

**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