



BOARD OF DIRECTOR'S MEETING AGENDA

THURSDAY, JANUARY 16TH, 2025 3:00 PM

Harrigan Centennial Hall Room 3, 330 Harbor Drive

Regular Meeting

- | | |
|--|----------------------------|
| A. Call to Order | Acknowledge |
| B. Roll Call | Acknowledge |
| C. Approval of Minutes | Motion to Approve |
| December 17th, 2024 | |
| D. Correspondence & Other Information | Acknowledge/Questions |
| E. Changes/Additions/Deletions to Agenda | Change/Add/Delete |
| F. Reports | |
| G. Persons To Be Heard <i>(For items OFF the agenda - not to exceed 3 minutes)</i> | |
| H. Unfinished Business | |
| 1. GPIIP Haul Out Project Update | Discussion/Recommendations |
| 2. GPIIP Haul Out Operations RFQ Process | Discussion/Recommendations |
| 3. Sitka Sound Science Center Lot 15 Lease Request | Discussion/Recommendations |
| I. New Business | |
| 1. Ben Lawrie Lease Request | Discussion/Recommendations |
| 2. Election of GPIIP Board Officers | Discussion/Recommendations |
| J. Persons To Be Heard <i>(For items ON or OFF the agenda - not to exceed 3 minutes)</i> | |
| K. 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.

**Gary Paxton Industrial Park – Board of Directors Meeting
December 17, 2024 3:00 pm
Room 3, Centennial Hall**

A. CALL TO ORDER: The Chair, Scott Wagner, called the meeting to order at 3:02 pm

B. ROLL CALL

Members Present: Scott Wagner, Mike Johnson, Chad Goeden, Casey Campbell, Lauren Mitchell

Members Absent: None

Staff Present: Garry White

City Representatives: Fred Paley (via Zoom), Michael Harmon

Others Present: Members of the public

C. Review of Minutes – Nov 7, 2024

Motion: M/S Johnson/Goeden to approve the minutes of Nov 7, 2024

Action: Motion Passed 5/0 on a roll call vote

D. Correspondence & Other Information- None

E. Changes/Additions/ Deletions to Agenda- Remove Item 1 Under New Business

Motion: M/S Johnson/Goeden to remove item 1 under new business on today's agenda.

Action: Motion Passed 5/0 on a roll call vote

F. Reports – Mr. White gave an overview on GPIIP and Bulk Water. He noted that other items, specifically the haul out will be addressed later in the agenda. Additionally, he discussed that there will be a monthly meeting the third Thursday of every month moving forward.

G. Persons to Be Heard- None

H. Unfinished Business –

1. GPIIP Haul Out Project Update

Mr. White invited Mr. Harmon to give an update. Mr. Harmon discussed that things are moving forward well with drilling pilings. Mr. White added the permit was granted Nov 20th and by Nov 21st they were starting on work with proposed completion date of March 30th. Mr. Harmon shared the travel lift itself is at the

manufacturers plant now and they will start erecting the machine soon. We are hopeful we will have pictures of progress soon. Mr. White added that last meeting the board recommended they request the money from the fisheries relief fund, the assembly met and is moving forward with that as well as a contingency fund money on first reading, second reading is this week and he expects it to continue to progress through the process. Mr. Harmon added that after the pilings next is the washdown pad.

2. GPIIP Haul Out Operations RFQ

Mr. White explained that the GPIIP Board met on July 18 and approved the attached Request for Qualifications for a Marine Vessel Haul Out and Shipyard Operations at the Gary Paxton Industrial Park. The Request for Qualifications (RFQ) requested qualifications from experienced firms or individuals to operate a marine vessel haul out and shipyard at the GPIIP. The RFQ requested individuals or firms that have qualifications in the following operations to submit their credentials.

- Vessel Lift Operations
- Vessel Wash-down Systems
- Vessel Movements
- Permits and Licenses

Mr. White explained the goal was to find qualified operators and work with them to develop a detailed scope of work to be incorporated into a Request for Proposals (RFP) for operations of the haul out. Two entities submitted and one was deemed qualified to move forward. Last meeting the board heard public comments and voted to move forward with the process as outlined prior with the qualified bidder on the steps of the RFQ.

CBS and Mr. White drafted the Scope of Services outlining services to be provided by the operator. Operating the 150-ton travel lift, making sure they have minimum 2 certified operators, taking care of the machine, maintaining so it is always ready 24 hours 7 days a week in case there is an emergency. Other services will be lifting, launching, and blocking boats, typical things that happen in a shipyard. The operator will be responsible for monitoring hazardous substances, however CBS is going to manage environmental permits, etc.. Other items outlined are equipment maintenance, snow removal and yard maintenance. The Scope of Services is based off the Kodiak shipyard operations. The Scope of Services was brought to the Board at its request, a Scope of Work document will be developed and be put out to bid. The qualified bidder will propose their best price for services and that whole package will come back to GPIIP and Assembly. This whole process has community oversight since it is being built with community money.

Mr. White explained this is a good launching point, the board discussed details to ensure bases are being covered. The qualified bidder is planning to visit Sitka for a community open forum to hear what services and what gaps exist.

The chair opened public comment where around 15 folks in the industry shared their opinions on how to run the boat yard for the board to consider as they continue to move forward. Concerns included: insurance, what disqualified the other bidder, specifics of what “open yard” means, the building space that the operator may need, desire to still explore local operator and concerns about if the operator is also a vendor.

The board responded with gratefulness for all the comments. The Board requested the Scope of Work document be brought back to the Board before sending it out to bid. Mr. White will take the Scope of Services information discussed today as well as information specifically regarding the building and how it will be used by the operator and develop the Scope of Work.

I. New Business-

1. Arctic Blue Waters Alaska Inc Proposed Water Loading System

Mr. White shared Arctic Blue Waters (Alaska) Inc. (Arctic) entered into a water purchase agreement with the City and Borough of Sitka on April 13th, 2021. Per section 10.2 of the agreement, Arctic is required to submit to Sitka all designs and construction documents for the loading of bulk water within 48 months form effective date of the agreement. Arctic has submitted the attached conceptual design for water loading in the tidelands of Silver Bay in front of the GPIIP properties. The GPIIP Director suggested that Arctic submit a conceptual drawing to gauge GPIIP Board interest before submitting the entire loading plan. Mr. Paley explained the plans and that the goal is to work with P & D to ensure both the haul out and the water loading system can operate simultaneously. It was opened for public comment and the public asked clarifying questions about the process of removing the bulk water and what equipment was required to keep it environmentally safe. The joint venture partner is a humanitarian group out of Europe he explained.

Motion: M/S Goeden/Johnson Agree to conceptual loading area with an understanding that they will come forward with a detailed loading plan to meet contractual obligation.

Action: Motion Passed 5/0 on a roll call vote

2. FY 2026 GPIIP Budget

Mr. White explained this budget is tough because there are a lot of unknown factors with the haul out. He has to pass one for code and they are working on educated guess. It is going to be a deficit budget this year. The budget will more than likely have to be reevaluated as things progress.

Motion: M/S Goeden /Johnson move to adopt the budget as presented.

Action: Passed (5/0) on a voice vote

J. Adjournment

Motion: M/S Wagner/Mitchell move to adjourn the meeting at 4:42 pm

Action: Passed (5/0) on a voice vote

DRAFT

Monday, January 13, 2025

MEMORANDUM

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

1. GPIIP Dock

The GPIIP Dock was open for business in 2018. GPIIP Dock revenues have increased each fiscal year. FY18 - \$689, FY19 - \$14,643, Fy20 - \$37,462, FY21- \$65,322, FY22 - \$87,340, FY23 – (11/30/22) \$27,753 **(2/7/2023)**

The GPIIP Dock received its first small cruise ship on May 17, 2022. The ship Ocean Victory had six ports of calls at the dock in the summer of 2022. The dock received 14 port of calls for the 2023 summer. Twenty-five ports of calls are scheduled for the 2024 summer season.

A temporary potable water system has been set up at the dock to allow cruise ships to load and pay for fresh water. Cruise Line Agency is providing port security for the dock this summer in lieu of the CBS. They have purchased and implemented an x-ray system to move passenger luggage more efficiently.
(8/21/24)

The 2025 GPIIP dock cruise ship schedule has been released. Ports of calls this year will be 18, down from 25 calls last year. **(01/13/25)**

2. Marine Services Industries at the GPIIP.

On October 4, 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).

CBS and GPIIP staff developed a GPIIP Vessel Haul Out Development Project Charter (attached) that outlines the project goals, project scope, and timeline for moving the development forward. The GPIIP Board at its November 2022 meeting approved the Charter.

One of the first benchmarks in the key milestones of the project is the hiring of a project management team. The CBS has selected PND Engineering as the project management team to help the community formulate a basis of design of the project. Additionally, the

team will designing, engineering the project, and working closely with a construction firm to build the project. **(02/07/2023)**

Both the GPIIP Board and Assembly have approved a conceptual design for the haul out. The environmental permit process has started. The goal is to have a contractor hired by the end of January 2024, construction started in August 2024, with the haul out being operational by the end of 2024. **(09/01/2023)**

A 150 ton Marine Travelift has been ordered from Kendrick Equipment for \$1,377,800 after a competitive bid process.

Final design for Phase 1 has been completed. A firm fixed bid with Western Marine has been agreed to with a fixed lumped sum of \$6,248,364. (Note: Construction costs came in roughly \$1,055,000 above estimated costs).

A request for qualifications for GPIIP Haul Out operations is being developed to determine what if any third party entity will run the haul out. **(8/21/2024)**

The CBS was not successful in obtaining a Denali Commission grant to fund electrical infrastructure for the haul out development.

Disaster Relief Payment from ADF&G as part of the 2020/21 Statewide Salmon disaster.

The RFQ was released to the public and the CBS chose an entity to start negotiating a scope of services for the haul out operations. **(10/30/24)**

A draft scope of service will be presented to the GPIIP Board at its 12/17 meeting.

