxton Industrial Park Dock (GPIP Dock), in Sitka, Alaska, and is need of security services for its cruise ship customers berthing at the GPIP Dock, and CLAA is an able and willing provider of security services; and

WHEREAS, CBS and CLAA now desire to enter into this Agreement in which CLAA will provide security services to cruise ship customers berthing at the GPIP Dock.

NOW, THEREFORE, the parties agree as follows:

- 1) **Term.** The term of this Agreement will be for one (1) year and shall begin December 1, 2022, and shall end on November 30, 2023. This Agreement shall automatically renew for four (4) successive one-year terms unless terminated by one of the parties providing written notice to the other party at least 180 days prior to the termination of any term or by mutual consent of the parties.
- 2) **Consideration.** CLAA shall provide security services for Sitka's cruise ship customers berthing at the GPIP Dock. CBS hereby assigns all rights to collect compensation from cruise ship customers berthing at the GPIP Dock to CLAA for the security services they provide to those customers.
- 3) **Scope of Services.** CLAA shall manage and supervise all port security personnel. CLAA shall perform all other duties relating to the employment of said security personnel, including, but not limited to, hiring, terminating, contract negotiations, disciplinary actions, issuance of paychecks, submission of any withholdings deducted from gross wages, and reporting of wages earned to all necessary state and federal agencies. There will be no charge to CBS for this service except for fees associated with maintaining the Facility Security Plan. Specifically, CLAA shall provide security services as follows:
 - Manage Facility Security Plan, with CLAA being responsible for any fines imposed by the USCG for failure to comply with the Plan
 - Provide staff and training
 - Provide all security-related equipment
 - Provide all required luggage x-ray equipment for ship turns
 - Maintain relationships with all security and port related entities

- Address port security needs
 - Address cruise and other vessel's security needs
 - Liaise with port security officials
 - Perform the role of Terminal Security Officer as mandated by U.S. Coast Guard regulations
- 4) **Electricity.** For its mobile x-ray trailer, CLAA may use any available electricity from CBS, at CLAA's expense in accordance with the Port of Sitka Terminal Tariff, CBS No. 5, or other applicable tariff schedule.
 - 5) **Equipment.** CLAA is responsible for providing all equipment necessary to provide the security services required by this Agreement, except CBS will permit CLAA the use of any barriers they currently own for use at the GPIP Dock. All equipment shall be maintained in good working order.
 - 6) **Storage of Equipment and Supplies.** CBS shall provide and designate storage space for CLAA's equipment and supplies as initially designated in the drawing attached and marked as Exhibit A, at no cost to CLAA, the location of which may be altered/relocated at CBS's sole discretion:
 - (a) Outside storage space for one (1) forklift on a year-round basis.
 - (b) Staging area for one (1) luggage x-ray machine on a seasonal basis to be used for baggage screening on ship turn days.
 - (c) Storage space for one (1) storage container and one (1) passenger gangway. The number of these and additional items or equipment may be increased as CLAA increases equipment inventory to accommodate the needs of cruise ships and/or other vessels.

It shall be the responsibility of CLAA that proper security measures are taken to guard against theft and damage to its equipment and supplies.

- 7) **Default.** In the event of default by CLAA of any term or condition of this Agreement, CBS may deliver a written notice to CLAA specifying the acts and omissions constituting the default and specifying that the agreement will terminate twenty (20) days after receipt of such notice. If the default is not cured within such twenty-day period, this Agreement shall then terminate as provided in the notice. If a breach is remedied by CLAA by repairs or payment of damages or otherwise within the twenty-day period specified in the notice, this Agreement will not terminate.
- 8) **Insurance.** Before commencing services, CLAA shall obtain all insurance required under this paragraph. CLAA shall maintain such insurance throughout the term of this Agreement. Proof of the required insurance shall be provided to CBS in the form of a Certificate of Insurance, showing the type and the amounts of insurance, the policy number, expiration date, and signature by an authorized representative of the insurance

company. Each Certificate of Insurance shall state that the policy or policies have been endorsed whereby the insurance company will provide not less than thirty (30) days' written notice to CBS of any material change, cancellation, or non-renewal of the insurance policies. CLAA shall provide the following types of insurance: Commercial General Liability insurance, with a single limit of One Million Dollars (\$ 1,000,000) and general aggregate limit of Two Million Dollars (\$2,000,000); Worker's Compensation insurance, including Employer's Liability and Worker's Compensation, at minimum limits required by Alaska law; Comprehensive Automobile Liability insurance, at minimum limits required by Alaska law. All other types of insurance coverage are exempt. All insurance policies required under this paragraph shall name CBS as an additional insured and shall contain a waiver of subrogation against CBS.

