



**BOARD OF DIRECTOR'S MEETING**

**MONDAY, FEBRUARY 28TH, 2022 - AGENDA**

**3:00 PM**

**Zoom Meeting**

**Regular Meeting**

**3:00 PM**

<b><u>Item</u></b>	<b><u>Action</u></b>
A. Call to Order	Acknowledge
B. Roll Call	Acknowledge
C. Review of Minutes	Motion to Approve
<b>JANUARY 27TH, 2022</b>	
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. GPIP Strategic Plan	Discussion/Recommendations
2.	
I. New Business	
1. Sitka Salmon Shares Dock Use Agreement	Discussion/Recommendations
2. Fortress of the Bear Lot 19 Lease Request	Discussion/Recommendations
3. Coastal Transportation SE, LLC Lot 9a Lease Request	Discussion/Recommendations
J. Adjournment	

**EXECUTIVE SESSION – Possible**

**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.**

**Gary Paxton Industrial Park – Board of Directors Meeting**  
**January 27<sup>th</sup>, 2022 3:00pm – Zoom Meeting**  
**DRAFT Meeting Minutes**

**A. CALL TO ORDER:** The Chair, Scott Wagner, called the meeting to order at 3:00pm

**B. ROLL CALL**

**Members Present:** Scott Wagner, Chris Ystad, Lauren Mitchell, Vaughn Morrison

**Members Absent:** Mike Johnson

**Staff Present:** Garry White

**City Representatives:** John Leach (Administrator)

**Others Present:**

**C. Review of Minutes – December 6<sup>th</sup>, 2021**

**Motion:** M/S Mitchell/Morrison to approve the minutes of December 6<sup>th</sup>, 2022

**Action:** Motion Passed 4/0 on a voice vote

**D. Correspondence & Other Information- None**

**E. Changes/Additions/ Deletions to Agenda- None**

**F. Reports –**

**GPIP Report:**

Mr. White presented an update on the GPIP Dock usage. For Fiscal Year 2021 the GPIP Dock grossed \$65,332 in revenue, almost double of FY20. Fiscal Year 2022, as December 6<sup>th</sup>, the park has grossed \$41,292 in use. Dock usage has been slower this winter than summer, but still seeing weekly use.

The Sitka Community Boatyard group is still working towards finding funding to construct the project. The lease has not moved forward due to the current lack of funding. SEDA and the CBS are investigating additional grant opportunities. The question was discussed of how long the current RFP process should continue for the SCB to find funding for the project before a new process starts.

Arctic Blue Waters is still working towards moving bulk water from Sitka. Mr. White is receiving calls from other entities additional interested in establishing a bulk water purchase contract with Sitka.

A group is investigating making alcohol in Sitka with Sitka water.

Mr. White has investigated cost for installing a 4 ton crane on the GPIIP Dock. Current estimated costs are much higher than 2019, estimated to be around \$510k. The current GPIIP Enterprise Budget is insufficient to afford the crane. Mr. White is working with a marine consultant on potential grants to fund the crane.

Mr. White is also working on getting estimates for additional security cameras for the GPIIP properties for better management and to capture illegal use of GPIIP properties. The CBS recently found illegal dumping activities and used the Sitka PD to help stop and rectify the situation.

**G. Persons to Be Heard-** None

**H. Unfinished Business -** None

**I. New Business-**

**1. CBC Construction Inc. Lease Request**

CBC would like to lease 12,000 SF of Lot 15 on a short term, month to month basis to burn construction and overburden materials. CBS has presented their burn plan to the CBS Fire Department and has received conceptual pre-approval for their plan. Mr. White is proposing a lease on a month to month basis for \$2,500 per month with a \$5,000 retainer or bond to ensure the property properly cleaned up afterwards.

Ms. Mitchell brought up potential air quality issues during herring and fishing season.

Mr. Ystad requested that provisions in the lease be added to make lessee responsible if burning embers destroy other lease holder's equipment.

**Motion:** M/S Morrison/Mitchell move to recommend approval of a short term lease of \$12,000 SF on Lot 15 with terms presented.

