



City and Borough of Wrangell
Port Commission
AGENDA

Thursday, April 07, 2022
6:00 PM

Location: Borough Assembly Chambers
City Hall

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF MINUTES (*MOTION* - Move to approve the Minutes, as presented)

a. 03/03/2022 Port Commission Minutes

4. AMENDMENTS TO THE AGENDA

5. CORRESPONDENCE

6. PERSONS TO BE HEARD

7. HARBORMASTER'S REPORT

a. Harbormaster Report April 2022

8. COMMISSIONER REPORTS

9. UNFINISHED BUSINESS

10. NEW BUSINESS

a. INSURANCE DISCUSSION

b. **RESOLUTION No. A CODE ORDINANCE OF THE PORT COMMISSION OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING WMC 14.13.025 "IMPOUNDMENT" AND AMENDING WMC 14.13.035 SALE (C) "NO BIDS"**

11. NEXT AGENDA ITEMS

12. ADJOURN

Minutes of the Regular Wrangell Port Commission Meeting

Held March 3rd, 2022

Chairman John Martin called the Regular Port Commission meeting to order at 6:00p.m. March 03rd, 2022, via Borough Assembly Chambers

PRESENT: Martin, Buness, Morrison, Roppel

ABSENT: Yeager

Harbormaster Steve Miller was also in attendance.

APPROVAL OF MINUTES

- a. Approval minutes from meeting February 17th, 2022

M/S: Roppel/Buness to approve the minutes, as presented. Motion approved unanimously.

AMENDMENTS TO THE AGENDA - None.

CORRESPONDENCE/PERSONS TO BE HEARD – None.

HARBORMASTER'S REPORT

Miller reported that one of his main priorities this month is the budget. Miller's portion of the budget is due to Finance on March 17th. The permit renewal for the Army Corps of Engineers is due. This permit allows the Harbor to be able to complete piling and dock repairs. Miller is working on a presentation for proposed moorage insurance which should be ready for discussion at the next meeting.

COMMISSIONER REPORTS

Roppel asked Miller who in the city is responsible for the Mill dock demolition. Miller said he would have to check with the City Manager. Roppel wanted to make clear that there is a sunk tug boat near the dock. If this area was ever used for cruise ship docking that the sunk tug boat could potentially be in the way of the cruise ship. Buness was happy to receive a letter asking for support to help achieve grant money for select harbors. Martin asked if the scrap cars have been removed from the harbor parking lots. Miller responded that they have been removed and collectively the city has removed around 100 cars from town.

UNFINISHED BUSINESS- None.

NEW BUSINESS –

10a Relief Operator Job Description Marine Service Center

M/S: Morrison/Buness motion as presented. Motion approved unanimously.

Miller explained that this job is on the same salary grade as the Harbor Maintenance position. The department is lacking a full-time harbor person during the day and also at night when night shift gets pulled to cover day shift. Currently the day time Harbor Maintenance employee is covering as the second person in the Marine Service Yard. The Marine Service Center must have two people to be able to run the travel lift.

NEXT AGENDA ITEMS – None.

The next Regular meeting April, 7th 2022

Regular meeting adjourned at 6:33pm

HARBORMASTERS REPORT APRIL 2022

Administration: The harbor office is seeing a significant increase for requests for transient moorage for the summer months. We are hopeful this will translate into a higher number of independent travelers coming to see Wrangell in the coming months. With covid reemerging we have seen a couple of our workers out for the past couple weeks at different times.

Budget for the Ports and Harbors is pretty much finished up. I have one more meeting with our city manager Jeff Good, then it will be on to the Port Commission and Assembly for their questions regarding the budget. The work session for our department is scheduled for April 27th at 6:00 p.m. If there are any changes, we will send out a notification.

On March 23rd we had our request for qualifications meeting with several contractors from all over the state for our ports and harbors surveillance system design. It was a very constructive meeting with some Ideas on how we may save some time and money. The next meeting will be on April 15th to decide what company will be moving forward with the design of our security system.

Harbors: We hired Sean Gillen and Jacob Allen as summer temp laborers. They have worked for the Harbor in past years so they are both familiar with operations and have started spring maintenance of pressure washing floats. Both of these employees are eager to get to work.