9) **Indemnification.** CLAA and CBS shall each bear the responsibility for its own acts, and any resulting liability, and shall not bear any responsibility for the actions of the other party under this Agreement. Each party shall indemnify, defend, save, and hold the other party harmless from any claims, lawsuits, or liability, including attorneys' fees and costs, arising from any intentional misconduct or negligent act, error, or omission, occurring during or because of the other party's performance under this Agreement.

10) **General Terms.**

- **Revision.** The terms of this Agreement may be revised as necessary, by mutual agreement of both parties, by issuance of a written amendment, signed by and dated by the proper representatives of each party.
- **Assignment.** Without the written consent of CBS, this agreement is not assignable by CLAA either in whole or in part.
- **Successors and Assigns.** This Agreement shall be binding on, and shall inure to the benefit of, the parties and their respective successors and assigns.
- **Severability.** If any term, provision, or condition in this Agreement shall, to any extent, be deemed invalid or unenforceable, the remainder of this Agreement will not be affected thereby, and each term, provision, and condition of this Agreement will be valid and enforceable to the full extent permitted by law.
- **Applicable Law.** This Agreement shall be construed in accordance with the laws of the State of Alaska. Venue and jurisdiction for any action arising under this Agreement shall be in the First Judicial District for the State of Alaska, at Sitka, Alaska.
- **Administration.** The Municipal Administrator, or designee, shall administer this Agreement on behalf of CBS.
- **Notices.** Any notice or demand required or permitted to be given under this Agreement or by law shall be deemed to have been properly given when in writing and hand delivered or, if mailed, when the same has been deposited in the U.S. Mail to be forwarded by certified or registered mail and addressed to the location provided in this Agreement. Notice shall not be required in the event CBS determines that storage spaces used by CLAA under Section 6 of this Agreement must be

altered/relocated. Any change in address by either party must be given by means of the same.

City and Borough of Sitka (CBS)

Signature: _____

Print Name: _____

Title: _____

Date: _____

Cruise Line Agencies of Alaska (CLAA)