**Action:** Passed (4/0) on a voice vote

**2. GPIIP Strategic Plan**

Mr. White introduced this item as a place holder is anyone had anything to discuss in general about the GPIIP.

Mr. Wagner asked the current electrical set up would allow for small cruise ships to plug into dock power, and if not, could cruise passenger head tax funds be used to modify system to allow the use.

Ms. Mitchell asked when the fresh water system would be installed. There is demand from both the commercial fishing industry and cruise lines for potable water.

Mr. Wagner asked if the CBS was earning any revenues from the Turnagain barge being anchored in the cove all winter.

Mr. White responded that he would investigate all questions.

#### **J. Adjournment**

**Motion:** M/S Mitchell/Morrison move to adjourn the meeting at 3:27pm

**Action:** Passed (4/0) on a voice vote

Thursday, February 24, 2022

MEMORANDUM

TO: GPIP Board of Directors  
FROM: Garry White, Director  
SUBJECT: Gary Paxton Industrial Park (GPIP) Management Report

**1. GPIP Dock**

The GPIP Dock is open for business. The dock had a lot of traffic during the spring of 2019. Most use was related to the commercial fishing fleet with vessel moving nets and other fishing gear across the dock.

Security cameras were installed in April, which allows for better management and tracking of use.

Next steps are to continue to monitor uses and adjust the Port Tariff to accommodate users of the facility. Additionally, prepayment or pay for use electric meters are being investigating to allow for better management of electric use. **(05/06/2019)**

The GPIP Dock continues to see a lot of use this summer. **(09/15/2020)**

The GPIP Director has received a request from the cruise ship industry for 7-8 port of calls for a 300 foot cruise ship at the GPIP Dock in 2021 and the potential for additional port of calls for the 2022 season. The cruise ship would be turning passengers while in port in Sitka. The GPIP Director and CBS Harbor Master are working cruise line officials to determine infrastructure needs, develop a Facility Security Plan, and work out logistics to accommodate cruise passengers. **(10/27/2020)**

The GPIP Port Tariff #4 was approved by the Assembly in February 2021. The dock is starting to see an increase in use due to the fishing season starting. **(03/22/2021)**

The CBS has been working with an outside consultant to develop a Facility Security Plan (FSP) to allow certain vessels, including small cruise ships, to use the GPIP Dock. The FSP is currently awaiting USCG approval.

The GPIP Board at its April 21<sup>st</sup> meeting approved a request for a \$24,999 budget be establish to add portable water to the dock. **(05/03/2021)**

GPIP Dock Revenues have increased each fiscal year. FY18 - \$689, FY19 - \$14,643, FY20 - \$37,462, FY21- \$65,322, FY22 (12/6/21) - \$41,292. **(1/25/2022)**

## **2. Marine Services Industries at the GPIP.**

The CBS received a proposal from the owners of Halibut Point Marina (HPM) stating that it will be reducing service within the next two years. HPM additionally submitted a proposal to the CBS to construct marine haul out infrastructure to include; haul out piers, an EPA approved wash down pad with a water treatment facility, and a 100 ton lift. HPM is requesting a trade of other CBS property to offset the cost of construction. The GPIP Board has been unable to secure funding for the construction of haul out infrastructure to date.

The GPIP Board held a meeting on December 4<sup>th</sup> to discuss the proposed haul out infrastructure. Discussion from the public and board focused on travel lift capacity, pier width, upland improvements needed, access, and future management. The Board recommended the Assembly move forward with negotiations with HPM for a facility that has a new 100 tons lift, piers that are 26' apart, infrastructure to include a float to help vessel navigate into the lift, a larger or additional wash down pad be included, and that infrastructure is added to allow people to exit vessels before being lifted. **(12/9/2019)**

Halibut Point Marina has withdrew with its proposal to construct a vessel haul out at the GPIP in exchange for other CBS property due the CBS general code that requires CBS property to be disposed of via competitive bid. The CBS Assembly and GPIP Board held a joint work session on January 30<sup>th</sup> to discuss next steps. The CBS Assembly directed the CBS Administrator to prepare and release a RFP for private sector development of vessel haul out at the GPIP. **(02/10/2020)**