The CBS received its environmental permits to start the in-water construction on 11/20/24. The marine contractor started driving pilings for the haul out piers on 11/21/24. **(12/12/24)**

The GPIIP Board and CBS Assembly approved additional funding of \$850k toward the haul out project, bringing total project cost to ~\$10.1 million. The GPIIP Board will be reviewing and making recommendations on a scope of work package to operate the haul out including, a draft operator agreement and an invitation to bid on proposed services at its 1/16 meeting. **(01/08/25)**

3. Lot 4 Purchase

The CBS has entered into a purchase agreement with Sayak Logistics to repurchase the building and lot 4 of the GPIIP. The CBS and Northline Seafoods LLC (Sayak's previous business name) entered into a lease agreement on July 15, 2017 to use the property and building for activities related to the seafood and marine services industries. The term of the lease was 5 years and allowed Sayak to purchase the building after 5 years if they met certain employment criteria. The lease additionally allowed the CBS first right of repurchase if Sayak wished to sell the property in the future. Sayak purchased the property in August 2022 and has since given notice that it wishes to sell the property. The purchase agreement allowed little time for the CBS to exercise its interest in repurchasing

the property. CBS Administration and the Assembly moved immediately to execute a new purchase agreement.

The purchase price was \$1.3 million. Funding from the purchase came from the following funds: \$700k from the raw water fund, \$240k from the GPIIP Contingency Fund, \$10k from previous left over funds from a GPIIP capital project, and a \$350k loan from the CBS Economic Development fund.

The building has multiple benefits to the existing haul out development. **(11/08/2023)**

4. 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 30th 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 CBS and Arctic Blue Waters Alaska entered into a water purchase agreement in the spring of 2021. Arctic has 5 years to export water. **(06/01/21)**

The Director continues to receive inquiries from entities wishes to export Sitka's water. **(02/07/2023)**

The GPIIP Board has recommended approval of another water purchase agreement with Global Hydration. **(8/21/24)**

The GPIIP Board has received an updated conceptual drawing from Arctic Alaska Blue Waters for its water loading infrastructure. **(12/12/24)**

The Assembly will review and decide on another water purchase agreement between the CBS and Global Hydration LLC, a Florida Corporation that wishes to export water on January 14th. The current water purchase agreement with Arctic Alaska Blue Waters allows it to acquire additional water allocations. Arctic stated at the 12/17/24 GPIIP Board meeting intends to exercise its first right of refusal to acquire additional water allocations. The additional water allocations will make it not possible to sign the agreement with Global Hydration. Arctic will need to provide a letter from a qualified purchaser of water and pay the CBS and an additional \$350,000. **(01/08/25)**

5. Bottled Water

The Director continues to receive inquiries for bottled water. **(01/08/2025)**

6. 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)**

The GPIIP Director has met with the new CBS Electric Director regarding a plan to deal with the remaining rock left on site from the Blue Lake Expansion project. **(01/08/25)**

7. 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)**

The GPIIP has seen increases in dock fuel sales each year since the dock has become operational. **(12/12/24)**

8. GPIIP Overall Management

Nat Geo Vessel Port Calls, 2025 Season

#	~	Day of Week	DATE	SHIP	DOCK/ ANCHOR	FL / ETA / ETD
3	May	Saturday	May 10th, 2025	NG Venture	GPIP	06:00 / 07:00 / 17:00
7	May	Saturday	May 24th, 2025	NG Venture	GPIP	06:00 / 07:00 / 18:00
8	May	Sunday	May 25th, 2025	NG Quest	GPIP	06:00 / 07:00 / 18:00
10	June	Saturday	June 7th, 2025	NG Venture	GPIP	06:00 / 07:00 / 18:00
11	June	Sunday	June 8th, 2025	NG Quest	GPIP	06:00 / 07:00 / 18:00
13	June	Saturday	June 21st, 2025	NG Venture	GPIP	06:00 / 07:00 / 18:00
15	June	Sunday	June 22nd, 2025	NG Quest	GPIP	06:00 / 07:00 / 18:00
17	July	Saturday	July 5th, 2025	NG Venture	GPIP	06:00 / 07:00 / 18:00
18	July	Sunday	July 6th, 2025	NG Quest	GPIP	06:00 / 07:00 / 18:00
21	July	Saturday	July 19th, 2025	NG Venture	GPIP	06:00 / 07:00 / 18:00
22	July	Sunday	July 20th, 2025	NG Quest	GPIP	06:00 / 07:00 / 18:00
25	August	Saturday	August 2nd, 2025	NG Venture	GPIP	06:00 / 07:00 / 18:00
26	August	Sunday	August 3rd, 2025	NG Quest	GPIP	06:00 / 07:00 / 18:00
28	August	Saturday	August 16th, 2025	NG Venture	GPIP	06:00 / 07:00 / 18:00
29	August	Sunday	August 17th, 2025	NG Quest	GPIP	06:00 / 07:00 / 18:00
32	August	Saturday	August 30th, 2025	NG Venture	GPIP	06:00 / 07:00 / 18:00
34	August	Sunday	August 31st, 2025	NG Quest	GPIP	06:00 / 07:00 / 18:00
36	September	Sunday	September 14th, 2025	NG Quest	GPIP	06:00 / 07:00 / 18:00



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

Friday, January 10, 2025

MEMORANDUM

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

Introduction

The GPIP Board and CBS are in the process of developing a vessel haul out and shipyard at the Gary Paxton Industrial Park. The CBS has been working on vessel haul out development concepts since the GPIP properties were acquired in 2000. The CBS obtained funding for the development of the haul out facility and shipyard via a public vote on October 4th, 2022 in the amount of ~\$8.18 million dollars. Further funding was obtained via a Denali Commission grant in July 2023 for \$1 million dollars for the purchase of equipment to lift vessels.

The Board held multiple public meetings since the October 2022 vote to discuss and develop a Project Charter that outlines the project goals and scope of work for Phase 1 of the haul out development. Phase 1 of the Project Charter scope (attached) addresses the steps needed for the waterfront development to allow vessels to be haul out of the water.

The design includes a 150-ton vessel lift and other various components for the haul out to operate. The design includes an ability to expand the haul out facility to a 300-ton vessel lift in the future.

More information about the GPIP Vessel Haul Out Development Project can be found at the following link:

<https://www.cityofsitka.com/departments/PublicWorks/GPIPHaulOut>

Background

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 Grant in 2020, 2021, 2022 and plans 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 GPIP since 2009. None of the private sector development proposals moved forward due to multiple reasons, including the cost of construction.

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).

Fiscal Note

Total funding allocated for this project is \$10,131,040 (\$8,181,040 from the proceeds of the sale of the Sitka Community Hospital property, \$100,000 appropriated towards the development in 2021, \$1 million dollar grant from Denali Commission, and an additional \$850,000 appropriated by the Assembly in 2024). The Assembly approved an appropriation for Phase I estimated costs of the based bid items in the amount of \$8,187,000 at its July meeting.

To complete the additive alternative items remaining in phase 1 an estimated ~\$6 million will be needed based off a past estimates. New cost estimates are being researched due to increased cost of construction. With no readily available municipal source of working capital to fund the additive, alternate items of Phase 1, grant-funding opportunities are the most likely funding source. It is important to note that if the funding source is federal, there may be some added cost related to federal funding restrictions. Cost estimates for Phase 2 of the project have not been fully developed but estimated to be in the \$18 million dollar range.

Developmental Updates

Project Construction

The attached Project Cover Sheet outlines project scope of work, budget and key milestones.

Recent developments include the following:

- The CBS was awarded its environment permits to start in-water construction on November 20th. Western Marine began driving pilings on November 21st. To date 4 sets out of 6 planned sets of piling are in place and the contractor continues to work on the project. The contractor is still on schedule for a March 30th completion.
- The Travelift machine is being constructed and still on schedule for a March 2025 delivery.

Action

- GPIP Board discussion on vessel haul out development updates.

PROJECT COVER SHEET – Updated 12/11/24

Project Title/ Number: GPIP Vessel Haul-Out Development – Phase 1

Project Manager: Michael Harmon Project Sponsor: Garry White

Project Description: Planning, Environmental Permitting, Engineering Design, and CMAR Construction of Phase 1 Improvements including a 150-ton haul-out pier, wash-down pad, water treatment, and 150-ton boat hoist at Gary Paxton Industrial Park, Sitka, Alaska.

Design
 Construction
 Other

Project Charter Available? Yes No

Project Status: *(highlight green, yellow, red)*

Scope	Schedule	Budget
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Milestones:

<u>Recently Completed</u>	<u>Upcoming</u>
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> 04.26.23 Site No. 2 Selected by GPIP BOD <input checked="" type="checkbox"/> 07.25.23 Assembly Adopted Concept 4 <input checked="" type="checkbox"/> 01.15.24 Environmental Permit Applications <input checked="" type="checkbox"/> 03.01.24 35% Design Complete <input checked="" type="checkbox"/> 03.27.24 Award to WMC <input checked="" type="checkbox"/> 04.16.24 Travel Lift Bid (10-month delivery) <input checked="" type="checkbox"/> 04.18.24 WMC CMAR Contract Executed <input checked="" type="checkbox"/> 05.24.24 65% Design Complete <input checked="" type="checkbox"/> 07.02.24 Final Design & Fixed Construction Price <input checked="" type="checkbox"/> 11.21.24 Permits Acquired and Construction Start 	<ul style="list-style-type: none"> <input type="checkbox"/> GPIP/Assembly Meetings to discuss budget increase for concrete washdown <input type="checkbox"/> Q4 '24 – Q1 '25: On Site Construction <input type="checkbox"/> Q1 '25 Boat Hoist Delivery <input type="checkbox"/> Boatyard Operational: Q1 '25

Project Budget:

Phase 1 - Estimated Total Project Cost	\$9,781,040
General Fund Working Capital	\$8,444,565.00
GPIP Working Capital	\$350,000
Grants	\$1,000,000.00
Other PSMFC	\$336,475
Total Funded	\$10,131,040
Phase 2 Funding Gap	\$23,894,117 GPIP Fund

Contract Management: (list all contracts anticipated on the project)

<u>Contractor/Function*</u>	<u>Type**</u>	<u>Amount</u>	<u>% of Project</u>
PND –Preconstruction, Permitting, Design & Const. Services	T&M/LS	\$1,415,967	14%
Western Marine Construction (WMC)	CMAR	\$6,179,362	61%
Kendrick Equipment (Marine Travelift Purchase)	LS	\$1,377,800	14%
PND - Specialty Inspection Services (Future Procurement)	T&M	\$127,256	1.3%
CBS Indirect Cost & CBS Permits (\$71k spent thru Aug.)	Payroll	\$149,282	1.5%
Electrical Dept. Power Service (Future Procurement)	T&M	\$31,373	0.3%
WMC - Added Concrete Washdown Pad	LS	500,000	5%
Current Construction Contingency	-	\$350,000	3%

818

General Comments:
 The construction start was delayed due to federal permits not getting executed on the committed timeline by the agencies. Shipyard operations is not part of this project charter and are a separate development process.