Signature: _____

Print Name: _____

Title: _____

Date: _____

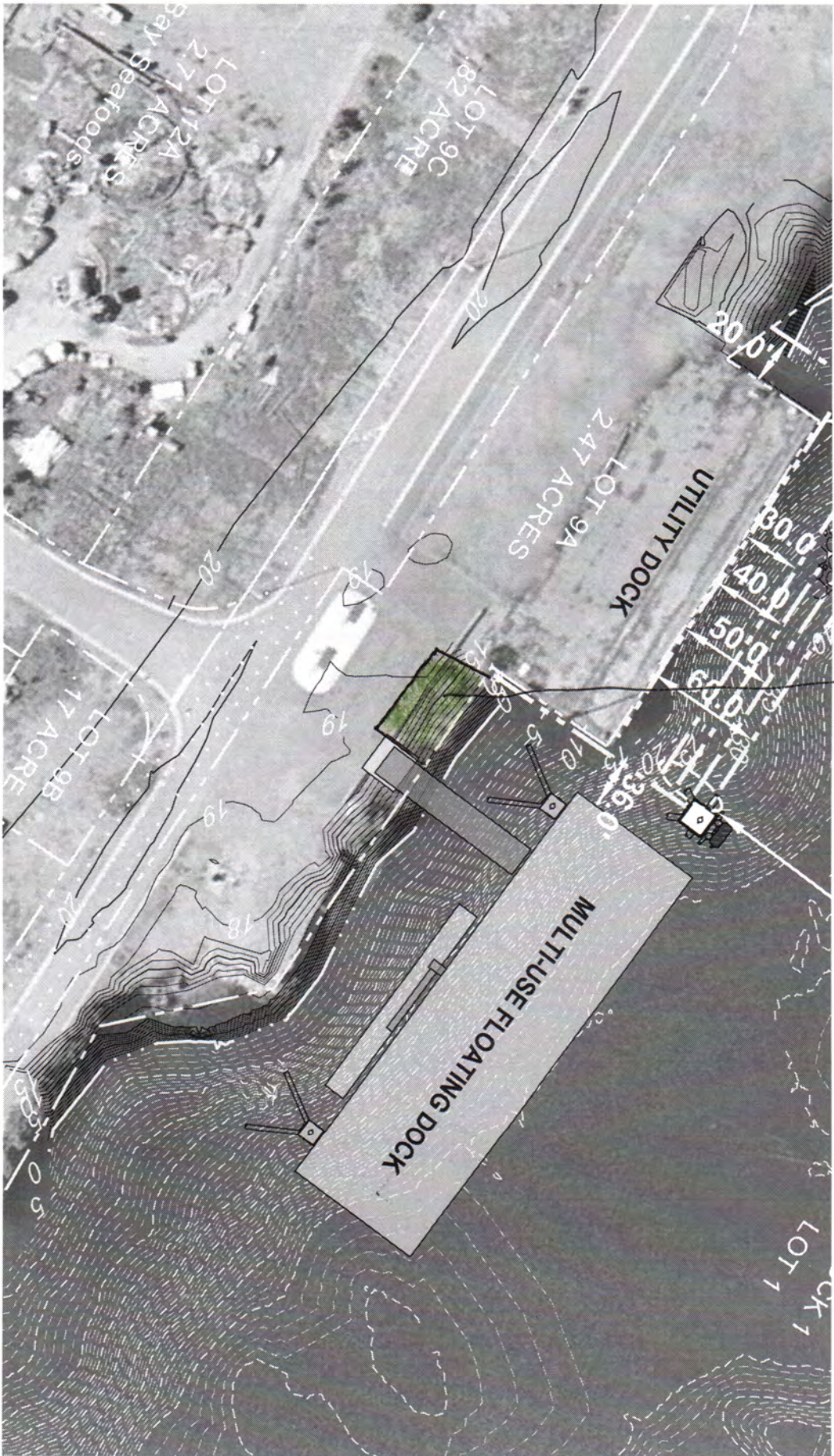


Exhibit A



329 Harbor Drive, Suite 212
Sitka, AK 99835
Phone: 907-747-2660

Monday, April 24th, 2023

MEMORANDUM

To: Gary Paxton industrial Park Board of Directors (GPIP Board)
From: Garry White, Director
Subject: Adventure Sitka, LLC GPIP Tariff Adjustment Request

Introduction

Adventure Sitka LLC is again requesting to utilize the GPIP Dock and the GPIP unimproved, access ramp to transfer passengers from the GPIP to one of its marine tour vessels for the 2023 season. Adventure Sitka LLC and the CBS entered into the attached dock use agreement for the 2022 tourist season. The agreement is on a month to month term until such time as it is terminated by either party.

The GPIP Director discussed with Adventure Sitka to update the Dockage Fee as outlined in the most recent GPIP Port Tariff #5.

Background

Adventure Sitka is a locally-owned tour company that was established in 2020. Adventure Sitka has been using the GPIP Dock to transport tourist to the Silver Bay Homestead (located at the end of Silver Bay) after a visit to the Fortress of the Bear. The tour will have a maximum capacity for about 40 people. Customers transfer between a motor coach and a sightseeing boat at the GPIP Dock. Per Adventure Sitka, the tour operates up to four tour departures per day on the busiest cruise ship days, and that number of tours would require five vessel dockings. The boat would be moored at the dock for as little as 10-minutes to debark or embark guests, and it would remain at the dock for no more than 25-minutes if one group of guests is debarked and then another group embarked. No luggage or equipment would be loaded or unloaded during these transitions, and no utilities would be required. No equipment of any kind would need to be left at the GPIP Dock when the vessel is not present.

Adventure Sitka Proposal

Adventure Sitka requests to on load and off load passengers at the GPIP Dock when it is available for a fee of \$1.00/passenger. When the Dock is full, Adventure Sitka wishes to use the access ramp to transfer passengers with no fee.

GPIP Port Tariff Information

A Port Tariff is a document that contains published charges, rules, and requirements of the port, including docks and associated uplands. The Port Tariff is an implied contract that allows for rapid arrangements without the need for complicated agreements for use of the facility.

The GPIIP Port is a “landlord” Port, which means that the GPIIP will charge users for real estate and dock use and are responsible for maintenance, management and upkeep. The GPIIP Port Tariff covers all properties of the GPIIP uplands and tidelands.

