



CITY OF SAINT PAUL

ALASKA

CITY OF SAINT PAUL, ALASKA REQUEST FOR PROPOSALS FOR A FEASIBILITY STUDY OCTOBER 6, 2020

PROJECT OVERVIEW

The City of Saint Paul, Alaska is seeking a qualified independent consulting firm to complete a feasibility study of proposed expansion and improvements to the Saint Paul Harbor on Saint Paul Island, Alaska. We are looking for a partner who is experienced with conducting feasibility studies for harbor improvements and expansion and is familiar with the marine infrastructure and the needs of the marine industry. The study should assess the City's existing harbor facilities, potential improvements to the harbor as well as expansion of the harbor to capture future business. A project budget, timeline, approach and scope of work should be clearly identified in the proposal.

Organization Background/Overview

The City of Saint Paul, Alaska (City) is a second-class municipality and political subdivision of the State of Alaska that formed in 1971. The City is responsible for municipal governance and services on Saint Paul Island, which is a community of 387 residents (City of Saint Paul, 2020) with a seasonal population of 500. We currently have 41 employees who fulfill the obligations of a local government, including public safety and public works functions and services. The City also owns and operates several public utilities, which include electric, water, wastewater, refuse and fuel utilities and services. The City owns, operates, maintains and manages the Saint Paul Harbor facilities (including the South Dock) for which the feasibility study and business plan will analyze proposed improvements.

Location

The City of Saint Paul is located on St. Paul Island, which is located in the Aleutians West Census Area. The largest of the Pribilof Islands in southwest Alaska, St. Paul Island is 47 miles north of St. George Island, 240 miles north of the Aleutian Islands, about 300 miles west of Alaska's mainland and 800 air miles west of Anchorage. At 44 square miles, it holds the Pribilof Islands' largest community, the City of Saint Paul, home to 391 residents (City of Saint Paul, 2019).

Economy

Located in a Designated Qualified Opportunity Zone under Internal Revenue Code § 1400Z-2 (the Aleutians West Census Area), Saint Paul's economy has mainly grown from the region's rich natural resources and strong identity. Saint Paul is located at the epicenter of many of the Bering Sea's commercial fisheries, is critical habitat to the largest world population of the northern fur seals, Steller sea lions and various bird species. Also known as the Seal Islands, the Pribilof Islands region is a world-renowned marine fauna and seabird-viewing area, with northern fur seal rookeries hosting North America's largest population and over 210 species of migrating birds. The

region is flanked by the Bering Sea to the north and North Pacific Ocean to the south and is characterized by its rich marine life, remote location (accessed only by sea or air), rugged terrain, lack of trees, high winds and continually cool temperatures.

The Marine Mammal Protection Act of 1972 made it illegal to harvest or import marine mammals, which effectively started the fur seal industry decline and its eventual end in 1983. Soon after, the federal government withdrew its administration of the two inhabited islands, St. Paul and St. George. In 1985, residents looked to the region's plentiful seafood resources and developed a commercial fishing industry, which continues today as St. Paul Island's main trade. From 1999-2008, the National Oceanic and Atmospheric Administration (NOAA) commenced regional environmental restoration activities from the country's past habitation, including landfill closures, debris removal, historic building demolitions and renovations, and petroleum-contaminated soil and groundwater cleanup.

Industry Clusters

Industry clusters found on St. Paul Island today are similar to those in the region and the Aleutians West Census Area: primarily fishing, tourism, mining, and retail and service. Commercially caught seafood (Opilio and king crab, Pollock, halibut, pacific cod and more) brought to the island for processing drives the economy with local tax revenue and fishing-related jobs. Trident Seafoods operates the island's sole processing plant and employs up to 300 people during the 3-month high season of Opilio crab and about 30 in the off-season. Almost all of the Trident workforce comes from outside the St. Paul Island community. The halibut fishery employs the most local residents, about 88 each year, not including employees of Trident and other support services. Locals own a total of 12 fishing vessels and generated combined annual income ranging from \$902,000 to \$5.5 million between 2003 and 2015, peaking in 2011 (Ray Melovidov, CBSFA (2016), as cited in St. Paul Island 2017-2022 Comprehensive Economic Development Strategy (CEDS), page 16). Halibut and crab allocations have declined in recent years. However, increased abundance is anticipated to increase fisheries productivity in the next six to eight years.