Marine Service Center: The marine service center continues to be busy. We have seen an increase from Sitka this year since they no longer have a haul-out facility. We can only pull boats as long as we have space available.

Port: Work has commenced on the barge ramp floatation tanks. Completion date is still scheduled for the first week of May. Heller High water will be installing the floats upon completion.

We will be having our pre-tourism work shop for April 11, 2022 at 1p.m. If the weather is good, it will be at the roundabout at the city dock if not it will be at city hall assembly chamber. This is where we discuss the up coming cruise ship season and any concerns the city or vendors may have concerning parking or any other safety protocols.



VESSEL INSURANCE DISCUSSION DIRECTION

THIS DISCUSSION IS A STARTING
POINT FOR FUTURE CHANGES
NEED TO PROTECT THE PORTS AND
HARBORS.

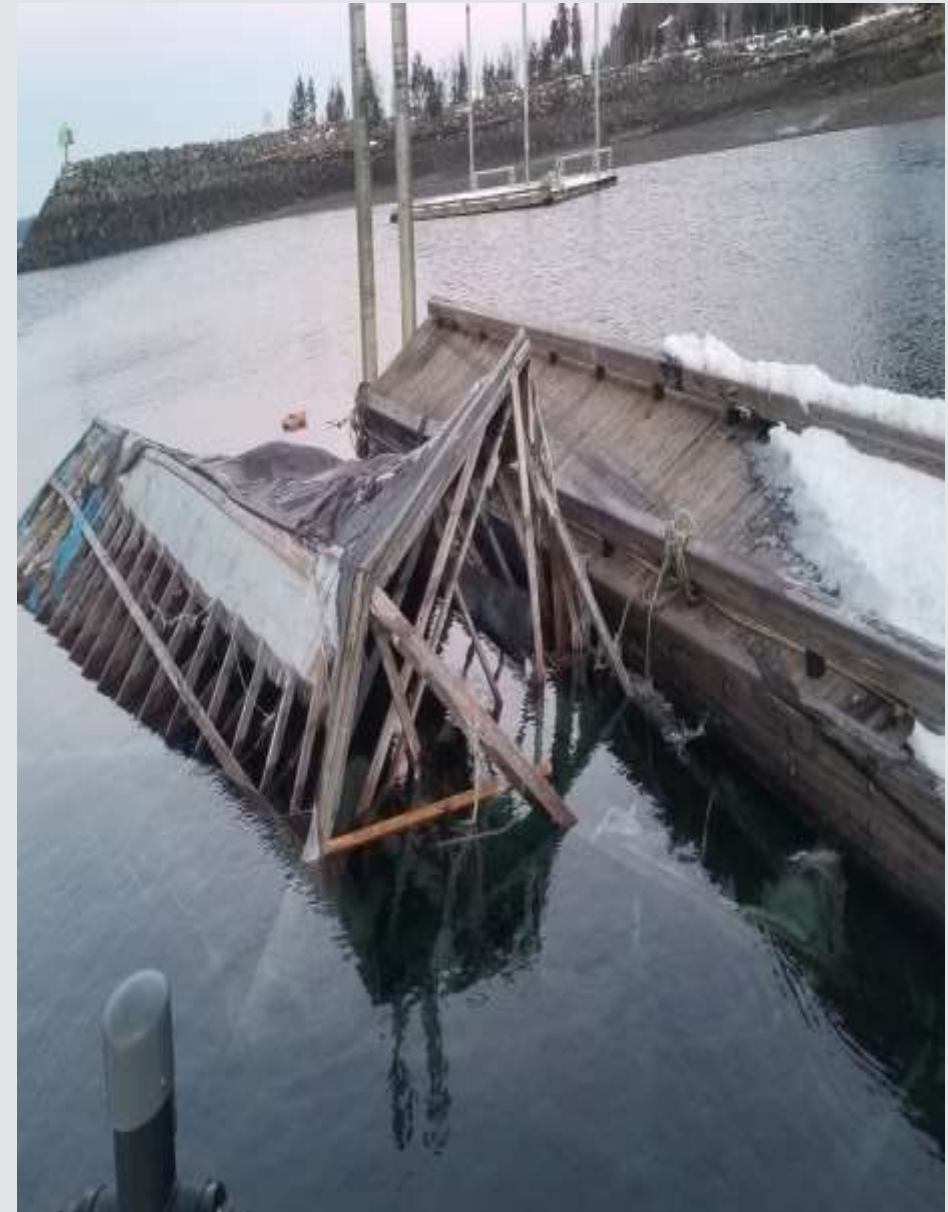
2015 FEDERALIZED HAZMAT REMOVAL. RAN OUT OF FUNDING. VESSEL IS LOCATED ON CBW TIDELANDS

Item a.