Key Milestones: 12/11/24 UPDATE

Key Tasks & Milestones	Start Date	End Date
1. Project Charter Approval: The Project Charter is brought to GPIIP Board for approval.		11/21/22
2. Project Budget Appropriation Assembly	11/8/22	11/22/22
3. Prepare RFQ for PM services Port Planner SME	11/17/22	12/8/22
4. Advertise PM/Port Planner RFQ	12/12/22	2/1/23
5. Selection of PM/Port Planner/Engineer- PND	2/2/23	3/6/23
6. Contract Execution/NTP for PM/Port Planner/Engineer	3/7/23	3/29/23
7. Planning, Surveying, Public Involvement Process, Concepts, Costs, Preferred Alternative, Final Basis of Design & Charter Scope	4/3/23	7/31/23
8. Geotechnical Invest. - Work Plan, Driller Contract, Drilling Permits, Fieldwork, Analyses & Geo Report	5/22/23	01/31/24
9. Concept Rescoping due to Geotech Findings	10/1/23	11/15/23
10. Biological Assessment, IHA & Environmental Permit Applications	5/22/23	01/15/24
11. Regulatory Consultations, Permit Reviews and Authorizations	7/15/23	11/21/24*
12. 35% Preliminary Design	11/15/23	3/1/24
13. Prepare CMAR RFP	11/15/23	2/06/24
14. CMAR Solicitation & Contract Execution	1/15/24	4/18/24
15. PND 65% Design Develop w/ WMC, CBS & GPIIP	4/01/24	5/24/24
16. WMC GMP Development	4/01/24	6/3/24
17. Ph 1 Scope Refinement, Finalize GMP & WMC CO	6/04/24	6/18/24
18. PND Final Design & Stamped Construction Docs	6/18/24	7/16/24
19. Material Procurement	6/18/24	12/1/24
20. On Site Construction	11/21/24	3/30/25*
21. Secure Operator for 2025 Season	3/15/24	3/15/25*
22. Procure 150T Boat Hoist	12/1/23	3/15/25*
23. Haul Out is Operational		4/30/25
* Critical Path Items- Environmental Permitting has delayed construction originally planned to start 10/15/24		
Milestones for Phase 2 TBD once funding is secured:		
Need to masterplan uplands during the development of Phase 1 to apply for grants and position this phase to proceed.		
Environmental permitting will likely need to be redone once this phase is better defined through a masterplan and funding is available.		



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

Friday, January 10, 2025

MEMORANDUM

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

Introduction

The GPIP Board met on July 18th and approved the attached Request for Qualifications for a Marine Vessel Haul Out and Shipyard Operations at the Gary Paxton Industrial Park.

The Request for Qualifications (RFQ) requested qualifications from experienced firms or individuals to operate a marine vessel haul out and shipyard at the GPIP.

The RFQ requested individuals or firms that have qualifications in the following operations to submit their credentials.

- Vessel Lift Operations
- Vessel Wash-down Systems
- Vessel Movements
- Permits and Licenses

The goal was to find qualified operators and work with them to develop a detailed scope of work to be incorporated into a Request for Proposals (RFP) for operations of the haul out.

The RFQ was released on July 25, 2024 with a submittal deadline by 2pm on September 17, 2024. A non-mandatory pre-proposal conference was held on August 7, 2024. The CBS received two responses to the RFQ. CBS and GPIP staff met on September 20, 2024 to evaluate the responses and determine if Minimum Qualifications of Services was provided in each proposal. One proposal was determined to have provided the Minimum Qualifications of Services. Letters were sent to both entities, inviting one firm to continue with the process of providing input in the development of a detailed scope of work to be incorporated into a Request for Proposals.

Page 3 of the attached RFQ outline the process moving forward in the Selection and Award Stages.

The GPIP Board met on November 7th and directed the CBS to move forward with the negotiations of a draft scope of services to be brought back the GPIP Board for review and recommendations.

The GPIIP Board met on December 17th and approved the draft scope of services for Marine Vessel Haul Out and Shipyard Operations at the Gary Paxton Industrial Park.

A draft Operating Agreement for Marine Vessel Haul Out and Shipyard Operations at the Gary Paxton Industrial Park, and the Invitation to Bid, including all exhibits are presented for recommendations and approval.

Background

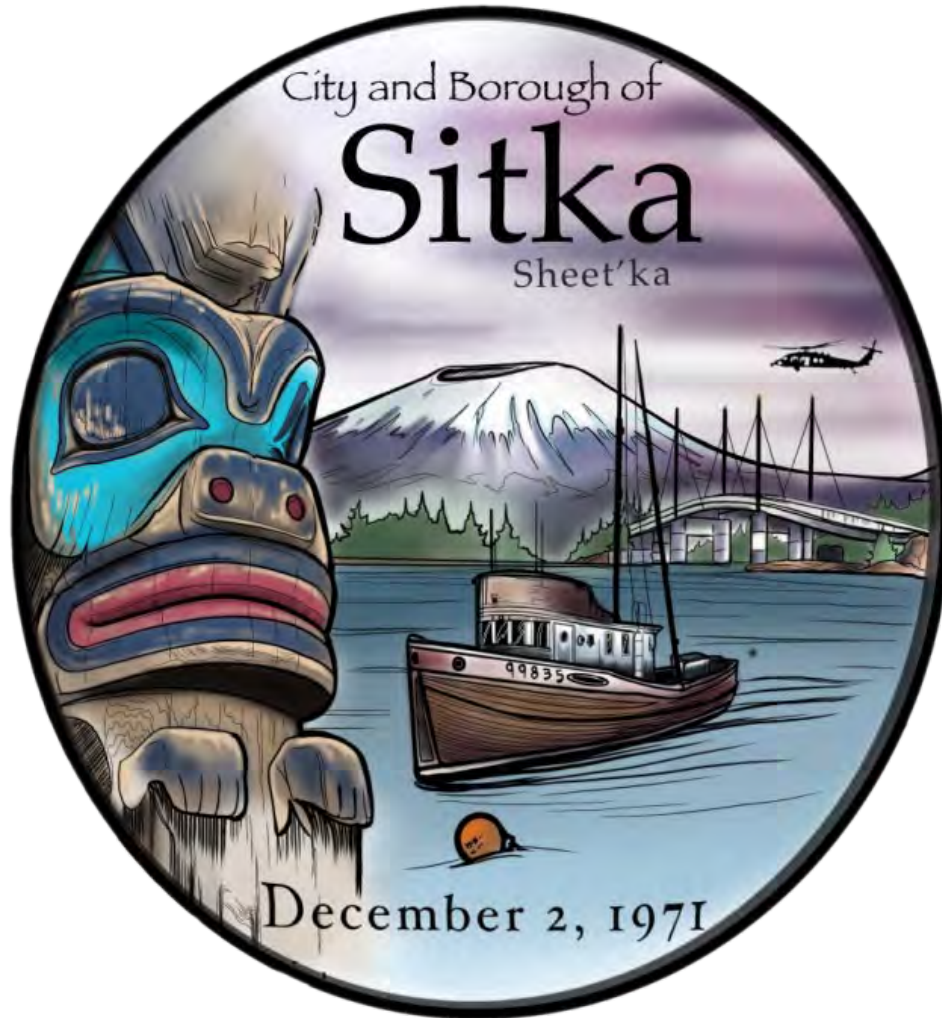
The GPIIP Board and CBS have been working on vessel haul out development concepts since the GPIIP properties were acquired. The CBS has repeatedly included marine haul out infrastructure requests in both its Federal and State Legislative Priorities. The CBS applied for a USDOT Grant in 2020, 2021, 2022 and plan to apply for future grant opportunities. The CBS was awarded a Denali Commission Grant in 2023.

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 the cost of construction.

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 (GPIIP).

Action

- GPIIP Board discussion on the draft Operating Agreement for Marine Vessel Haul Out and Shipyard Operations at the Gary Paxton Industrial Park, and the Invitation to Bid, including all exhibits.



REQUEST FOR QUALIFICATIONS

MARINE VESSEL HAUL OUT AND SHIPYARD OPERATIONS AT THE GARY PAXTON INDUSTRIAL PARK (GPIP)

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General Information5

Introduction

The City and Borough of Sitka (CBS) is seeking qualifications from experienced firms or individuals to operate a newly constructed marine vessel haul out and shipyard at the Gary Paxton Industrial Park (GPIP). This facility is a key component of Sitka's maritime infrastructure, located in the scenic panhandle of southeast Alaska.

Sitka, encompassing an area of 2,870 square miles, is a unique and remote community accessible only by airplane or boat, with a population of approximately 8,500 residents. The local climate, characterized by an average annual precipitation of 131 inches and frequent overcast conditions, is a testament to the region's rich coastal environment.