The GPIP Board met on Feb. 28<sup>th</sup> and approved a draft RFP for CBS Administration approval to be release to the public for private sector development of a vessel haul out at the GPIP. **(03/09/2020)**

The CBS received two proposals for development of a vessel haul out at the GPIP. The GPIP Board met via Zoom on April 27<sup>th</sup> and vetted the proposals as part of a selection committee, containing the 5 members of the Board, the CBS Administrator and Public Works Director. The Selection Committee scored a proposal from WC Enterprises as the best proposal. The RFP Scoring results were presented to the Assembly on May 12<sup>th</sup>. The Assembly gave direction to the CBS Administrator to work with WC Enterprises to develop a detailed agreement to move forward with the development of the haul out. The CBS Administrator, Public Works Director, and the GPIP Director have been meeting twice a week with WC Enterprises on the agreement. **(06/01/2020)**

The CBS Assembly rejected the proposal by WC Enterprises due to substantial changes to WC request for financial support. The CBS is working on conceptual plans and design for a haul out at the GPIP. **(09/15/2020)**

The CBS was unsuccessful in obtaining grant funds for the development of a CBS owned marine haul out facility. The GPIP Board met in September and provided direction that another RFP be developed for private sector development of the haul out. The CBS

Assembly met in October and gave direction that they wished to see a partial private sector development of a haul out with the CBS retaining ownership of its property. **(10/27/2020)**

The GPIIP Board met at its October 29<sup>th</sup> meeting and approved another RFP for private sector development of a haul out. The draft RFP was presented and approved by the CBS Ports and Harbors Commission at its November 23<sup>rd</sup> meeting. The RFP was approved by the Assembly at its January 26<sup>th</sup>, 2021 meeting and released to the public on February 2<sup>nd</sup>. The public can find the RFP on the CBS Bid Express website. Proposals are due on April 8<sup>th</sup>, 2021. **(2/8/2021)**

The CBS received one proposal to its most recent RFP. The GPIIP Board met on April 21<sup>st</sup> as the selection committee to evaluate and score the proposal. The Board did not finalize its evaluation, but rather sent the proposers a set of clarifying questions to gather more information on the proposal. The Board met again on May 12<sup>th</sup> and found the proposal responsive to the RFP and directed the GPIIP Executive Director to negotiate terms for a lease with the SCB group for the GPIIP Board's review. **(05/27/2021)**

The GPIIP Board recommended and the Assembly approved proposed lease terms for the development of a haul out at the GPIIP with a newly formed group called the Sitka Community Boat Yard LLC (SCB) in the summer 2021. The CBS hired an outside legal firm to develop a long term lease with proposed performance benchmarks in line with the proposed terms. The lease was presented to SCB for its review in early fall. The CBS was notified in late November that it will not receive a RAISE Grant for the construction of a haul out. The SCB presented clarifying question to the CBS regarding the proposed lease. CBS staff and the GPIIP Director are in working with SCB on finalizing a lease based off approved terms for final approval by the GPIIP Board and Assembly. **(11/30/2021)**

The SCB Group is still working towards finding funding to construct the project. The lease has not moved forward due to the current lack of funding. SEDA and the CBS are working on additional grant opportunities to provide funding for the construction of the haul out. **(01/25/2022)**

### **3. Bulk Water**

The Director continues to work with entities interested in the export of Sitka's water. **(05/06/2019)**

The CBS Assembly met on April 30<sup>th</sup> to discuss needed repairs to the Raw Water delivery infrastructure. No funding or repair plan was determined. The CBS's ability to delivery water will need to be fixed before the bulk water export venture can move forward. The Assembly directed the GPIIP Director to continue to work with potential investors and exports to find a funding solution to repair the system. The CBS does not believe that the infrastructure can be repaired until the penstock is shut down and dewatered. Estimate timeframe for penstock shut down is estimated to be the fall of 2021. **(06/03/2019)**