INFRASTRUCTURE AND NEIGHBORING VESSELS

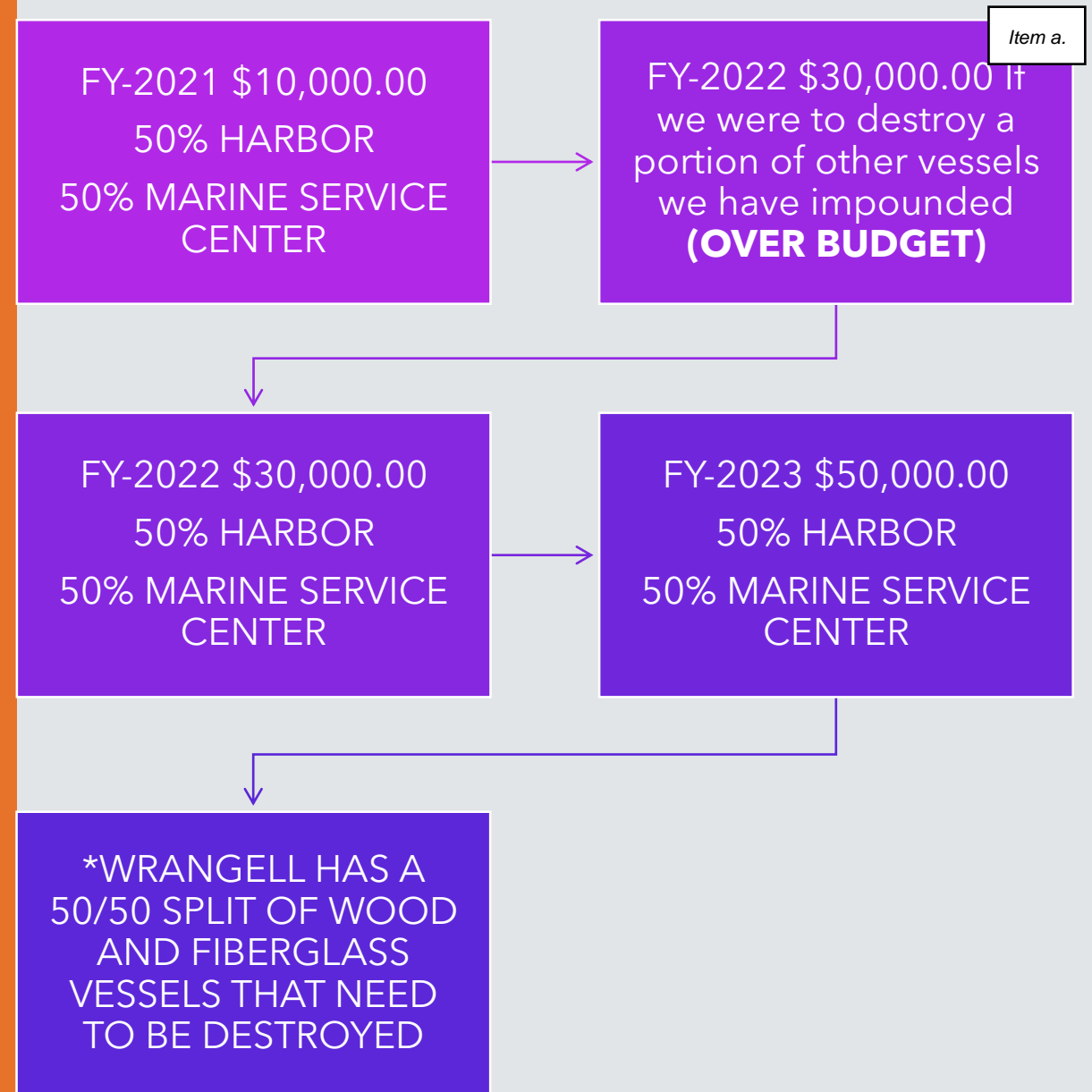
- ~\$25,000.00 TO REPLACE FINGER FLOAT (NO DAMAGE WAS OBSERVED)
- ~\$21,000.00 TO REFLOAT
- ~\$10,000.00 FOR DISPOSAL