The GPIIP Port Tariff can be found at the following link:

<https://www.cityofsitka.com/media/Harbor/GPIIP%20Master%20Tariff%20No.%205%20Final.pdf>

- The GPIIP Port Tariff includes fees for Dockage.
 - Dockage is the charge assessed to a vessel for docking at a wharf, dock, pier or other facility, or for mooring to a vessel so docked.
 - The 2023 Dockage fee for vessels 0 – 80’ feet in length is \$1.34/foot/day. (2022 Agreement lists fee at \$1.23/foot/day)
 - The GPIIP Tariff fee for incidental use of the dock is \$35/hour for up to 4 hours.
- The GPIIP Port Tariff requires that vessels wishing to dock or moor at the facility obtain Assignment/Berthing Reservation from the Harbor Master by filling out a Berthing Application.
- The GPIIP Port Tariff includes fees for Wharfage.
 - Wharfage is the charge assessed against any freight, cargo, goods placed in a transit shed or on a wharf, or passing through, over or under a wharf or Municipal Terminal; or transferred between vessels, or loaded to or unloaded from a vessel at a wharf, regardless of whether or not a wharf is used. Wharfage is solely the charge for use of wharf and does not include handling, sorting, piling of freight or charges for any other.
 - The GPIIP Port Tariff includes a Passenger Vessel Fee which are charges assessed to passenger vessels and cruise ships using the Port of Sitka.
 - The 2023 Passenger Vessel Fee is \$5.00 per person.
- The GPIIP Port Tariff includes charges for Miscellaneous Services. A fee to use the Access Ramp were put in place for anticipated vessels for haul out services.
 - The 2022 GPIIP Tariff fee for the access ramp is \$1.50/foot/day.
- The GPIIP Port Tariff allows for Preferential User Agreements (PUA). PUA’s are agreements to allow for negotiated rates and terms with users outside of the standard Port Tariff fees.

Additional Information

- The GPIIP Director recommends that any use of the dock be considered non-exclusive use, vessels using the facility must complete a GPIIP Vessel Berthing Application and follow CBS Harbor scheduling processes.

Action

- GPIIP Board recommendations on updates to the Dock Use Agreement including, potential rates and terms for the development of an updated PUA between the CBS and Adventure Sitka.

DOCK USE AGREEMENT

This Dock Use Agreement (**Agreement**) is effective May 1, 2022 (**Effective Date**) and is by and between **ADVENTURE SITKA LLC (Adventure Sitka)** and the **CITY AND BOROUGH OF SITKA (Sitka or CBS)**.

RECITALS

WHEREAS, Sitka owns the Gary Paxton Industrial Park, which is known as the GPIIP facility, which is known as the GPIIP dock (**Dock**); and

WHEREAS, Sitka desires to allow, and Adventure Sitka desires to use a portion of the Dock and the access ramp located on the northern portion of Lot 9a (**Ramp**), as designated by the GPIIP Port Director or CBS Harbormaster, (**Use Premises**) for operations of its tourism business;

NOW THEREFORE, the parties hereto, in consideration of the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency are hereby acknowledged, agree as follows:

1. **Staging and Operating.** Sitka hereby grants Adventure Sitka the right to dock, on-load, off-load, and allow passengers to transit across the Use Premises for multiple tour trips a day.
2. **Right to Use.** Sitka grants Adventure Sitka the right to use the Use Premises to operate its tourism business. The use of the Use Premises is non-exclusive. Adventure Sitka must schedule vessel using the facility to on-load and off-load passengers with the GPIIP Port Director or CBS Harbormaster by completing a GPIIP Vessel Berthing Application. All berthing at the Dock must follow the CBS Harbormaster scheduling processes. If the Dock portion of the Use Premises is not available, Adventure Sitka can use the Ramp for on-loading and off-loading of passengers.
3. **Term; Termination.** The term of this Agreement shall commence on the date first set forth above (**Effective Date**) and continue on a month-to-month basis until such time as it is terminated by either party (**Term**). To terminate this Agreement, either Adventure Sitka or Sitka must provide written notice to the other party at least thirty (30) days prior to the date on which this Agreement shall terminate.
4. **Fees.** As consideration for this Agreement, Adventure Sitka shall pay Sitka a dockage fee of the GPIIP Port Tariff published rate for 2022 of \$1.23 per foot per day for an all-day usage fee of \$68.88 for its vessel's use of the Use Premises, upon availability (**Daily Fee**). Adventure Sitka shall additionally pay to Sitka a passenger fee (**Passenger Fee**) of \$1.00 per person for each passenger that transits across the Use Premises for on-loading and off-loading. Adventure Sitka must report the total number of passengers weekly to GPIIP Port Director or CBS Harbormaster to determine the Passenger Fee to be billed out monthly with the Daily Fee. Vessels berthing at the Dock will need to follow the published GPIIP Port Tariff for policies and application for use of the Use Premises.
5. **Dock Access.** Adventure Sitka agrees and acknowledges that it will schedule its vessels through the CBS Harbormaster scheduling processes and its vessels shall be promptly

removed from the Dock after on-loading and off-loading of passengers. Adventure Sitka or its vessels shall pay to the public authorities charged with the collection thereof, promptly as the same becomes due and payable, all wharfage, dockage, storage, and other public charges, pursuant to the GPIP Part Tariff and other applicable laws, for tourism operations on the Dock.