The GPIP, situated around the 4500 block of Sawmill Creek Road, approximately 6 miles south of the town center, includes a deep-water dock and upland land available for lease, positioning it as a strategic location for maritime and industrial activities. As part of its commitment to enhancing the maritime capabilities of the region, the CBS is constructing a state-of-the-art vessel haul out and shipyard facility within the park, poised to significantly bolster Sitka's maritime services by incorporating a 150-ton vessel hoist, a pile-supported pier for the lift vehicle, a wash-down pad, and a graded gravel vessel laydown area.

Selection and Award Stages:

The CBS invites qualified firms or individuals to submit their Statement of Qualifications (SOQ) to operate the haul out and shipyard. This solicitation will be awarded through a multistage development and selection process. CBS will review the proposer's SOQ and shortlist those who meet the minimum qualifications to move forward to the next stage in providing input in the development of a detailed scope of work to be incorporated into a Request for Proposals (RFP). Each prequalified proposer will then be invited to submit a price-based proposal that meets the minimum scope of the RFP and the proposer with the best value or low bid may be considered for a final award of the work. If parties cannot come to terms on such an award, the RFP may be solicited to the general public or awarded to other proposers based on best value or low bid.

Anticipated Schedule:

- **RFQ Advertised by City and Borough of Sitka:** July 25, 2024
- **RFQ Prebid Meeting:** Meeting to clarify the process and answer questions from potential bidders, August 7, 2024 @ Harrigan Centennial Hall, 330 Harbor Drive, Sitka, AK 99835
- **RFQ Response Deadline:** September 17, 2024
- **Prequalification Invitation to Participate in the RFP Development Process:** Formally invite RFQ Proposers who met the Minimum Qualified to participate in the development of RFP October 4, 2024
- **RFP Development based on input from Prequalified Proposers:** January 4, 2025
- **Invitation to Bid (ITB) to Prequalified Proposer Only :** January 14, 2025

- **ITB Deadline:** Responses Received from Prequalified Proposers: February 14, 2025
- **Completion of Evaluations and Issue Notice of Intent (NOI) to Award:** March 15, 2025
- **Recommendation for Approval of Operator Contract/Lease by GPIP Board:** March 25, 2025
- **Approval of Operator Contract/Lease by City and Borough of Sitka Assembly:** April 4, 2025

The CBS invites firms or individuals to submit their SOQ to demonstrate their ability to fulfill the operational requirements of this critical infrastructure, contributing to the growth and success of the maritime sector in Sitka and the broader region. Further details, including the haul out and shipyard designs and proposed vessel lift specifications, are available on the City and Borough of Sitka's official website: <https://www.cityofsitka.com/departments/PublicWorks/GPIPHaulOut>.

Minimum Qualifications of Services

Qualified Operators shall demonstrate their capacity to manage a comprehensive range of services essential for the effective operation of a marine vessel haul out and shipyard. Proposers are to focus on their resume of past experience running boat yards only and do not need to provide any specific information as to how they would run a yard in the future or any specifics about the Sitka Boat Yard. The purpose of the Statement of Qualifications (SOQ) is to determine if a proposer meets the minimum qualifications for past experience to be invited to participate in the development and bidding stages. Proposer's SOQ will not be ranked or scored relative to other proposers. It is a "pass or fail" determination to be considered prequalified to move forward. To meet the minimum qualifications proposers must demonstrate competency in services in the following areas:

1. ****Vessel Lift Operations:**** Demonstrated experience ensuring boat hoists of 100 tons or larger are operated safely, efficiently, and effectively and maintained to high standards for lifting and moving vessels within the shipyard.
2. ****Vessel Wash-Down System:**** Proven competencies in managing wash-down and drainage systems for cleaning vessels during haul-out including environmental permit administration and monitoring.
3. ****Vessel Movement:**** Proven competency and positive references in scheduling vessel and moving them to designated areas.
4. ****Permits and Licenses:**** Demonstrated ability to acquire all necessary permits and licenses to operate within local, state, and federal regulations.

The facility must operate as an 'open yard,' where the Operator does not have exclusive rights to provide vessel repair and maintenance services, except for those related to the vessel lift manufacturer.

Submission of Statement of Qualifications (SOQ)

Applicants are required to submit their qualifications in a structured format that includes:

1. ****Company Profile:**** Including name, address, and contact information (2 pages maximum).
2. ****Past Experience:**** Detailing experience in similar projects (8 pages maximum).

3. ****Financial Stability:**** Including financial statements and business history.
4. ****Relevant Certifications:**** Any licenses or certifications pertinent to maritime operations.

General Information

This section provides general guidelines and requirements for firms or individuals interested in submitting their qualifications for the Marine Vessel Haul Out and Shipyard Operations at the Gary Paxton Industrial Park. It outlines the submission process, key dates, contact information for inquiries, and other essential details.

The City and Borough of Sitka reserves the right to modify this Request for Qualifications (RFQ) at any time. The City and Borough further reserves the right to evaluate the SOQs in any manner the City and Borough deems appropriate.

The City and Borough of Sitka reserves the right to accept or reject any and/or all SOQs, to waive irregularities or informalities in the SOQs, and to negotiate a contract with the respondent that best meets the selection criteria.

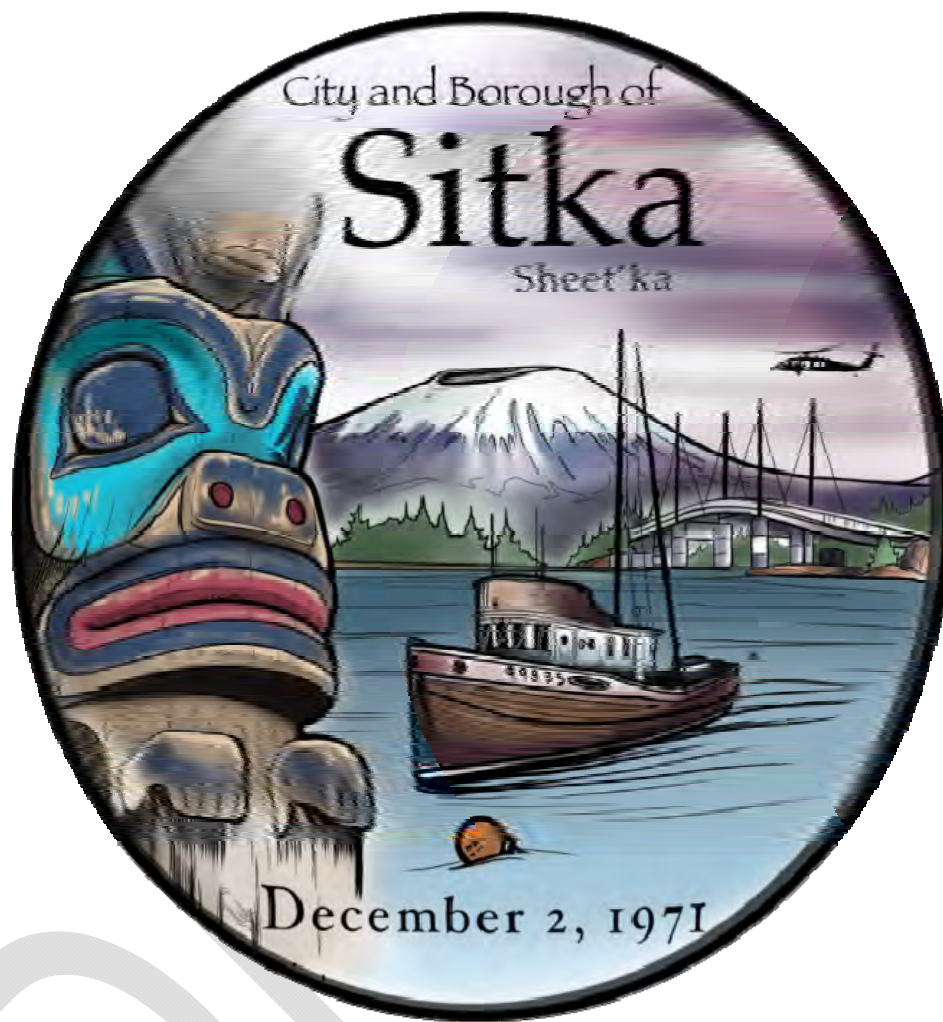
All Proposals received by the CBS in response to this RFQ are deemed property of the CBS and are subject to the Public Records Act. CBS, or any of its agents, representatives, employees, or consultants shall not be liable to the Proposer or individual participating in a Proposal, as a result of the disclosure of all or a portion of a Proposal under this RFQ. Any information contained in a Proposal that the Proposer believes constitutes proprietary or confidential, exempting the information from any Public Record disclosure shall be clearly designated. Blanket designations shall not be accepted.

All proposal information will be treated by CBS in a confidential manner during the evaluation and award activities and will not be disclosed to any person or entity not involved in the evaluation and award process until after contract award.

Contact: For questions or requests for additional information regarding this RFQ, please direct all inquiries in writing to: GPIPHaulOut@cityofsitka.org

Deadline for Receipt of Qualifications: Qualifications shall be submitted via BidExpress.com, which is located on the CBS website at: www.cityofsitka.com (click on **Bids and RFP** link, then **Bid Express**).

Qualifications must be received no later than 2:00:00 PM local time on **September 17, 2024**. It is the responsibility of the firm or individual to ensure timely delivery of the qualifications. Late submissions may not be considered.



INVITATION TO BID (ITB)
FOR
MARINE VESSEL HAUL OUT AND SHIPYARD
OPERATIONS AT THE GARY PAXTON
INDUSTRIAL PARK (GPIP)

Overview

This is an Invitation to Bid (ITB) to operate a marine haul out and shipyard at the Gary Paxton Industrial Park (GPIP) on behalf of the City and Borough of Sitka (CBS).

The CBS is requesting bids from prequalified entities for the project described herein. The following subjects are discussed in this ITB to assist you in preparing your bid.