CURRENTLY IMPOUNDED \$15,000~\$25,000.00 FOR DISPOSAL



AMOUNTS
BUDGETED FOR
VESSEL DISPOSAL
OVER THE
COURSE OF TIME.
FUNDING WOULD
BEST USED FOR
INFRASTRUCTURE



UNABLE TO MEET INSURANCE REQUIREMENTS

- IMPLEMENT A \$2.00/\$3.00/\$5.00 PER FOOT, PER MONTH SURCHARGE
- FUNDS WILL BE DEPOSITED INTO SINKING FUND. THIS FUND WOULD BE USED SOLELY FOR RECOVERY AND DISPOSAL COSTS.
- FUNDS GENERATED, UNKNOWN

DISPOSED OF 2022. \$21K TO GET FLOATED TO THE BEACH
AN ADDITIONAL \$5,580.00 TO GET BROKEN DOWN AND
PLACED IN PARKING LOT HARBOR EMPLOYEES WILL
TRANSPORT TO DUMP FOR DISPOSAL

Item a.



DERELICT VESSEL'S IMPOUNDED OVER
THE LAST 5 YEARS ESTIMATED PRICE FOR
DISPOSAL \$60K+ WE NEED TO KEEP IN
MIND THIS HAS BEEN A LONG TERM ISSUE.

Item a.



DISCUSSION



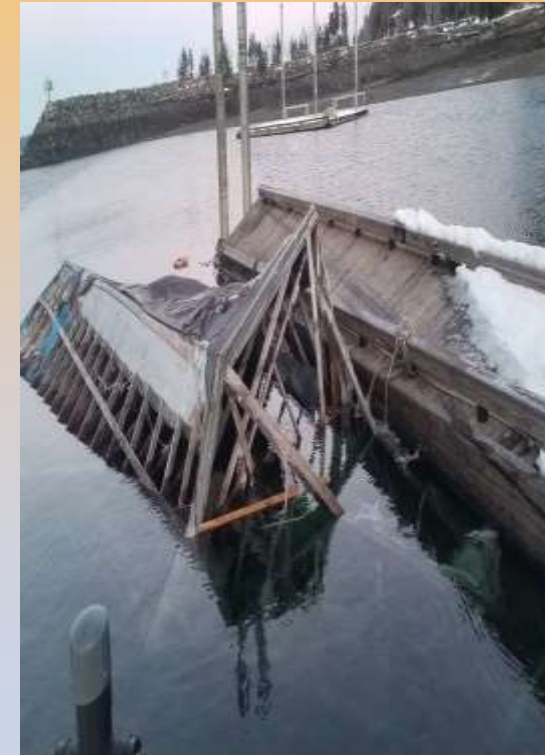
UNINSURED VESSELS

SINKING FUND

ADDITIONAL \$2.00 PER FOOT, PER MONTH SURCHARGE FOR VESSELS UP TO 50'

**40' \$80.00 PER MONTH = \$960.00
ANNUALLY + \$1457.20 IN MOORAGE =
\$2417.20 PER YEAR.**

**50' \$100.00 PER MONTH = \$1,200.00
ANNUALLY + \$1821.50 IN MOORAGE =
\$3021.50 PER YEAR.**



VESSELS 51' to 85' ADDITIONAL \$3.00 PER FOOT, PER MONTH SURCHARGE.

Item a.

**52' \$156.00 PER MONTH = \$1,872.00
ANNUALLY + MOORAGE OF \$1894.36 =
\$3766.36 PER YEAR.**

**66' \$198.00 PER MONTH = \$2,376.00
ANNUALLY + MOORAGE OF \$2769.36 =
\$5145.36 PER YEAR.**



VESSELS GREATER THAN 86'+ ADDITIONAL \$5.00 PER FOOT, PER MONTH SURCHARGE.