6. **Insurance.** Adventure Sitka shall procure and maintain at its sole cost and expense, throughout the Term, insurance on its on-loading and off-loading operation and tangible improvements related to its operations as follows:

a. **Commercial/General Liability:** With minimum limits of \$1,000,000 per occurrence and \$2,000,000 endorsed to include broad form contractual liability coverage, bodily injury, and property damage.

b. **Workers Compensation Insurance and Employers Liability:** Adventure Sitka shall have the Alaska statutory amount of any worker compensation.

c. **Insurance:** Sitka shall be named as an additional insured. The party insured (or so required) releases the other from liability for damages to the extent recoverable by reason of the insurance and waive its right of subrogation.

7. **Compliance with Law.** Adventure Sitka and Sitka shall each comply with, and abide by, all federal, state, municipal and other governmental statutes, laws, ordinances, rules, regulations and court orders, affecting the Use Premises or any activity on the Use Premises. In furtherance, and not in limitation of the foregoing, Adventure Sitka and Sitka shall each comply with, and abide by, all federal, state, municipal and other governmental statutes, laws, ordinances, rules, regulations and court orders relating to health, safety, noise, environmental protection, waste disposal, hazardous or toxic materials and substances, and water and air quality.

8. **Encumbrances.** Adventure Sitka shall not allow any liens or encumbrances to be filed against the Use Premises; in the event of filing of a lien or encumbrance Adventure Sitka will promptly take such action as may be required to remove the lien or encumbrance, including, without limitation, obtaining a bond, if required.

9. **Operation; Maintenance.** The Dock is operated by, and is the sole responsibility of, Sitka. The Use Premises and vessels are operated by, and are the sole responsibility of, Adventure Sitka. The maintenance of the Dock shall be performed by, and at the risk of Sitka, and shall be performed in a professional and workmanlike manner. The maintenance of the Use Premises and the vessels shall be performed by, and at the risk of Adventure Sitka, and shall be performed in a professional and workmanlike manner. Adventure Sitka will pay, or cause to be paid, all proper charges for public or private utility services, which shall be used by or supplied to the Use Premises.

10. **Power to Make Changes.** Adventure Sitka shall not make or permit to be made any alteration of, addition to, or change in the Dock without the prior written consent of Sitka, which consent shall not be unreasonably withheld.

11. No partnership or joint venture. Nothing hereby shall be deemed or construed by the parties hereto, nor any third party, as creating or authorizing the creation of a partnership or joint venture between Adventure Sitka and Sitka.

12. Limitation of Liability. EXCEPT TO THE EXTENT OF REQUIRED INSURANCE, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR CONSEQUENTIAL, SPECIAL OR INDIRECT DAMAGES, INCLUDING WITHOUT LIMITATION, LOSS OF USE, LOSS OF PROFIT OR BUSINESS INTERRUPTION.

13. Authority. Adventure Sitka and Sitka each warrant and represent to one another that this Agreement constitutes a legal, valid and binding obligation of that party. Without limiting the generality of the foregoing, each party represents that its governing body has authorized the execution, delivery and performance of this Agreement by it. The individuals executing this Agreement warrant that they have full authority to execute this Agreement on behalf of the entity for whom they purport to be acting. Each party represents to the other that neither the execution and the delivery of this Agreement, nor the consummation of the transaction contemplated hereby will: (i) violate or conflict with any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, government agency or court to which it is subject or any provision of its charter or bylaws; or (ii) conflict with, result in a breach or constitute a default under any other agreement to which it is a party or by which it is bound. Neither party needs to give any notice to, make any filing with, or obtain the consent of any party to consummate the transaction contemplated by this Agreement.