Table of Contents

- A. Introduction and Additional Information
- B. Scope of Services
- C. Insurance Requirements
- D. Facility Operations
- E. Relationship with the City and Borough of Sitka
- F. Bid Format and Content
- G. Schedule
- H. Evaluation Criteria and Selection Process
- I. Appendices

A. Introduction and Additional Information

The City and Borough of Sitka (CBS) is seeking bids from prequalified firms or individuals to operate a newly constructed marine vessel haul out and shipyard at the Gary Paxton Industrial Park (GPIP). This facility is a key component of Sitka's maritime infrastructure, located in the scenic panhandle of southeast Alaska.

Sitka, encompassing an area of 2,870 square miles, is a unique and remote community accessible only by airplane or boat, with a population of approximately 8,500 residents. The local climate, characterized by an average annual precipitation of 131 inches and frequent overcast conditions, is a testament to the region's rich coastal environment.

The GPIP, situated around the 4500 block of Sawmill Creek Road, approximately 6 miles south of the town center, includes a deep-water dock and upland land available for lease, positioning it as a strategic location for maritime and industrial activities. As part of its commitment to enhancing the maritime capabilities of the region, the CBS is constructing a state-of-the-art vessel haul out and shipyard facility within the park, poised to significantly bolster Sitka's maritime services by incorporating a 150-ton vessel hoist, a pile-supported pier for the lift vehicle, a wash-down pad, and a graded gravel vessel laydown area.

Sitka has a significant marine customer base. All developers are encouraged to conduct their own due diligence regarding the proposed customer base.

A desired Operating Agreement for Marine Vessel Haul Out and Shipyard Operations is attached for your review as Appendix A.

B. Scope of Services

The bidder agrees to perform Shipyard Services at and use the Facilities as set out in the Scope of Services/Facilities (Appendix B) in a prompt, efficient, prudent, and economical manner, including providing all clerical personnel, laborers, and supervision necessary to perform such Shipyard Services.

C. Insurance Requirements

The selected bidder shall provide the types of insurance as outlined in Section 14 of Appendix A.

D. Facility Operations

The selected bidder shall be responsible for the day-to-day operations of the Marine Vessel Haul Out and Shipyard. Bidder is expected to work closely with the CBS and the GPIIP Board to create a fully functional marine haul out service sector at GPIIP.

E. Relationship with CBS

The selected bidder will be expected to maintain a working relationship with the CBS as outlined in Appendix A.

F. Bid Format and Content

Please direct questions regarding this ITB to:

Municipal Administrator
City and Borough of Sitka
100 Lincoln Street
Sitka, Alaska 99835
907-747-1812
administrator@cityofsitka.org

Bid Format

Bidders will provide pricing for detail services listed and any other additional fees it deems necessary to operate the shipyard on the Fee Schedule for Shipyard Services included as Appendix C.

Bids may be delivered either electronically by email to administrator@cityofsitka.org or by mail to:

Municipal Clerk
City and Borough of Sitka
100 Lincoln Street
Sitka, Alaska 99835

G. Schedule

Bids will be accepted until 2:00 PM on **Month DD, 2025**. Late bids will not be accepted.

H. Evaluation Criteria and Selection Process

Bids will be evaluated by the CBS on a best value approach.

CBS reserves the right to negotiate with any bidder, waive any informalities in the bids, and award the Marine Vessel Haul Out and Shipyard Operations agreement to the bidder that, in CBS's sole discretion, provides the best value for the Municipality. CBS also reserves the right to reject any or all bidders. At the conclusion of the bid period, CBS will notify both selected and non-selected bidders. Additionally, CBS will collaborate with the selected bidder to draft and enter into an exclusive agreement that aligns with the desired outcomes of this ITB.

I. Appendices

- Appendix A Operating Agreement for Marine Vessel Haul Out and Shipyard Operations
- Appendix B Scope of Services/Facilities
- Appendix C Fee Schedule for Shipyard Services
- Appendix D GPIP Environmental MOU between the State of Alaska and CBS

**OPERATING AGREEMENT
BETWEEN
CITY AND BOROUGH OF SITKA
AND
XXXX**

FOR MARINE VESSEL HAUL OUT AND SHIPYARD OPERATIONS

The City and Borough of Sitka (“Owner”) desires the firm XXXX (“Contractor”) to Provide Marine Vessel Haul Out and Shipyard Operations. This Operating Agreement (“Agreement”) is made and entered into by and between Owner and Contractor in consideration of the mutual promises contained in this Agreement.

This Agreement also consists of:

- Exhibit A – Scope of Services/Facilities – 3 pages, dated _____
- Exhibit B – Fee Schedule for Shipyard Services, dated _____ (XX pages)
- Exhibit C – MOU between the State of Alaska and City and Borough of Sitka Management Plan for Sawmill Cove Industrial Park

SECTION 1. DEFINITIONS

For the purpose of this Agreement, the terms used in this Agreement shall have the following meaning:

- A. “Owner” shall mean the CITY AND BOROUGH OF SITKA, Alaska.
- B. “Contractor” shall mean XXXX, a Partner, Associate, or any other person acting for and/or on behalf of the firm XXXX.
- C. “Owner’s authorized representative” shall mean the person set forth in Section 12 of this Agreement.
- D. “Days” shall mean calendar days.

SECTION 2. TERM AND DURATION

This Agreement begins **Month ____, 2025** and ends June 30, 2030. It will be automatically extended for up to five (5) one-year renewal terms provided Contractor’s performance is deemed acceptable and the terms of this Agreement are found to remain in the public interest following completion of an Annual Review by Owner. This Agreement may be extended beyond June 30, 2035 by the mutual written agreement of Owner and Contractor.

SECTION 3. FACILITIES

The Owner will make available to the Contractor certain equipment and adjacent property at the Gary Paxton Industrial Park (GPIP), as depicted in **Exhibit A** to the Agreement (“Facilities”).

The Owner shall have the right to make additions, alterations, or improvements to the Facilities which do not impede Contractor's access to or use of the Facilities, except as required to perform necessary repairs to the Facilities.

SECTION 4. SCOPE OF SERVICES

The Contractor agrees to perform Shipyard Services at and using the Facilities as set out in the attached **Exhibit A** in a prompt, efficient, prudent, and economical manner including the provision of all clerical personnel, laborers, and supervision necessary to perform such Shipyard Services. The Contractor shall exercise independent judgment in performing its obligations and responsibilities under this Agreement in compliance with all OSHA regulations.

- A. Exclusive and Non-Exclusive Rights
1. Contractor shall have exclusive rights to use of the 150-ton Marine Travel Lift ("Travel Lift") twenty-four (24) hours per day, seven (7) days per week and up to **square feet** of Contractor storage.
 2. Contractor shall have non-exclusive rights to use of all other Shipyard Facilities. Such use shall be coordinated with Owner. Contractor shall not unreasonably hinder use of other Facilities by persons permitted by Owner to use other Facilities under the Owner's "Open Shipyard" policy.
 3. Contractor shall have non-exclusive rights to use Owner's real property at the Shipyard within the boundaries shown in **Exhibit A**. Contractor shall not unreasonably hinder use of Owner's real property at the Shipyard by persons permitted by Owner to enter and occupy Owner's real property at the Shipyard under Owner's "Open Shipyard" policy. Contractor shall allow and coordinate other use of the Shipyard by vessel owners to maximize use of the Shipyard for its intended purpose.
- B. Services by Other Persons at Shipyard. A person other than Contractor may provide services at the Shipyard to vessel owners that do not require use of the Travel Lift. Contractor shall coordinate use of the Shipyard by others.
1. Shipyard Services. Shipyard Services means lifting, launching, blocking, washing, lay days, hang time, and other services provided to Shipyard customers at rates set by Owner performed by Contractor at the Shipyard. Services provided by Contractor for ship repair or any business activity currently conducted by Contractor that is invoiced directly to the customer at rates set by Contractor are not Shipyard Services. Provision of utilities is a Shipyard Service. Provision of dry dockage space and on-site storage are Shipyard Services.

SECTION 5. PERFORMANCE/ANNUAL REVIEW

Contractor agrees to perform the work on a non-exclusive basis, when requested, as

described in Exhibit A. On or before **August 1** of each year during the initial or extended term of this Agreement, Owners shall provide Contractor a written statement of whether Contractor's performance during the previous calendar year has been acceptable and whether the terms of this Agreement have been found by Owner to remain in the public interest. If the Owner deems Contractor's performance not acceptable or that the terms of this Agreement do not remain in the public interest, Owner and Contractor shall negotiate in good faith for an amendment to the Agreement effective on the anniversary date of the initial term.

SECTION 6. CONTRACTOR COMPENSATION

The Owner agrees Contractor may retain all payments made to Contractor for Shipyard Services and other services provided by Contractor to Shipyard users subject to Owner's Compensation required by Section 8 of this Agreement. Contractor is responsible for billing and collection of charges from vessel owners for Shipyard Services.

SECTION 7. RATES

Rates Contractor must invoice for use of Facilities and Shipyard Services are identified in the attached **Exhibit B** and may be changed only upon approval of the Assembly of the City and Borough of Sitka. The Contractor shall be bound by any future modification or amendments to rates made by the Assembly. Rates for other services provided by Contractor to vessel owners may be set by Contractor. All such sums shall be charged against the vessel or cargo and shall be collected by the Contractor, and a portion thereof remitted by the Contractor to the Owner as required by this Agreement.

SECTION 8. OWNER COMPENSATION

On or before the first day of each month during the initial or any extended term hereof, Contractor shall pay Owner \$_____. In addition to this fixed monthly payment commencing **Month 1, 2025** on or before the thirtieth day of each month during the initial or extended term, Contractor shall pay Owner a sum equal **XXXX percent (X%)** of the gross receipts of Contractor from all Shipyard Services received during the previous calendar month, including all utility expenses. Owner will invoice the Contractor monthly for all utility expenses. Such remittances shall be accompanied by appropriate itemized documentation.

