CITY OF UNALASKA UNALASKA, ALASKA

RESOLUTION 2018-19

A RESOLUTION OF THE UNALASKA CITY COUNCIL SUPPORTING THE PASSAGE OF SENATE BILL 92

WHEREAS, hundreds of derelict vessels currently litter Alaska's coastline and harbors and these numbers will increase every year unless action is taken to address aging fleets and changing commercial fisheries; and

WHEREAS, in the past two years alone there have been numerous derelict vessel situations that have cost the state, municipalities, and the federal government considerable expense, including two ex-Navy tugs in Adak, abandoned barges in Steamboat Slough near Bethel, the tug Challenger that sunk off Juneau, and the Fishing Vessel Akutan in Captain's Bay in Unalaska; and

WHEREAS, the Alaska Association of Harbormasters and Port Administrators recognizes the widespread costs and the environmental and navigational risks for both municipalities and the state associated with derelict vessels; and

WHEREAS, neighboring states have dramatically strengthened their derelict vessel prevention laws in the past five years to better track, manage, and ultimately prevent derelict vessels, including raising fees to support state management of derelict vessels and requiring vessel insurance; and

WHEREAS, in 1990, the Alaska Legislature passed a resolution acknowledging the need to better understand and address the existing and growing problem of derelict vessels around the state; and

WHEREAS, the State of Alaska's statutes regarding derelict vessels are outdated, which hampers agency enforcement authority, statewide coordination of response, funding or vessel insurance requirements; and the ability to track vessel owners; and

WHEREAS, in 2013 the AAHPA supported the creation of the ad-hoc Derelict Vessel Task Force which includes representatives from state and federal agencies as well as the AAHPA, regional tribal representatives, federal and state legislative offices, and private industry; and

WHEREAS, over nine full-day meetings, the task force developed thoughtful, robust and meaningful proposed changes that will help all stakeholders around the state, including harbor facilities, better address and prevent derelict vessels; and

WHEREAS, this will help our members protect harbor infrastructure, keep valuable moorage space in our harbors available, and prevent environmental and navigational hazards; and

WHEREAS, the proposed changes will improve communication and coordination between Alaska's harbors and state and federal agencies, leading directly to decreased costs associated with managing derelict vessels.

NOW THEREFORE BE IT RESOLVED that the City of Unalaska City Council fully supports the passage by the state legislature of Senate Bill 92.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on February 13, 2018.

Dennis Robinson Vice Mayor

ATTEST:

Acting City Clerk

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members

From: Peggy McLaughlin, Director of Ports & Harbors

Through: Nancy M. Peterson, City Manager

Date: February 13, 2018

Re: A Resolution of the Unalaska City Council supporting the passage of

Senate Bill 92.

SUMMARY: Resolution 2018-19 is a resolution supporting the passage of SB92. SB92 proposes changes to State regulations that would make it easier for communities to deal with abandoned and derelict vessels. Coastal communities have been urged by the Alaska Association of Harbormasters and Port Administrators to issue resolutions of support for SB92 as a way to strengthen Alaska's law. By passing this resolution, the Unalaska City Council will be on record as one of the communities supporting SB92 and calling for change.

<u>PREVIOUS COUNCIL ACTION</u>: Council approved Resolution 2018-04 on January 9, 2018 establishing Legislative Changes to the Derelict Vessel Statutes as a FY19 State Legislative Priority.

BACKGROUND: The Alaska Association of Harbormasters and Port Administrators (AAHPA) requested Resolutions of support for SB92. Sponsored by Senator Micciche, SB92 proposes changes to the Abandoned and Derelict Vessel section of State Statute.

<u>DISCUSSION</u>: In 2014, the Alaska Association of Harbormasters and Port Administrators formed an Abandoned and Derelict Vessel Task Force to begin addressing the problem, and to plan for possible alternatives to prevent or at least slow the influx of these vessels. SB92 is a result of their efforts. This resolution requests the support of the Unalaska City Council for the passage of SB92. The AAHPA will be lobbying for SB92 during the current legislative session.

Unalaska's recent experience with the Akutan drives home the point that coastal Alaskan communities are subject to abandoned and derelict vessels, and no community is exempt. SB92 gives communities across the state the means to address this problem. Included below are background details from the information packet put together by the task force in order to inform communities about the ongoing issues of derelict and abandoned vessels and SB92:

"Hundreds of boats exist abandoned and derelict along Alaska's coasts and rivers, in municipal harbors, and on private and Native shores. Unfortunately, while we will always have this legacy of boats to contend with, the problem continues to grow. Any boat owner knows that a boat is expensive to maintain

and keep on the water. All things, and especially those on the water, need constant attention and care to keep them seaworthy. As a boat ages, it's all too common that it gets passed along to new owners until it is left in the hands of a person least able to deal with it at the end of its useful life.

Nationwide, states have been cracking down on derelict vessel laws. They know that this tide of old boats is increasing. Without action, the public is left liable for these boats when they are left in our harbors, on our fishing grounds, and in the waters in front of our homes and fish camps. In 2014 the ad-hoc Abandoned and Derelict Vessel Task Force formed to learn from other states, understand Alaska's current derelict vessel laws, and examine Alaskan case studies. The group explored jurisdictional boundaries between agencies, found common ground between municipalities and the state, and ultimately decided that a full rewrite of Alaska's outdated derelict vessel statutes was the best way forward.

Senate Bill 92 dramatically improves our state derelict vessel law, and will provide commonsense protections for responsible boat owners, municipalities, the State, and tribes throughout Alaska. In 1990 the legislatures passed HCR 53, requesting the governor study the problem of abandoned vessels and make appropriate recommendations ... for legislation necessary to remedy existing problems and prevent future problems. Almost thirty years later, SB92 is before the legislature to do just that.

Major gains through SB92 include: Increased clarity in definitions of 'derelict' and 'owner' and the full scope of liability of a boat owner, improved due process and notice requirements when impounding boats, a benefit to boat owners and in line with federal admiralty law, increased penalties and enforcement authority for agencies and municipalities working to hold irresponsible owners accountable, streamlined capacity for prevention and management of derelict vessels through the permissive creation of a derelict vessel program at ADNR allowing for more efficient use of staff time and state resources, and increased accountability of ownership through registration and titling of boats similar to motor vehicles – closing the loop that it is currently easier to own a boat in Alaska than a boat trailer (and yet the boat comes with much greater liability to the public).

Responsible boat owners will see a \$2 to \$10 increase per year in registration fees. Each derelict vessel response costs the state tens to hundreds of thousands of dollars, not including staff time. This small increase in individual fees may directly allow for better accountability and enforcement against derelict vessels and those owners who would walk away and leave their problems for the rest of the boating public to deal with.

Derelict vessels exist and continue to be dumped across Alaska's coast and rivers. This is a significant and growing statewide issue. SB92 will help Alaskans take a huge step forward into a more pro-active and engaged position, holding those accountable who walk away from these disasters."

ALTERNATIVES:

- 1) Council may support Resolution 2018-19;
- 2) Council may choose not to support Resolution 2018-19; or
- 3) Council may modify the proposed resolution.

FINANCIAL IMPLICATIONS: None.

LEGAL: None.

STAFF RECOMMENDATION: Staff recommends approval of Resolution 2018-19.

PROPOSED MOTION: I move to adopt Resolution 2018-19.

<u>CITY MANAGER'S COMMENTS</u>: This Resolution supports the Council's FY19 Legislative Priorities adopted on January 9, 2018. I recommend adoption of Resolution 2018-19.