Item a.

**86' \$430.00 PER MONTH = \$5,160.00
ANNUALLY + MOORAGE OF \$3132.98 =
\$8292.98 PER YEAR.**



**105' \$525.00 PER MONTH = \$6,300.00
ANNUALLY + MOORAGE OF \$3825.15 =
\$10125.15 PER YEAR.**






REQUIRING PROTECTION AND INDEMNITY (P&I) WILL GENERALLY PROVIDE FOR REMOVAL AND SALVAGE EXPENSES





- 40' COMMERCIAL VESSEL VALUED AT \$300,000 PAYS \$5,000.00 ANNUALLY OR \$416.60 PER MONTH FOR INSURANCE COVERAGE
 - + \$1,457.20 IN MOORAGE
 - = \$6457.20 ANNUALLY
- 40' RECREATIONAL VALUED AT \$150,000 PAYS \$2,000.00 PER YEAR OR \$166.67 PER MONTH FOR INSURANCE COVERAGE
 - + \$1,457.20 IN MOORAGE
 - = \$3457.20 ANNUALLY

IMPACT ON HARBOR FUND

INSURED VESSEL

- PAYS MOORAGE  HARBOR FUND
- PAYS FOR COVERAGE  INSURANCE Co.
- INSURANCE Co. COVERS  SALVAGE
- INSURED PAYING FOR UNINSURED SALVAGE AND DISPOSAL THRU THE HARBOR FUND

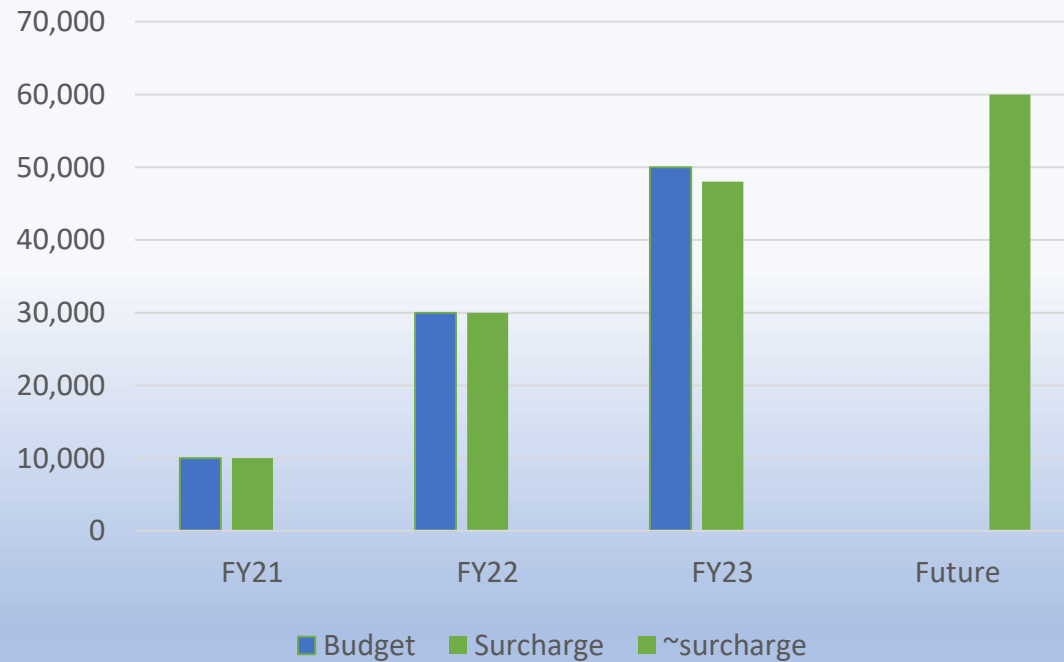
UNINSURED VESSEL

- PAYS MOORAGE  HARBOR FUND
- HARBOR FUND COVERS  SALVAGE
- UNINSURED DRAWING DOWN HARBOR FUND FOR SALVAGE/DISPOSAL COSTS
- SURCHARGE  SINKING FUND
- SINKING FUND PAYS  SALVAGE

SNAPSHOT- 50 40' VESSELS PAYING SURCHARGE @ Item a. \$2.00 PER FOOT, PER MONTH* UNKNOWN NUMBER OF 40' VESSELS THAT ARE NOT INSURED

HARBOR FUND

BUDGETED DISPOSAL COSTS



PROOF OF INSURANCE OR SURCHARGE FOR ALL VESSELS UTILIZING CBW HARBOR FACILITIES FOR 30 CONSECUTIVE DAYS

Item a.