The Director continues to receive inquiries from entities wishes to export Sitka's water. **(09/15/2020)**

The GPIIP Board recommended approval of a new water purchase agreement between the CBS and Arctic Blue Waters Alaska Inc. at its October 29<sup>th</sup> meeting. The Agreement will go to the CBS Assembly for approval on February 23rd. **(02/08/2021)**

The CBS Assembly met on March 9<sup>th</sup> and approved the water purchase agreement between the CBS and Arctic Blue Water. The GPIIP Director has received call from other potential exporters of Sitka's water. **(03/22/2021)**

Arctic Blue Water made all of its required payments to keep its water purchase contract in good standing. The GPIIP Director continues to receive call from other potential exporters and expects new proposals this fall/winter. **(11/30/2021)**

#### **4. Bottled Water**

The Director continues to receive inquires for bottled water. The Director has recently had conversations with entities from China, Costa Rica, and South Korea. **(11/12/2019)**

#### **5. Blue Lake Dam Expansion Project**

The Assembly has approved a MOA between the GPIIP and Electric Department to allow the GPIIP to charge for use of Lots 16b and 20. Rock has been stored on these lots since the Blue Lake Dam Expansion project. **(06/03/2019)**

The GPIIP Director has met with the CBS Electric Director regarding leveling out the above lots for future leases or sales at the GPIIP. **(03/22/2021)**

#### **6. GPIIP Dock Fuel Sales**

Delta Western has received its build permit to establish a fueling operation on the GPIIP Dock. The fuel tanks will be relocated from the dock itself to the uplands above the dock. **(07/03/2019)**

Delta Western has completed its fuel delivery infrastructure on the GPIIP dock. **(11/12/2019)**

Delta Western is in the process of installing a second fuel tank at the GPIIP for fuel delivery off the GPIIP Dock. **(03/22/2021)**

#### **7. GPIIP Overall Management**

CBS Administration and the GPIIP Director toured the park and have talked to tenants about cleaning up various lots at the park. **(05/03/2021)**

The GPIIP Director and CBS Administration has implemented a plan to remove the junk vehicle from the GPIIP site and ensure that future dumping activity does not continue. **(11/30/2021)**

The GPIIP Director is working on establishing a budget estimate for a GPIIP Dock Crane and additional security cameras at the GPIIP. **(01/25/2022)**





# **Gary Paxton Industrial Park (GPIP)**

## **Strategic Plan**

Adopted by the GPIP Board  
July 31, 2017

### **Introduction**

The GPIP Board developed this Strategic Plan at planning sessions held in Winter/Spring of 2017. The GPIP Board recognizes that multi-purpose dock and future infrastructure improvements within the park will influence the future development of the site.

### **Guiding principles**

1. Preserve public access and marshalling areas to the waterfront, as it is the most commercially viable waterfront left in Sitka.
2. Make lease, buy/sell or other land use decisions based on the mission of the Park – to create family wage jobs for Sitkans in a financially responsible manner.
3. Consistent with principles 1 & 2, identify and create a positive cash flows to the City from the operation of the Park.

### **Plan Priority Items**

The GPIP Board plans to address the following items. (Items are listed in random order)

❖ **Develop a Port Facility to accommodate the Maritime Industry.**

- Continue with development of multi-purpose dock.
- Develop a water access ramp in the northern portion of Lot 9A.
- Develop a tariff schedule to include fees for tideland and upland use.
- Designate and retain Lots 3, 7, 8, 9a, 9C, & 15 in public ownership, to be developed as uplands to support marine services sector and multi-purpose dock.
- Designate and promote Lot 6 for future private or public development to support maritime industry.
- Designate and utilize Lot 9b to support management of port facility.
- Research Utility Dock and adjacent uplands for further re-purpose or sale.
- Research additional development opportunities for tidelands seaward of GPIIP Uplands.
- Research if existing dolphins in the tidelands can be useful or need to be removed.
- Develop a marketing plan that presents the park to local, regional and national markets with a web-based advertising program, supplemented with other media as appropriate.
- Determine the MARSEC rules for fencing at the GPIIP.