Tourism currently has a small presence on St. Paul Island and most associated businesses are owned by Tanadgusix Corporation (TDX), the village/Native corporation. Tours that watch birds and marine mammals are highlights and bring in many of the annual visitors. There is also a museum, guided duck hunting trips and more. Current visitation estimates are 150-200 people during the summer; numbers peaked around 400 in the early 2000s. TDX reports yearly profits from \$50,000 to \$100,000 from these activities. Tourists also see the island via cruise ship; about two ships stopped at St. Paul Island briefly *en route* to Nome each season, pre-COVID-19. Tourism is anticipated to pick up again after the pandemic.

The island's mining cluster includes sand, gravel and scoria. TDX owns three quarries and the Tribe owns the equipment. The Tribe is exploring how to better use the island's scoria resource that is uniquely insulating and durable. Two residents of Saint Paul were employed in Natural Resources and Mining in 2016 (Alaska Department of Labor and Workforce Development, Research and Analysis Section). A smaller industry cluster of local retail and services includes a variety of small businesses such as rental cars, a cab service, sound recording studio, and Native artists who bead, weave and produce other traditional crafts. The Tribe took over management of

Saint Paul's grocery in October 2018. The Tribe also operates a liquor store, bar, greenhouse and other ventures.

Physical Infrastructure

Physical assets on St. Paul Island include recently upgraded fiber optic cables; an active radio station (KUHB); quarries that provide local gravel, sand and scoria; a new fire station/crane storage building with fire-fighting equipment; and empty buildings in convenient locations that could be renovated for new businesses, services or homes. For example, the federal government maintained a Coast Guard LoRan station on Saint Paul for many decades, which has been decommissioned due to budgetary cuts but could be upgraded in support of Arctic development and new shipping lanes.

Saint Paul has an airport with a 6,500-foot, well-maintained runway capable of serving large jets and a helicopter bay. The State of Alaska maintains the runway and provides snow removal equipment (grader, snow blower and sweeper). There is an 18-room hotel at the airport, and the National Weather Service maintains a facility at the south end of the airport runway, with three apartments in the main building, and four three-bedroom single-family homes on the property. Saint Paul's station has been instrumental in weather prediction, as a weather balloon is launched daily (and/or more frequently if necessary) to assist the Anchorage-Alaska office set the four-day forecasts and surrounding sea conditions.

The Saint Paul Harbor includes a small boat harbor, a dock and processing plant (leased to Trident) owned by Tanadgusix Corporation (TDX), city harbor with a North Dock, South Dock and Harbormaster's office. The City berth or dock was dredged and upgraded in 2013 and is now capable of accommodating on a seasonal basis a floating fish processor. The Aleut Community of St. Paul Island and Central Bering Sea Fishermen's Association has recently built a vessel repair and marine supply store facility in the small boat harbor area.

Financial Structure

The City collects a raw-fish tax and a sales tax, as well as other taxes and fees; the City also receives 0.5 percent of the island-associated fisheries business tax from the State. According to City records and the State's Alaska Taxable Database, most of the city's revenue comes from the raw-fish tax, which has been an average of 74 percent of the city's total tax revenue since 2004. In 2018, sales tax brought in just over \$344,000 and the raw-fish tax brought in approximately \$1.6 million (down from \$2.4 million in 2015). Per capita revenue was \$5,238 per resident (2018). The 2018 City of Saint Paul budget included General Fund Revenue actuals of \$1,968,811. The 2019 budget proposes \$3,470,136 in total General Fund Revenues, of which \$1,276,260 is anticipated from the City's Fish Tax. .

Project Objectives

1. The Contractor will gather and review existing data and contextual information needed to estimate market potential, capital costs, operating costs and revenues, as well as other pros and cons (e.g., political feasibility, physical constraints, technological constraints, partnership and financial resource opportunities) of proposed harbor expansion and improvements.