SEWARD HARBORS

7.10.345 - Insurance.

All owners shall provide the City proof of liability insurance covering the vessel and owner's employees, invitees, guests, or passengers. The amount of liability insurance required shall be specified on the moorage agreement covering that vessel. If the vessel carries passengers for hire, owners shall have the City named as an additional insured with waiver of subrogation on any policy of liability insurance.

(Ord. No. 2010-002, § 1(att.), 9-27-2010)

WHITTIER HARBORS

7. The boat owner under a Harbor moorage contract agrees to maintain liability insurance for the vessel, owner, owner's employees, invitees, guests, and passengers covering bodily injury and property damage arising in whole or in part out of the use or operation of the vessel or the insured's activities in Whittier. If the vessel does not carry passengers for hire, the liability insurance coverage shall be in an amount not less than \$300,000 per occurrence. If the vessel carries passengers for hire, the commercial liability insurance shall be in an amount less than \$1,000,000 per occurrence. The City of Whittier shall be named an additional interested party.

KODIAK HARBORS

- Insurance and Seaworthiness. Lessee shall keep the vessel seaworthy and capable of operating under its own power, except for a reasonable time necessary for repairs. If the City believes that a vessel is unseaworthy, Lessee shall provide either proof of adequate insurance coverage or evidence of seaworthiness from a licensed marine surveyor.

JUNEAU HARBORS

- 05 CBJAC 40.035
- Prior to obtaining a moorage assignment.
- The owner of the vessel must provide the Harbormaster with proof of insurance showing, at a minimum, the owners name, information identifying the vessel, and the dates of coverage; or pay a non-refundable moorage surcharge of \$0.25 per month. The funds collected from the moorage surcharge under this regulation will be used to pay for unrecoverable costs attributed to vessel salvage and disposal activities within the harbor system. * **GENERATES ~ \$16,000.00 PER YEAR WHICH IS NOT ENOUGH FUNDING TO SALVAGE A VESSEL > 32'**



THINGS TO CONSIDER

- WOULD THIS BE A REQUIREMENT FOR SKIFF'S?
NOTE: MOST SKIFFS HAVE BEEN ABLE TO BE TAKEN CARE OF IN HOUSE. WE CHARGE LABOR AND EQUIPMENT FEES.
- WOULD THE "SINKING FUND" REIMBURSE THE HARBOR FUND AT SOME POINT FOR PREVIOUS SALVAGE/DISPOSAL EXPENSES?
- CONSEQUENCES FOR REFUSAL?

CITY AND BOROUGH OF WRANGELL, ALASKA

ORDINANCE NO.

A CODE ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING WMC 14.13.025 "IMPOUNDMENT" AND AMENDING WMC 14.13.035 SALE (C) "NO BIDS"

WHEREAS, it has become necessary to update the Wrangell Municipal Code Title 14 to strengthen "Impoundment" and Sale (C) "No Bids" of the Wrangell Port and Harbors; and

WHEREAS, the current Ordinance language does not adequately protect the City and Borough of Wrangell; and

WHEREAS, it is necessary to be able to recoup losses due to the cost associated with disposing and destroying of impounded vessels

WHEREAS it is necessary to have proper language to protect the City and Borough of Wrangell

WHEREAS, it is necessary to make these changes for efficient and equitable administration of the Wrangell Port and Harbors; and

WHEREAS, these changes are of a permanent nature amending the code, an ordinance is appropriate.

NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, that:

WMC 14.13.025 "Impoundment", which currently reads:

In the event the hearing officer determines there is probable cause to impound the vessel, the harbormaster may proceed immediately with impoundment of the vessel. The harbormaster may impound the vessel by immobilizing it, removing it or having it removed from the water and placing it in public or commercial storage with all expenses of haul out and storage and an impound fee, pursuant to the schedule listed in WMC 14.11.005 to be borne by the owner of such vessel. At any time prior to the sale of the vessel, the owner, operator, master or managing agent, or person in lawful possession of the vessel may redeem the vessel by a cash payment of all fees against the vessel, including interest and costs, and by correcting any cause cited for impoundment, as described within this chapter. [Ord. 625 § 5, 1996.]

Shall be amended to read:

In the event the hearing officer determines there is probable cause to impound the vessel, the harbormaster may proceed immediately with impoundment of the vessel. The harbormaster may impound the vessel by immobilizing it, removing it or having it removed from the water and placing it in public or commercial storage with all expenses of haul out and storage and an impound fee, pursuant to the schedule listed in WMC [14.11.005](#) with the owner, master, managing agent, operator, and person in possession of the vessel to be personally, jointly and severally liable for such costs and fees. At any time prior to the sale of the vessel, the owner, operator, master or managing agent, or person in lawful possession of the vessel may redeem the vessel by a cash payment of all fees against the vessel, including interest and costs, and by correcting any cause cited for impoundment, as described within this chapter. [Ord. 625 § 5, 1996.]

And WMC 14.13.035 Sale (C)“No Bids ” shall further be amended, wich currently reads:

C. No Bids. If at the public sale there are no acceptable bids for the vessel, the borough may destroy, sell at a private sale, or otherwise dispose of the vessel per WMC [14.13.040](#). The dispossession is to be made without liability owner, master or managing agent, person in possession of the vessel. [Ord. 871 § 7, 2013; Ord. 625 § 5, 1996.]

Shall be amended to read:

C. No Bids. If at the public sale there are no acceptable bids for the vessel, the borough may destroy, sell at a private sale, or otherwise dispose of the vessel per WMC [14.13.040](#). The dispossession is to be made without liability to the lienholder of the vessel; however, the owner shall be liable for the costs of disposing or destroying the vessel. [Ord. 871 § 7, 2013; Ord. 625 § 5, 1996.]

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF
WRANGELL, ALASKA this _____ day of _____, 202__

CITY & BOROUGH OF WRANGELL, ALASKA

Steve Prysunka, Mayor

ATTEST: _____
Kim Lane, Borough Clerk

CITY & BOROUGH OF WRANGELL, ALASKA PORT AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	03/10/2022
	<u>Agenda Section</u>	6

RESOLUTION No. A CODE ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING WMC 14.13.025 "IMPOUNDMENT" AND AMENDING WMC 14.13.035 SALE (C) "NO BIDS"

<u>SUBMITTED BY:</u>
Steve Miller, Port Director

<u>Reviews/Approvals/Recommendations</u>	
<input type="checkbox"/> XXX	Commission, Board or Committee
Name(s)	Port Commission
Name(s)	
<input type="checkbox"/> XXX	Attorney
<input type="checkbox"/>	Insurance

<u>FISCAL NOTE:</u>		
Expenditure Required:		
FY 20:	FY 22:	FY23:
Amount Budgeted:		
	\$	
Account Number(s):		
Account Name(s):		
Unencumbered Balance(s) (prior to expenditure):		
\$XXXXXXXX		

ATTACHMENTS: 1. Resolution No. xx-xx-xxxx.

This item is being considered under the Consent Agenda. Matters listed under the consent agenda are considered to be routine and will be enacted by one motion and vote. There will be no separate discussion on these items. If the Mayor, and Assembly Member, the Manager or Clerk requests discussion and/or consideration on an item under the Consent Agenda, that item will be removed from the Consent Agenda and will be considered under Unfinished Business.

RECOMMENDATION MOTION (*Consent Agenda Item*):

Move to approve Resolution No. xx-xx-xxxx.

SUMMARY STATEMENT:

The Ports and Harbors recommend these changes in the Ordinance to help with lessening the burden of derelict and impounded vessels on the Harbor and Marine service center budgets. This will give Ports and Harbors one more tool to try and recoup losses associated with the destruction and disposal of these vessel.