SECTION 9. OWNER RESPONSIBILITIES

- A. Owner shall provide all parts, materials, and consumables necessary for the maintenance and operation of the Facilities. Owner will designate an employee knowledgeable in the maintenance routine of the Shipyard to help transition service documentation and schedules for the Facilities.
2. If any replacement equipment is necessary due to excessive maintenance costs or major repairs, Contractor and Owner will come to an agreement in writing regarding either the acquisition of new equipment or the use of Contractor equipment.

- 3.
4. Owner will reimburse Contractor for all major repair work that falls outside general maintenance subject to prior approval in writing of the Municipal Administrator and Contractor on the scope and cost of the major repair work. For purposes of this Agreement, "major repair work" is repairs whose estimated costs exceed ten thousand dollars (\$10,000.00).
- B. Owner will make available all utility connections, however, Contractor shall be responsible for all Shipyard utilities. This includes all water, sewer, electricity, and fuel necessary for the operation and maintenance of the Facilities.
- C. Owner shall be responsible for Shipyard property grading and major snow removal.
- D. Owner will complete a Phase I environmental assessment within sixty (60) days of commencement of this Agreement.
5. Owner shall be responsible for preparing all annual environmental reports on the Shipyard wastewater system and submitting the reports to the State of Alaska Department of Environmental Conservation.
- E. Owner shall be responsible for the 150-ton Marine Travel Lift Certification.

SECTION 10. RELATIONSHIP OF PARTIES

Contractor shall perform its obligations under this Agreement as an independent Contractor of Owner. Owner may administer the Agreement and monitor Contractor's compliance with its obligations. Owner shall not supervise or direct Contractor other than as provided in this section.

SECTION 11. ASSIGNMENTS

Unless otherwise allowed by this Agreement or in writing by Owner, any assignment by Contractor of its interest in any part of this Agreement or any delegation of duties under this Agreement shall be void, and any attempt by Contractor to assign any part of its interest or delegate duties under this Agreement shall give Owner the right immediately to terminate this Agreement without any liability for work performed.

The Owner reserves the right to approve all subcontractor contracts.

SECTION 12. DESIGNATION OF REPRESENTATIVE

The Parties agree that, for the purposes of this Agreement, the Owner shall be represented by and may act on through the Municipal Administrator or such other person as he/she may designate in writing.

SECTION 13. DEFAULT AND TERMINATION

The Owner may declare a default hereunder and terminate this Contract, in addition to exercising any other available remedy, upon the occurrence of any of the following:

- A. The failure of the Contractor to pay any sum of money due under this Agreement within ten (10) days after the due date.
- B. The failure of the Contractor to perform or observe any covenant or condition of this Agreement, other than a default in the payment of money, which is not cured within thirty (30) days after notice thereof from the Owner to the Contractor, unless the default is of a kind that may be cured, but not within such thirty (30)-day period, in which case no default shall be declared so long as the Contractor shall commence the curing of the default within such thirty (30)-day period and thereafter shall diligently and continuously prosecute the curing of same.
- C. The commencement of a case under any chapter of the Federal Bankruptcy Code by or against the Contractor, or the filing of a voluntary or involuntary petition proposing the adjudication of the Contractor as bankrupt or insolvent, or the reorganization of the Contractor, or arrangement by the Contractor with its creditors, unless the petition is filed or case commenced by a party other than the Contractor and is withdrawn or dismissed within ninety (90) days after the date of its filing.
- D. The admission in writing by the Contractor of its inability to pay its debts when due; the appointment of a receiver or trustee for the business or property of the Contractor, unless such appointment shall be vacated within ten (10) days after its entry; the Contractor making an assignment for the benefit of creditors; or the voluntary or involuntary dissolution of the Contractor.

SECTION 14. INSURANCE

- A. Contractor shall at all times during the term of this Agreement, maintain in good standing the insurance described in Subsection B. Before rendering any services under this Agreement, Contractor shall furnish Owner with proof of insurance in accordance with Subsection B in a form acceptable to the Risk Manager for Owner; such proof of insurance shall be incorporated into this Agreement.
- B. Type of coverage (may include umbrella):
 1. Minimum Scope of Insurance
 - a. Commercial Marine Liability
 - b. Commercial Automobile Liability Insurance
 - c. Pollution Insurance
 2. Minimum Limits of Insurance

Contractor shall maintain limits no less than:

- a. Commercial Marine Liability: \$1,000,000 combined limit per occurrence for bodily injury and property damage claims. The general aggregate limit shall be \$2,000,000.
- b. Commercial Auto Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage.
- c. Pollution insurance: \$5,000,000 combined single limit per loss applicable to bodily injury, property damage, cleanup costs and defense. Coverage shall apply to sudden and non-sudden pollution conditions.
- d. Umbrella Liability Insurance: The Contractor shall procure and maintain during the life of this Agreement umbrella liability insurance, not less than \$5,000,000 combined single limit per occurrence and aggregate for bodily injury and property damage claims arising from all operations related to this Agreement.

3. Other Insurance Provisions

The policies are to contain, or be endorsed to contain the following provisions:

a. Commercial Marine Liability and Automobile Liability and Pollution.

(1) The City and Borough of Sitka, its officers, officials, employees and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of the Contractor, products and completed operations of the Contractor, premises owned, occupied or used by the Contractor, or automobiles owned, leased, hired or borrowed by the Contractor. The coverage shall contain no special limitation on the scope of protection afforded to the City and Borough of Sitka, its officers, officials, employees and volunteers.

(2) The Contractor's insurance coverage shall be primary insurance as respects the City and Borough of Sitka and its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City and Borough of Sitka, its administrators, officers, officials, employees and volunteers shall be excess of the Contractor's insurance and shall not contribute to it.

(3) The Contractor's insurer shall agree to waive all rights of subrogation against the City and Borough of Sitka, its officers, officials, employees and volunteers for losses arising from work performed by the Contractor or any subcontractor for the City and Borough of Sitka.

b. Employer's Liability. The Contractor's insurer shall agree to waive all rights of subrogation against the City and Borough of Sitka, its Administrator, officers, officials, employees and volunteers for losses arising from work performed by the Contractor or any subcontractor for the City and Borough of Sitka.

c. All Insurance. Each insurance policy required by this Agreement shall be endorsed to state that coverage shall not be suspended, voided, canceled by

either party, reduced in coverage or in limits except after thirty (30) days prior written notice for nonpayment of premium or fraud on the part of the Contractor or sixty (60) days prior written notice for any other reason by certified mail, return receipt requested, has been given to the City and Borough of Sitka. Such notice shall be mailed by the Contractor's insurer(s) to the attention of the Municipal Administrator for the City and Borough of Sitka.

4. Acceptability of Insurers. Insurance is to be placed with insurers with a Best's rating of no less than A-: VII
5. Verification of Coverage. Contractor shall furnish the City and Borough of Sitka with approved certificates of insurance and with certified copies of all endorsements effecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be on forms provided by the City and Borough of Sitka, or which meet industry standard (ACORD form). The City and Borough of Sitka reserves the right to require complete, certified copies of all required insurance policies, at any time.

SECTION 15. IDEMNITY

Contractor agrees to indemnify, defend, and hold the City and Borough of Sitka and its administrators, officers, agents, employees, volunteers and servants harmless from and against any and all claims, demands, actions, losses, expenses, and liabilities for, or related to, loss of or damage to property or injury to or death of any person relating to or arising or resulting in any way from the performance by the Contractor or any of its subcontractors under the Agreement, or the work or services provided or the condition or use thereof, regardless of any negligence of the City and Borough of Sitka or their respective agents or employees, excepting only such loss, damage, injury or death which results solely from the negligence or willful misconduct of the City and Borough of Sitka.

SECTION 16. COPYRIGHTS AND RIGHTS IN DATA

All documents produced under this Agreement are the property of Owner, including notes, drawings, reports and other technical information referred to as work products, except items which have pre-existing copyrights. Payments to Contractor for services include full compensation for all work products produced by Contractor and its subcontractors.

All such subject data furnished by Contractor pursuant to this Agreement are instruments of its services in respect to this particular project. It is understood that Contractor does not represent such subject data to be suitable for reuse on any other project or for any other purpose. If Owner reuses the subject data without Contractor's specific written verification of adaption, such reuse will be at the risk of Owner, without liability to Contractor. Any such verification of adaption requested in writing by Owner at Owner's sole option will entitle Contractor to further compensation at rates

agreed upon by the Parties.

SECTION 17. RESPONSIBILITY OF CONTRACTOR

At all times during Contractor's performance of services under this Agreement, Contractor shall possess and exercise the level of competence, knowledge and skill presently maintained by other practicing members of the profession in good standing in the same or similar localities.

SECTION 18. COMPLIANCE WITH APPLICABLE LAWS

Contractor shall, in the performance of the Agreement, comply with all applicable federal, state and local laws, ordinances, orders, rules and regulations applicable to its performance hereunder.

SECTION 19. NONDISCRIMINATION

- A. Contractor may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, age, disability, sex, marital status, changes in marital status, pregnancy, or parenthood. The Contractor shall post in a conspicuous place, available to employees and applicants for employment, a notice setting out the provisions of this paragraph.
- B. Contractor shall state, in all solicitations or advertisements for employees to work on jobs relating to this Agreement, that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, disability, sex, marital status, changes in marital status, pregnancy, or parenthood.
- C. Contractor shall include the provisions of Subsection A in every subcontract or purchase order under this Agreement, so as to be binding upon every such subcontractor or vendor of Contractor under this Agreement.
- D. Contractor shall comply with all applicable Federal, State and City laws concerning the prohibition of discrimination.