14. Notice. Any notices required in accordance with any of the provisions herein may be personally delivered or, if mailed, shall be sent by overnight mail with delivery receipt or by certified mail, return receipt requested, addressed to Sitka at 100 Lincoln Street, Sitka, Alaska 99835, Attention: Municipal Administrator, or at such other address as Sitka may in writing direct; and addressed to Adventure Sitka at P.O. Box 5839, Bremerton, Washington 98312, Attention: President, or at such other address as Adventure Sitka may in writing direct. Notices sent by certified mail shall be deemed received five (5) days after they have been placed in the United States mail, postage paid.

15. Survival. Any covenant or condition set forth in this Agreement, which, by its nature or by its terms, is to survive the expiration or termination of this Agreement, shall survive the expiration or earlier termination of this Agreement and shall remain fully enforceable thereafter.

16. Amendment and Modification. No amendment, modification, deletion, addition or novation of this Agreement shall be effective unless it is completely and unambiguously contained in a writing and executed by all the parties to this Agreement. No failure on the part of either party to enforce any covenant or provision of this Agreement, and no waiver of any right under this Agreement by either party, unless in writing and signed by the parties sought to be bound, shall discharge or invalidate such covenants or provisions or affect the right of such party to enforce the same.

17. Government law, entire agreement, and severability: This Agreement shall be governed by and construed in accordance with the laws of the State of Alaska. This Agreement, together with all recitals, exhibits and schedules (all of which are incorporated herein by this reference) contain the entire agreement and understanding concerning this subject matter and contains the entire agreement and understanding concerning this subject matter within the parties and supersedes any other agreement or understanding between the parties related to this subject matter. If any provisions of this Agreement shall be held to void, violated, invalid, or in operative, no other provision of this Agreement shall be affected, and the remaining provisions of this Agreement shall remain in force and effect.

18. Restrictions regarding assignments, transfer and subleasing. Adventure Sitka has no power under this Agreement to assign or transfer the Use Premises, except with the prior written consent of Sitka, which consent shall not be unreasonably withheld. Adventure Sitka shall not sublease the Use Premises or any portion of it, except with the prior written consent of Sitka. Any sublease approved by Sitka shall be expressly subject and subordinate to this Agreement.


19. Attorney's fees and legal costs. All legal costs and attorney's fees incurred by any party to this Agreement to enforce any duties or obligations of the other party under this Agreement shall be paid to the prevailing party by the other party.

IN WITNESS WHEREOF, this Agreement has been signed by the duly authorized representatives of Adventure Sitka and Sitka on the date(s) written below and is effective as of the Effective Date.

CITY AND BOROUGH OF SITKA

ADVENTURE SITKA LLC

By: 
Name: John Leach
Its: Municipal Administrator

By: 
Name: Chris McGraw
Its: Manager

Date: 8/26/2022

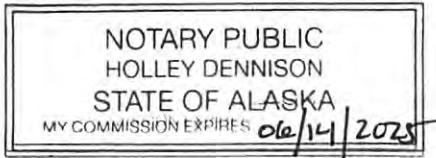
Date: 8-23-22

[ACKNOWLEDGEMENTS ON NEXT PAGE]

ACKNOWLEDGEMENTS

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

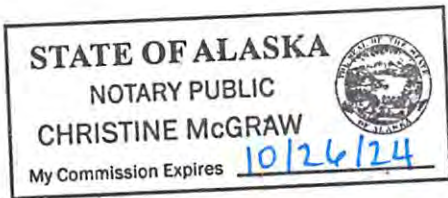
The foregoing instrument was acknowledged before me this 26 day of August, 2022, by John Leach, Municipal Administrator of the CITY AND BOROUGH OF SITKA, ALASKA, an Alaska home rule municipality, on behalf of the municipality.



Holley Dennison
Notary Public in and for the State of Alaska
My commission expires: 06/14/2025

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this 23 day of August, 2022, by Chris McGraw, Manager of Adventure Sitka LLC, an Alaska limited liability company, on behalf of the company.



Christine McGraw
Notary Public in and for the State of Alaska
My commission expires: 10/26/24



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 8/31/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement.

PRODUCER: RISQ Consulting - Anchorage... CONTACT NAME: Tashia Lee, CISR Elite... INSURER(S) AFFORDING COVERAGE: Philadelphia Indemnity Insurance Company, Amerisafe Insurance Group

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES.

Table with columns: INSR LTR, TYPE OF INSURANCE, ADDL INSD, SUBR WVD, POLICY NUMBER, POLICY EFF, POLICY EXP, LIMITS. Rows include Commercial General Liability, Automobile Liability, Umbrella Liability, and Workers Compensation.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) RE: Permit

CERTIFICATE HOLDER: City & Borough of Sitka... CANCELLATION: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.