

Thursday, June 04, 2009

MEMORANDUM

To: Sawmill Cove Board of Directors
From: Garry White, Director
Subject: Sawmill Cove Management Report

1. Cove Partners and the former TAB Building.

CBS Building official has informed us that the building has been brought to code in regards to fire suppression.

The SCIP Board had arranged to meet with Cove Partners on 02/25/09 to discuss moving forward in some regard. Cove Partners back out of the meeting due to needing to update their business plan before meeting with the board.

Cove Partners attorney has been contacted requesting an update to the situation. Cove wishes to address the SCIP Board towards the end of June.

2. Construction of a dock at SCIP.

Funds were requested from the State to construct a 120' bulkhead at the SCIP to be used to assist the CBS with bringing in materials for the expansion of the Blue Lake. The legislative budget did not include any funding for the project. Funds have also been requested from the Federal budget. No word on funding from the Feds yet.

The SCIP Board addressed the issue of constructing a dock at the park at their 05/28/09 meeting. The board wishes to meet with the assembly before moving forward with a plan.

3. Marine Services RFP.

The CBS Assembly approved the Marine Services RFP at their 03/24/09 meeting. The RFP has been mailed to target clients. The RFP is being advertised on www.sitka.net and www.sawmillcove.net. The RFP is being advertised in Sitka Sentinel, Juneau Empire, Pacific Fishing Magazine, and Fishermen's News.

The Director has receive positive feedback from a number of independent marine service operators about the possibility of establishing a business at the park.

4. Bulk water pipeline project is complete.

TAB's contract has been approved for a 1 year extension. TAB has until 12/08/09 to export 20 million gallons of water.

Inquiries have drop off a bit with economic conditions.

5. Sitka Tribe of Alaska Tribal Tannery.

On August 27, 2008 the CBS Assembly approved a long term lease to STA for a 10,000 SF lot. STA plans to move their Tribal Tannery to this location after the construction of roughly a 3,000 SF building. The facility will provide an additional 2-4 FTE at the location. The overall operation is estimated to employ 44 full time people between tribal tours to tour the operation, tannery workers, and at home fur crafters. STA's grant application has been approved by US EDA.

STA has requested to get a formal lease in place. They are working with their engineers to establish a location for their building on a portion of Lot 17. Lot 17 has a fire water line running through the middle of it, which makes finding a building footprint difficult. The Director has recently met with STA officials and their engineering firm to discuss building location.

6. Stores Building.

At the 01/22/09 SCIP meeting the CBS building official notified the board that he was closing the building until its sprinkled. A Notice and Order for the Stores Building dated 01/23/09 states that the sprinkler waiver for the building has been improperly granted. The building will not be allowed for use until the building is sprinkled. All tenants had until 04/15/09 to vacate the building.

At the 12/22/09 SCIP meeting the board discussed selling the building. At the 03/23/09 SCIP Board meeting a RFP for the sale or long term lease of the building was approved by the board. The RFP was approved by the CBS Assembly at their 04/14/09 meeting.

The RFP has been sent to clients that have expressed interest and advertised on www.sitka.net and www.sawmillcove.com. The RFP is being advertised in the Sitka Sentinel and the Juneau Empire. The closing date for the RFP was 05/28/09. Two proposals have been received.

7. The SCIP website (www.sawmillcove.com), managed by SEDA, has been updated and highlights the land use plan.

8. The Fortress of the Bear lease was approved at \$50 per month and extended to Dec. 2010 by the Assembly at their 05/12/08 meeting.