SECTION 20. RECORDS AND AUDIT

The Owner, in cooperation with the Contractor, agrees to maintain sufficient and accurate records and books of hauls and launches, including detailed hauling profiles of each vessel, complete date and time records, showing all direct labor hours expended and all costs incurred and the same shall be provided in a timely fashion to the Owner for its record keeping. Contractor shall maintain such records for a period at least equal to the period established by the City and Borough of Sitka records retention schedule or any subsequent amendment thereto following expiration or termination of this agreement.

SECTION 21. NOTICES

Any notice required pertaining to the subject matter of this Agreement shall be in writing and either personally delivered or mailed by prepaid, first class, registered or certified mail, return receipt requested, to the following addresses:

OWNER:

City and Borough of Sitka
Municipal Administrator
100 Lincoln Street
Sitka, AK 99835

CONTRACTOR:

XXXX
XXXXX
ADDRESS
City, ST XXXXX

SECTION 22. CLAIMS AND DISPUTES

If Contractor becomes aware, or reasonably should have become aware, of any act or occurrence which may form the basis of a claim, Contractor shall immediately notify in writing Owner's authorized representative. If the matter cannot be resolved within seven (7) days, Contractor shall, within the next fourteen (14) days, submit a written notice of the claim to Owner. Contractor shall, in presenting the claim, include the facts and circumstances surrounding the claim, the specific relief requested including any additional compensation claimed and the basis upon which it was calculated, and the provisions of this Agreement under which the claim is made. This procedure covers all claims by Contractor for additional compensation or any extension of the time for performance or any dispute regarding a question of fact or interpretation of this Agreement. Contractor agrees that unless these written notices are provided, Contractor shall have no entitlement to additional time nor compensation for such act, event or condition.

SECTION 23. SUCCESSORS AND ASSIGNS

The Parties bind themselves, partners, successors, assigns and legal representatives to the other Party to this Agreement and to partners, successors, assigns and legal representatives of such other Party with respect to all covenants of this Agreement.

SECTION 24. PERMITS, LAWS AND TAXES

Contractor shall acquire and maintain in good standing all permits, licenses and other entitlement necessary to its performance under this Agreement. All actions taken by Contractor under this Agreement shall comply with all applicable statutes, ordinances, rules and regulations. Contractor shall pay all taxes pertaining to its performance under this Agreement.

SECTION 25. ATTORNEY'S FEES

In the event either party institutes any suit or action to enforce its right hereunder, the prevailing party shall be entitled to recover from the other party its reasonable attorney's fees and costs in such suit or action and on any appeal therefrom.

SECTION 26. NON-WAIVER

The failure of either Party at any time to enforce a provision of this Agreement shall in no way constitute a waiver of the provision, nor in any way affect the validity of this Agreement or any part, or the right of such Party to enforce each and every provision.

SECTION 27. AMENDMENT

- A. This Agreement shall only be amended, modified or changed by a written amendment, executed by authorized representatives of the Parties, and such amendment shall be attached to this Agreement as an appendix.
- B. For the purposes of any amendment, modifications or change to the terms and conditions of this Agreement, the only authorized representatives of the Parties are:
 - 1. _____ - For Contractor
 - 2. John Leach, Municipal Administrator - For Owner
- C. Any attempt to amend, modify or change this Agreement by either an unauthorized representative or unauthorized means, shall be void.

SECTION 28. SEVERABILITY

Any provision of this Agreement deemed invalid by a court of competent jurisdiction shall not invalidate the remaining provisions of the Agreement.

SECTION 29. JURISDICTION - CHOICE OF LAW

Any civil action arising from this Agreement shall be brought in the Alaska Superior Court at Sitka. The laws of the State of Alaska shall govern the rights and obligations of the Parties under this Agreement.

SECTION 30. INTEGRATION

This instrument and all exhibits, appendices and amendments embody the entire Agreement of the Parties. There are no promises, terms, conditions or obligations other than those contained in this Agreement. This Agreement shall supersede all previous communications, representations, or Agreements, either oral or written, between the Parties.

SECTION 31. FORCE MAJEURE

- A. Any failure to perform by either party due to force majeure shall not be deemed a violation or breach hereof.

- B. As used in this Agreement, force majeure is an act or event of substantial magnitude, beyond the control of the delayed party, which delays the completion of this Agreement, including without limitation:
1. Any interruption, suspension or interference resulting solely from the act of Sitka or neglect of Sitka not otherwise governed by the terms of this Agreement.
 2. Strikes or work stoppages.
 3. Any interruption, suspension or interference with the project caused by acts of God, or acts of a public enemy, wars, blockades, insurrections, pandemics, riots, arrests or restraints of governments and people, civil disturbances or similar occurrences.
 4. Order, action, or failure to act, by a court, administrative agencies or governmental officers other than Sitka.

IN WITNESS WHEREOF, the Parties have executed this Agreement, on the date and at the place shown below.

CITY AND BOROUGH OF SITKA, ALASKA

Date

By: John Leach
Its: Municipal Administrator

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by John Leach, Municipal Administrator of the CITY AND BOROUGH OF SITKA, ALASKA, an Alaska home rule municipality, on behalf of the municipality.

Notary Public in and for the State of Alaska
My Commission Expires: _____

CONTRACTORS NAME

Date

By: XXXX
Its: President

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this ____ day of _____, 2025, by XXXXX, President for the CONTRACTORS NAME, an Alaska corporation, on behalf of the corporation.

Notary Public in and for the State of Alaska
My Commission Expires: _____

Scope of Services

1. 150-Ton Travelift Operation and Maintenance

- Contractor will provide a minimum of two certified and competent Marine Travelift operators to ensure 24/7 availability of lift and launch services.
- Contractor will prevent the discharge of any hazardous substances and follow all Environmental Laws regarding the handling and documentation of hazardous substances.
- Contractor will supply all routine and unexpected maintenance labor for the Marine Travelift, not to exceed an amount set by Contractor and the CBS during the contracting process. Contractor will submit all purchase orders, following Sitka General Code 4.15 (Procurement Policy), to the Municipal Administrator or designee for approval prior to procuring parts. Upon approval, Contractor will place the order and invoice the CBS for the exact purchase price, and freight cost incurred.
- Perform visual inspections of lift, strap, and cables prior to, and after, each use per the Marine Travelift operation and maintenance manual.
- Always use the highest level of safety precautions while operating the Travelift.
- Keep the straps and cables clean and free of debris that may cause premature deterioration.
- Always check all fluid levels before use and maintain proper fuel levels and oil levels.
- All lifts and launches shall not exceed the recommended loads as specified by Marine Travelift.
- Loads must be properly distributed per the Travelift operator's manual.
- Owner/operators of all vessels to be lifted must identify the known underwater fixtures, transducers, bearing and shaft locations and any other underwater appendages that may affect the strap placement. Contractor will take every precaution to ensure underwater appendages are not damaged, including requiring owners to sign a lift agreement if it is deemed necessary.
-

2. Lifting, Launching, and Blocking Operations

- Contractor will provide all labor to safely accomplish lifting, launching, and blocking operations within the GPIP Shipyard. This includes skilled laborers, equipment operators, divers, Travelift operators, mechanics, and other necessary personnel. Contractor will provide a minimum of two personnel during all Travelift operations and more when deemed necessary by the operator.
- Contractor will provide all blocking and boat stands it deems necessary to block vessels.
- Contractor shall record weight and other data on each vessel lifted. A photograph or notes regarding strap locations and underwater appendages, as well as displacement reading of Travelift gauges shall be recorded. Notes shall record each vessel's load, including water, fuel, freight, etc.

- Contractor will prevent the discharge of any hazardous substances and follow all Environmental Laws regarding the handling and documentation of hazardous substances.

3. Scheduling, Administration, Payments, Recordkeeping.

- Contractor will provide administrative staff to coordinate Shipyard scheduling, organization, payments, recordkeeping and management. Bookkeeping, lift records, and maintenance records will be available for review upon request.

