

**Gary Paxton Industrial Park - Board of Directors Meeting
July 25, 2016 - 3:00 PM
Minutes**

A. CALL TO ORDER: The Chair called the meeting to order at 3:03 pm.

B. ROLL CALL

Members Present: Scott Wagner, Dan Jones, Charles Horan, Hugh Bevan

Members Absent:

City Representatives: Mark Gorman

Others Present: Garry White,
Tom Hesse (Sitka Sentinel), Terry Trapp (ABWI via teleconference), Fred Paley
(Arctic Blue Waters via teleconference)

C. CORRESPONDENCE AND OTHER INFORMATION -None

D. CHANGES/ADDITIONS/DELETIONS TO THE AGENDA –None

E. REPORTS

GPIP Management Report

Mr. White reported:

- The Sawmill Farm had been contact regarding complaints of ascetics of site appearance.

F. PERSONS TO BE HEARD – None

G. UNFINISHED BUSINESS

1) Bulk Water Agreement Update and Direction

Mr. White informed the Board that both ABWI and Arctic's contracts are currently null and void, due to not meeting the contractual requirements of Section 19 of the contract, concerning making non-refundable payments to the CBS by June 30th, 2016.

The Board requested that Alaska Bulk Water Inc. (ABWI) and Arctic Blue Waters Inc. (Arctic) address the board concerning the failure to meet the contractual requirements of non-refundable payments.

Terry Trapp of ABWI informed board that it was unable to meet deadline to make non-refundable payment. ABWI was still in pursuit of funding. ABWI reminded board of the amount of money ABWI has invested in previous bulk water contracts and the water based loading system. ABWI requested more time in making payment. ABWI would like to have a contract for bulk water to preserve its loading station in the tidelands.

Fred Paley of Arctic stated that the non-refundable payment was dependent on a third party that backed out at the last minute. Arctic requested additional time to make its payment. Arctic is still working with customers to deliver water.

Board requested when payments could be made to the CBS. Both ABWI and Arctic request more time, but were unsure of actual timeframe.

Board discussed taking no action at this time concerning recent contract with ABWI and Arctic.

The Board discussed working with any entity proposing to export Sitka water, including ABWI and Arctic. The Board would like to see a financial down payment before any new proposal are brought to the CBS. The Board directed the Director to continue to market Sitka's bulk water assets and investigate new marketing opportunities.

The Board discussed developing a month to month lease with ABWI to allow ABWI to keep water loading station infrastructure on CBS property.

MOTION: M/S Horan/Bevan moved to establish a document that permits ABWI to keep water loading infrastructure on CBS property. Document should contain similar language as in Section 10 of previous water purchase agreement. Document should include language to remove infrastructure that reflects language in GPIP Multi-Purpose Dock RFP. Rate for permit will be \$500/month on a month to month basis.

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

Yeas: Dan Jones, Scott Wagner, Charles Horan, Hugh Bevan

Nays: none

K. Adjournment MOTION: M/S Jones/Horan moved to adjourn the meeting at 5:20 pm