❖ **Develop and Market remaining uplands outside of Port Facility**

- Advertise to sell or lease Lots 17, 16b, 19 and 20 in the industrial park.
- Establish access point for Lots 19 and 20.
- Release RFP for sale of the Administration Building lot.
- Remove area of GPIIP sign from Administration Building lot.
- Dispose of remaining rock at GPIIP by bringing interested parties together for discussion.

❖ **Market Sitka's Water Export Asset to the world**

- Continue to work with potential partners in exporting Sitka's water in Bulk.
- Continue to work with potential partners that wish to establish water bottling facilities in Sitka.
  - Identify property in vicinity of the park to locate water bottling facilities.
- Continue to research and track water export ventures around the globe.

- Investigate alternative methods of marketing water and water purchase agreements.
- Investigate additional infrastructure needed to transport, load, and off load water.

❖ **Research the development of a rock quarry in the Sawmill Cove vicinity.**

*This quarry would generate revenue for the City as well as provide less expensive rock for use on Park projects.*

- Market Lot 1 / blk 2 as a rock source and Lot 3 / blk3 as possible rock source.

❖ **Continue to pursue the development of a private marina in Herring Cove.**

❖ **Develop Exit Strategy for existing GPIIP Development Board.**

- Research different management concepts and entities.

## DOCK USE AGREEMENT

This Dock Use Agreement is dated April 2021 (this "**Agreement**") and is by and between Sitka Salmon, LLC ("**Sitka Salmon**") and the City and Borough of Sitka, Alaska ("**Sitka**" or "**CBS**").

### RECITALS

WHEREAS, Sitka owns the Gary Paxton industrial Park, which is known as the GPIIP facility, on which is located a deep water dock as further shown on Exhibit A attached hereto (the "**Dock**"); and

WHEREAS, Sitka desires to allow, and Sitka Salmon desires to use part of the southeast portion of the Dock, as designated by the GPIIP Port Director or CBS Harbormaster, (the "**Use Premises**") for staging and operating its equipment used in its seafood 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 Equipment. Sitka hereby grants Sitka Salmon the right to stage and operate one (1) Boom Truck and one (1) 40 foot Freezer Container (collectively, the "**Equipment**") on the Use Premises, as depicted on Exhibit A attached hereto. Title to the Equipment shall remain with Sitka Salmon.

2. Right to Use. Sitka grants Sitka Salmon the right to use the Use Premises to stage and operate the Equipment for off-loading temporarily storing commercially caught seafood. The use of the Use Premises is non-exclusive. Sitka Salmon must schedule vessels using the facility to off-load seafood with the CBS Harbormaster by completing a GPIIP Vessel Berthing Application. All berthing at the Dock must follow the CBS Harbormaster scheduling processes. Sitka Salmon will be required to temporarily move its Equipment, upon request of the CBS Harbormaster or GPIIP Port Director to reasonably accommodate other use of the Use Premises.

3. Term; Termination. The term of this Agreement shall commence on the date first set forth above and continue on a month-to-month basis until such time as it is terminated by either party (the "**Term**"). To terminate this Agreement, either Sitka Salmon 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, Sitka Salmon shall pay Sitka a monthly fee of \$1,000.00 per month (the "**Monthly Fee**"). Vessels berthing at the GPIIP Facility will be assessed standard published GPIIP Port Tariff fees.

5. Electricity Meter and Charges. Sitka Salmon shall install, at its own expense, a temporary electrical meter at the GPIIP Facility and pay CBS for all proper charges for electricity.

6. Dock Access. Sitka Salmon 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 delivery of seafood. Sitka Salmon 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 GPIIP Part Tariff and other applicable laws, for deliveries made to the Dock.

7. Real and Personal Property Taxes. Sitka Salmon shall pay to the public authorities charged with the collection thereof, promptly as the same becomes due and payable, all real and personal property taxes, assessments general and special, permits, inspections fee and license fees and other public charges whether of like or different nature, levied upon or assessed against the Use Premises and for the Equipment.