4. GPIIP Shipyard Facility and Equipment Maintenance

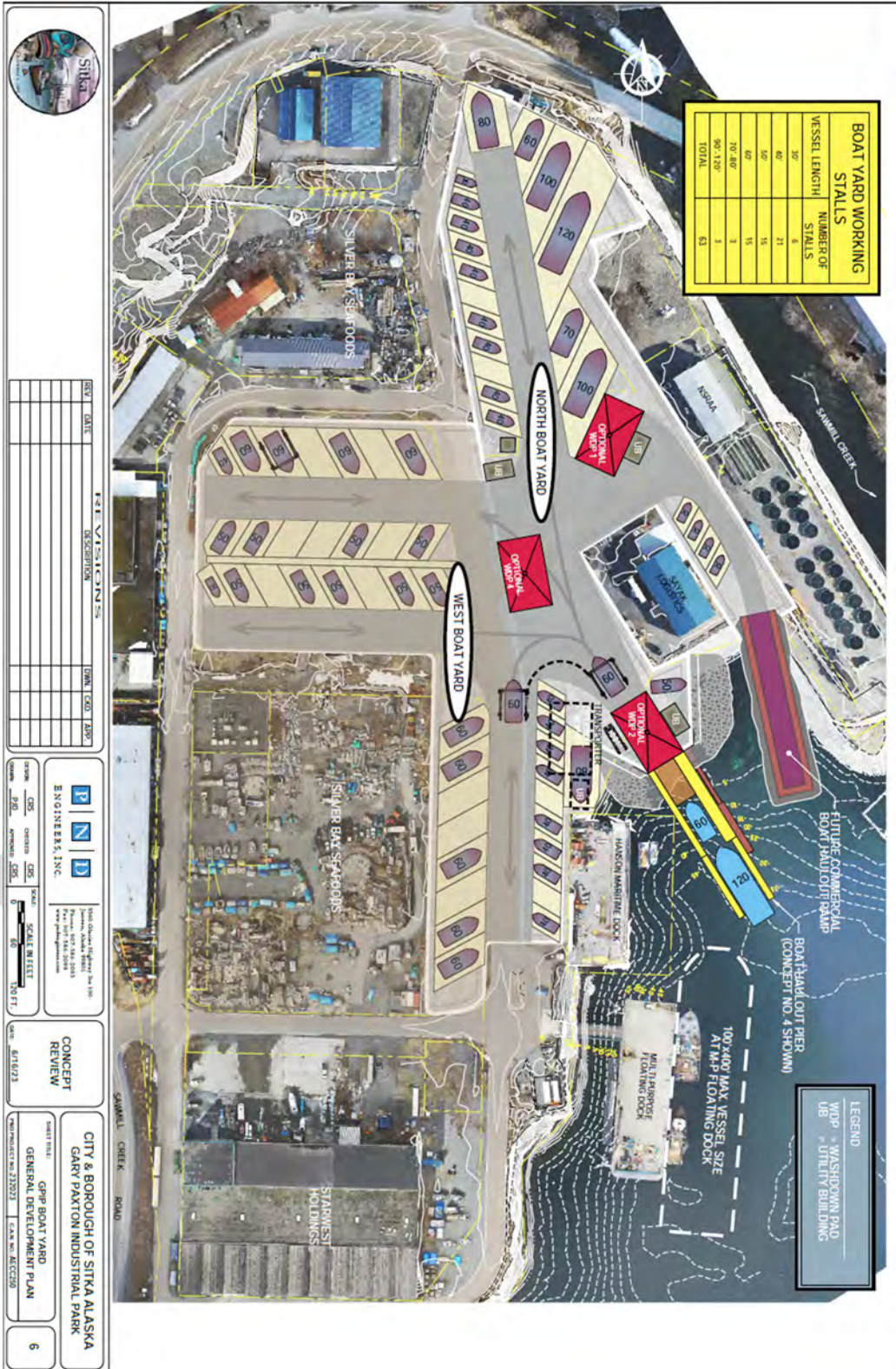
- Contractor will provide all labor to properly maintain and protect the City's Shipyard assets such as the washdown filtration system and the building at 4690 Sawmill Creek Road.
- Contractor will provide minor yard maintenance in the form of filling potholes and keeping the facility clean.
- Contractor will provide minor snow removal to keep the vessel pads and washdown pad clear of snow in the winter months. Contractor may request the assistance of the CBS Public Works Department in major snow removal and driveway maintenance via their grader/loader. This shared responsibility will help keep costs low for all involved parties.
- Parts and materials that are required for maintenance operations will be treated in the same manner as Travelift maintenance items. Contractor will submit all purchase orders, following Sitka General Code 4.15 (Procurement Policy), to the Municipal Administrator or designee for approval prior to ordering parts. Upon approval, Contractor will place the order and invoice the CBS for the exact purchase price and freight cost incurred.
- Contractor will prevent the discharge of any hazardous substances and follow all Environmental Laws regarding the handling and documentation of hazardous substances.

Facilities and Equipment

The CBS shall make the following Facilities and Equipment available for the Contractor's use.

- 2025 Marine Travelift Corp. Model 150TG
- Pile Supported Pier
- Gravel vessel laydown area
- Washdown Filtration System including the concrete wash-down pad
- Building 4690 located at the GPIIP
 - Water
 - Sanitary sewer
 - Electrical service
 - Boiler heating system
 - Restrooms
 - Utility room

Marine Vessel Haul Out and Shipyard Conceptual Diagram



REV	DATE	DESCRIPTION	OWN	TITLE	DATE

VISIONS

ENGINEERS, INC.

1000 Commercial Street, Box 100
 Sitka, Alaska 99801
 Phone: 907.542.2015
 Fax: 907.542.2016
 www.pacificvisions.com

SCALE: 1" = 10' FT.

CONCEPT REVIEW

DATE: 8/16/23

CITY & BOROUGH OF SITKA ALASKA
 GARY PAXTON INDUSTRIAL PARK
 GPP BOAT YARD
 GENERAL DEVELOPMENT PLAN

PLAN NO. ALC2302

Fee Schedule for Shipyard Services

Bidders are requested to provide pricing for the following shipyard services. Additionally, bidders are encouraged to detail any extra fees necessary for the operation of the shipyard.

A. Lift, Block, and Launch Vessels (Max Width 32')

1. Pricing to lift, block, and launch vessels.
**Bid prices can be demonstrated in price per feet or grouped for different vessel sizes.*
2. After-hours surcharge
3. Nonstandard Lift (operator and lift)
4. Travel strap setup
5. Inspection Lift
6. Hang Time (other than wash pad)
7. Hang Time, on wash pad
8. Delay of Lift
9. Vessel repositions
10. Scheduling Deposit
11. Other fees

B. Dry Dockage Space

1. Dry Dockage Space (lay day)
 - 1 to 30 days
 - 31 to 60 days
 - 61 days or greater
2. On-site Storage
3. Other fees

C. Other Requirements and Fees

1. Vendor liability coverage requirements
2. Utility fees
3. Equipment rental fees
4. Waste disposal
5. Environmental Fees

- 6. Labor
- 7. Other requirements and fees

D. Facilities

**The estimated 1,900 SF office portion of Building 4690 located at the GPIIP is envisioned to be used for the GPIIP Marine Vessel Haul Out and Shipyard operations, including making public restrooms available to haul out clients. No fees for office space will be assessed to the future contractor. The contractor will be responsible for utility costs associated with the building. The estimated 5,000 SF of warehouse space of the building can also be used for haul out and shipyard operations.*

- 1. What is the Contractor's proposed use of Building 4690 and requested price per square foot for lease or rental of warehouse space?

E. Ownership Compensation

The owner (CBS) will have costs associated with its responsibilities outlined in the proposed Operating Agreement between the CBS and Contractor.

- 1. What payment structure does the Contractor propose to pay the Owner for use of its haul out and shipyard facilities?

By signing this fee schedule, you are confirming that you are an authorized representative of this company and will honor the prices provided.

Contractor Name

Your Name

Title

Signature

Date



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

Friday, January 10, 2025

MEMORANDUM

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

From: Garry White, Director

Subject: Sitka Sound Science Center Lot 15 Lease Request

Introduction

Sitka Sound Science Center (SSSC), a Sitka non-profit, requests a short-term lease for a 7,500 SF portion of lot 15 to store and sort marine debris. Please see the attached lease proposal. The proposed lease will be on a month-to-month term.

Property

Lot 15 is a 113,369 SF parcel of property located in the center of the GPIP across the access easement from the haul out.

Lot 15 was valued in 2018 at \$509,700 or \$4.50/SF. Traditionally, raw property in the GPIP has been leased at a 9% return of asset value.

Rent

7,500 SF at \$4.50/SF = \$33,750
\$33,750 @ 9% = \$3,038 annually or \$253.17/month

Action

- Board discussion and approval of Sitka Sound Science Center lease proposal.

**SITKA SOUND
SCIENCE CENTER**

834 Lincoln Street
Sitka, Alaska 99835
Phone: 907. 747. 8878
www.sitkascience.org



Garry White
Sitka Economic Development Association
329 Harbor Drive, Suite 202
Sitka, Alaska 99835

January 10, 2025

Dear Mr. White,

The Sitka Sound Science Center is writing to express interest in renting a subsection of Lot 15 at the Gary Paxton Industrial Park. After reviewing the property with you, we believe that a perimeter-bordering subsection of Lot 15 of approximately 7,500 SF would be the ideal location for SSSC research and facilities equipment storage and marine debris storage and sorting.

SSSC recently obtained a restoration contract to remove ~37000lbs of marine debris from coastlines near Sitka, and a separate contract to conduct research about the impacts of marine debris on our shorelines. To successfully complete this work, we need space to stage gear, sort collected marine debris by type, and store marine debris for short intervals of time before being recycled or moved to the transfer station. Our storage needs for this project will commence in late spring 2025 and conclude by October 2026 *at the latest*.

We would like to discuss the lease terms and explore the possibility of moving forward. We look forward to hearing from you.

Thank you for your time and consideration.

Sincerely,

Lauren Bell,

SSSC Research Director

lbell@sitkascience.org

907-747-8878 ext. 5



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

Friday, January 10, 2025

MEMORANDUM

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

From: Garry White, Director

Subject: Ben Lawrie Lease Request

Introduction

Ben Lawrie, a private resident, requests a short-term lease for a 2,000 SF portion of lot 15 to store personal items. Please see the attached lease proposal. The proposed lease will be on a month-to-month term.

Property

Lot 15 is a 113,369 SF parcel of property located in the center of the GPIP across the access easement from the haul out.

Lot 15 was valued in 2018 at \$509,700 or \$4.50/SF. Traditionally, raw property in the GPIP has been leased at a 9% return of asset value.

Rent

2,000 SF at \$4.50/SF = \$9,000

\$9,000 @ 9% = \$810 annually or \$67.50/month

Action

- Board discussion and approval of Ben Lawrie lease proposal.

Mr. White,

I am interested in leasing 2,000 square feet of what I believe is Lot 15 at GPIIP. I would like to lease this land on a monthly basis as I understand a yearly lease is not an option. I anticipate leasing this land for the foreseeable future so long as it is available. I intend to use the land for storage of boat trailers with and without boats on them, a 1/2 ton pick up truck and some fishing gear such as shrimp pots. All vehicles are in towing and operational condition.

I understand this lot could end up being occupied for the future haul out that is currently under construction. In the event of this eventuality, I would ask that if possible, I be given as much advance notice as possible.

Thank you,

--

Benjamin Lawrie
9077386150



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

Thursday, January 2, 2025

MEMORANDUM

To: Gary Paxton Industrial Park Board of Directors
From: Garry White, Director
Subject: Election of GPIP Board Officers

Background

Current GPIP Board Officers Board Chair – Scott Wagner and Vice Chair – Mike Johnson.

Additional Information

According to Sitka General Code 2.38.030, “The board shall elect annually from its members a chair and vice chair and such other officers as it deems necessary. (Ord. 00-1568 § 4 (part), 2000.)”

Action

- GPIP Board election of Chair and Vice Chair for the next year.