14.13.025 Impoundment.

In the event the hearing officer determines there is probable cause to impound the vessel, the harbormaster may proceed immediately with impoundment of the vessel. The harbormaster may impound the vessel by immobilizing it, removing it or having it removed from the water and placing it in public or commercial storage with all expenses of haul out and storage and an impound fee, pursuant to the schedule listed in WMC [14.11.005](#) with the owner, master, managing agent, operator, and person in possession of the vessel to be personally, jointly and severally liable for such costs and fees, ~~to be borne by the owner of such vessel~~. At any time prior to the sale of the vessel, the owner, operator, master or managing agent, or person in lawful possession of the vessel may redeem the vessel by a cash payment of all fees against the vessel, including interest and costs, and by correcting any cause cited for impoundment, as described within this chapter. [Ord. 625 § 5, 1996.]

14.13.030 Notice of impoundment.

A. Contents. Immediately upon impounding a vessel, the harbormaster shall prepare a written notice of impoundment and sale of the vessel. The notice shall contain:

1. The name and/or official number or state registration number of the vessel;
2. The name and address of the owner, if known;
3. Description and location of the vessel;
4. The date, time and place of sale; and
5. The fees, interest, and costs which are due against the vessel and the bidding terms provided by WMC [14.13.035](#).

B. Distribution. The notice of impoundment and sale shall be, at least 30 days before the sale:

1. Mailed by certified mail, return receipt requested, to the last known owner, and to the master, or managing agent, of the vessel and all lienholders of record against the vessel at their last known addresses;
2. Posted on the vessel, at the harbormaster's office, and in the United States Post Office in Wrangell, Alaska; and
3. Published in a newspaper of general circulation in the borough at least once, but not less than five days before the auction sale. [Ord. 871 § 6, 2013; Ord. 625 § 5, 1996.]

14.13.035 Sale.

A. Method of Sale. Sales will be by public outcry auction. Sealed bids will be accepted and will ~~be~~ read aloud at commencement of the sale.

B. Bids. The minimum acceptable bid shall be a sum equal to all fees against the vessel, including interest and costs to be paid in cash at time of sale. The proceeds of such sale shall be applied to the cost of sale, then to interest, then to fees accrued, and the balance, if any, shall be disposed of per WMC [14.13.060](#). Upon sale being made, the borough shall make and deliver its bill of sale, without warranty, conveying the vessel to the buyer per AS [30.30.080](#).

C. No Bids. If at the public sale there are no acceptable bids for the vessel, the borough may destroy, sell at a private sale, or otherwise dispose of the vessel per WMC [14.13.040](#). ~~The dispossession is to be made without liability to the lienholder of the vessel; however the owner shall be liable for the costs of disposing or destroying the vessel.. owner, master or managing agent, person in possession of the vessel, or lienholder of the vessel.~~ [Ord. 871 § 7, 2013; Ord. 625 § 5, 1996.]

14.13.040 When public auction not required.

Public auction is not required when the appraised value of an abandoned vessel, as determined by an independent appraiser, is less than \$100.00. The appraiser must have at least one year of experience in the sale, purchase, or appraisal of vessels. Upon that determination and after public advertisement has been made once in a newspaper of general circulation, the state agency or municipality may sell the vessel by negotiation, dispose of it as junk, donate the vessel to a governmental agency, or destroy it. The owner shall be liable for the costs of disposing or destroying the vessel. [Ord. 871 § 9, 2013.]

14.13.060 Disposition of proceeds.

The authorized seller of the abandoned vessel is entitled to the proceeds of the sale to the extent that compensation is due to the seller for services rendered with respect to the vessel, including reasonable and customary charges for towing, handling, storage, fees, and the cost of notices and advertising required by AS [30.30.130](#). A lienholder shall receive priority of payment from the balance of the proceeds to the extent of the lien. Any remaining balance shall be forwarded to the registered owner of the vessel, if the registered owner can be found. If the registered owner cannot be found, the balance shall be deposited with the commissioner of administration and shall be paid out to the registered owner of the vessel if a proper claim is filed for it within one year from the execution of the sale agreement. If no claim is made within that year, the money shall escheat to the state. [Ord. 871 § 10, 2013.]