8. Insurance. Sitka Salmon shall procure and maintain at its sole cost and expense, throughout the Term, insurance on its seafood 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 \$5,000,000 endorsed to include broad form contractual liability coverage, bodily injury, and property damage.

b. Workers Compensation Insurance and Employers Liability: upon its employees extended to include applicable state workers compensation acts, with statutory limits for workers compensation and minimum limits of \$2,000,000 per occurrence for employer's liability.

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 waives its right of subrogation.

9. Compliance with Law. Sitka Salmon 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, Sitka Salmon 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.

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

11. Operation; Maintenance. The Dock is operated by, and is the sole responsibility of, Sitka. The Use Premises and the Equipment are operated by, and are the sole responsibility of, Sitka Salmon. 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 Equipment shall be performed by, and at the risk of Sitka Salmon, and shall be performed in a professional and workmanlike manner. Sitka Salmon 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 and the Equipment.

12. Power to Make Changes. Sitka Salmon 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. Sitka Salmon shall have the right to replace, remove, alter or modify the Equipment. Sitka Salmon shall give written notice of any proposed replacements, removals, alterations or modifications. Upon the end of the Term, Sitka Salmon shall remove the Equipment from the Use Premises. If the Equipment is not so removed from the Use Premises and/or the Use Premises is not so surrendered, Sitka Salmon shall indemnify, defend, and hold harmless Sitka from and against all claims made by any succeeding user against Sitka, founded upon delay occasioned by the failure of Sitka Salmon to remove Equipment and/or surrender the Use Premises.

13. 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 Sitka Salmon and Sitka.

14. 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.

15. Authority. Sitka Salmon 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 board 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.

16. 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 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 Sitka Salmon at 216 Smith Street, Suite B, Sitka, Alaska 99835, Attention: President, or at such other address as Sitka Salmon 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.

17. 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.

18. 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.

19. 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.

20. Restrictions regarding assignments, Transfer and Subleasing. Sitka Salmon 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. Sitka Salmon 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.

21. Attorney's fees and legal costs. All legal costs and attorney 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.

*Signature Page Follows*

**IN WITNESS WHEREOF**, this Dock Use Agreement has been signed by the duly authorized representatives of Sitka Salmon and Sitka as of the Effective Date.

**CITY AND BOROUGH OF SITKA**

**SITKA SALMON, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: Municipal Administrator

By: *du* \_\_\_\_\_

Name: Marsh Skeee

Its: Member





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

Wednesday, February 23, 2022

## MEMORANDUM

To: Gary Paxton industrial Park (GPIP) Board of Directors  
From: Garry White, Director  
Subject: Sitka Salmon Shares Proposal

### **Introduction**

Sitka Salmon Shares is proposing to enter into a GPIP Dock Use Agreement with the City and Borough of Sitka (CBS) for its fish buying operation.

The CBS has entered into agreements with Salmon Shares the past two summers to purchase fish off the GPIP Dock. Please see attached dock use agreement from 2021. The 2022 agreement will be based off of this document with similar terms.

The dock use agreement allows Salmon Shares to stage a mobile boom truck and 40' freezer container on the dock to assist in their fish buying operation. The GPIP Board approved terms in 2021 for month to month use for \$1,000 per month to allow the equipment to be staged on the dock. The agreement gives the Harbor Master authority to have the infrastructure moved if needed during port security measures related to cruise ship moorage and/or other dock uses. Additional tariff fees of moorage, wharfage and utility usage will be charged for vessels using the dock.

### **GPIP Dock**

The GPIP dock was opened for operation in the spring of 2018. The GPIP dock is managed by the CBS Harbor Department. Activity at the GPIP dock has increased substantially every year the facility has been open to the public for use.

Fees to use the GPIP Dock can be found on the CBS Harbor Department Website under the GPIP Port Tariff.

### **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 discussion and approval of a dock use agreement to Sitka Salmon Shares at the GPIIP Dock.