2. The Contractor will travel to Saint Paul Island to inspect existing harbor facilities and meet with the Harbor Improvements Planning Team to discuss the proposed alternatives. **NOTE: if local travel restrictions are still in place, this will be conducted virtually.**
3. The Contractor will develop a feasibility study for the Harbor Improvements Planning Team review. The feasibility assessment will evaluate the following proposed harbor improvements to determine which set of improvements will best fulfill the City's goal of increasing economic activity at the harbor:
 - Dock expansion for fishing vessels
 - Harbor expansion for large vessels
 - New harbormaster office
 - Harbor amenities
4. The Contractor will meet with the Harbor Improvements Planning Team to select the preferred option and include a detailed description of the alternative actions that were considered during the project planning but were not selected. **NOTE: if local travel restrictions are still in place, this will be conducted virtually.**
5. The Contractor will refine the market study, capital costs, operating model and estimated economic impact of the preferred option and draft a business plan. The business plan will estimate capital costs, develop a sustainable model for operating costs and revenues, and provide economic impact projections for the preferred alternative. Economic impact estimates of the preferred alternative(s) include number of jobs retained and created, earnings and tax revenues associated with serving a variety of vessels, including fishing boats, certain types of trans-Arctic shipping vessels, U.S. Coast Guard cutters and icebreakers, tourist cruise vessels, and research vessels at the Saint Paul Harbor. The creation of new taxes associated with increased economic activity, such as a bed tax, may also be studied. The Contractor will submit the business plan to the Harbor Improvements Planning Team for review and comment.
6. The Contractor will finalize the feasibility study and business plan and distribute it to the Harbor Improvements Planning Team.

PROPOSAL REQUIREMENTS

Firm Information

Provide firm's name, address, website URL and telephone number. Include name, title and e-mail address of the individual who will serve as firm's primary contact. Include a brief description and history of your firm.

Experience and References

Describe your firm's relevant experience. Proposals should include a list of 3 to 5 references for similar projects that your firm has completed.

Project Approach

Please explain your project approach, style and process to accomplish the project scope of work and objectives outlined in the RFP.

Insurance

Describe your insurance coverage for the proposed work.

Schedule and Timeline

Proposals should include a proposed work schedule, timeline and deliverables resulting from the feasibility study and business plan. The contract is expected to begin December 7, 2020 and should be completed by June 30, 2021.

Required Deliverables

1. Saint Paul Harbor Improvements and Expansion Feasibility Study
2. Saint Paul Harbor Improvements and Expansion Business Plan

Cost

Proposals must include the estimated cost for all work related to tasks and deliverables outlined in the Schedule and Timeline.

Provide Biographies of Key Staff

Please include a summary of experience of all key staff.

PROJECT CONTACT

Please contact Phillip A. Zavadil at pazavadil@stpaulak.com or 907-546-3113 with any questions you may have regarding the project or RFP.

DEADLINE

Please submit your proposal to Phillip A. Zavadil at pazavadil@stpaulak.com November 6, 2020 by 5:00 pm Alaska .

RFP EVALUATION CRITERIA

Proposals will be evaluated on “best value” based on the evaluation criteria utilizing a 1-10 scale with 10 being the highest points and at a weighted scale as stated below:

1. Qualifications (50%)

- a. Does the contractor have sufficient resources and staff to conduct the proposed work?
- b. What are the qualifications of study team members and their roles and responsibilities with respect to other similar studies?

2. Data Collection (15%)

- a. Does the contractor describe the mechanisms to collect data?
- b. What is the proposed for auditing, spot-checking and cross-referencing of data to ensure accuracy?
- c. What is the plan for responding to missing or inaccurate data?

3. Data Analysis (15%)

- a. What are the methods to analyze data and categories proposed to be analyzed?
- b. Does the contractor have expertise in statistical analysis?
- c. Does the proposal demonstrate the statistical validity of methods proposed?

4. Implementation (20%)

- a. Can the contractor complete the work within the specified timeframe?

PROFESSIONAL SERVICE CONTRACT

The City will prepare a Professional Services Contract for the selected contractor that will outline the terms and conditions of the work to be performed for the City for this project.

RFP AND PROJECT TIMELINE

City issues Request for Proposal	October 6, 2020
Questions from potential consultants accepted through	October 16, 2020
Responses to questions sent out by	October 23, 2020
Proposal due	November 6, 2020
Evaluation process	November 9-13, 2020
Interviews conducted with finalists (if necessary)	November 16-20, 2020
City announces decision	November 25, 2020
City sends Professional Services Contract for review	November 30, 2020
Consultant begins work	December 7, 2020