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

Thursday, February 24, 2022

MEMORANDUM

To: Gary Paxton Industrial Park (GPIP) Board of Directors

From: Garry White, Director

Subject: Fortress of the Bear Lot 19 Lease Request

**Introduction**

Fortress of the Bear (FOB) is requesting to lease lot 19. FOB would like to use the lot for additional parking

**Lease Terms**

FOB is requesting to lease the lot on a month to month basis. Lot 19 is a 12,669 SF parcel of raw property located in the western portion of the park.

**Rent**

Lot 19 was appraised in 2014 at a value of \$51,100 or \$4.03/SF.

\$51,100 @ 9% = \$4,599 annually or \$383.25/month

**Action**

- GPIP Board discussion and recommendation on FOB lot 19 request.



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

Thursday, February 24, 2022

MEMORANDUM

To: Gary Paxton Industrial Park (GPIP) Board of Directors  
From: Garry White, Director  
Subject: Coastal Transportation SE, LLC

**Introduction**

Coastal Transportation SE, LLC is requesting to lease 6,000 SF of a portion of Lot 9a, between the Hanson Maritime dock and the access ramp. Please see attached drawing of the proposed area.

Please see the attached lease proposal from Coastal Transportation.

**Lease Terms**

Coastal Transportation is requesting to lease the lot on a month to month basis. Lot 9a is a 147,735 SF parcel of raw property located along the waterfront of the GPIP. Coastal Transportation is looking to lease a 60' x 100' section, near the access ramp.

**Rent**

Lot 9a was accessed in 2018 at a value of \$1,182,000 or \$8.00/SF.

6,000 SF @ \$8.00/SF = \$48,000 @ 9% = \$4,320 annually or \$360/month

**Action**

- GPIP Board discussion and recommendation on a lease for 6,000 SF of lot 9a to Coastal Transportation.

**Company Name: Coastal Transport SE**

**Year established: 2015**

**Description of services:** CTSE is a water born transport service. We have 3 vessels (landing crafts) operating in and around the Sitka area. Our primary role is to load cargo from town and deliver to remote locations within the Sitka area. We support all the outlying private Islands as well as remote construction sites.

**What we are looking for and why:** We have been loading at various ramps and at the city supplied crane for years, however looking forward we feel that moving out to the Industrial park will be a better fit for us. I can see we are outgrowing our normal spots for loading and require a bit more space for a lay down yard near the water. We handle all kinds of cargo form small lumber packages to excavators. Typically, our larger cargo comes in on a barge in a container on a rolling chassis. We receive delivery of the van and then we need space to offload the contents and organize accordily for any one of our vessels. Some of our larger projects have included 4@40' rolling semitrailers stacked at one time. This takes up a fair amount of space and is intrusive to areas in town used for fish offloading, personal use, etc. During the busy summer months this can really put us in slow gear for loading and offloading. We operate on a weather and tidal basis which doesn't always allow us to operate during normal business hours. We operate heavy equipment to load and offload the vessels. This has issues with noise restrictions as well as access issues. Having a dedicated working laydown yard is essential for safe loading and offloading of the vessels. To be able to offer a safe, efficient loading area for our clients we simply require more space adjacent to water.

The ramp out at the GPIF facility is ideally suited for our needs. It offers a perfect place to bring the landing crafts in and load/offload during any tide. The area is largely industrial therefore running heavy equipment is not an issue.

I am looking for a lease/rent or buy option on a piece of land next to the ramp where I could facilitate the loading requirements for the vessel. I would place a temporary work container on the land with the vessels rigging and tooling requirements for operating. This would be the only item of mine on the land. In addition to this container there would be space for a lay down yard that would allow us the before mentioned working grounds. We do not require any modifications to the land nor would we modify the land in any way. There is a small piece of land in the NW corner on the uplands side of the ramp that I had in mind for this. It looks to be largely rock and concrete spoils that are left over from a demo of some sort. It is not a pretty piece of land but it would suite my needs well. The footprint I'm looking for is approx.. 6-10,000 feet.

Thank you,

Billy Akan

Coastal transport SE

Typical Landing craft loading



