
Sitka Port and Harbors Commission

Meeting Agenda

Wednesday, October 9, 2024, 6:00 PM
Harrigan Centennial Hall

Commission Members:

Andrew Callistini, Jorgen Eliason, Tyler Green,
Justin Peeler, Shauna Thornton, Tamy Stevenson,
Assembly Liaison: Chris Ystad

I. CALL TO ORDER

II. ROLL CALL

III. CORRESPONDENCE

IV. AGENDA CHANGES

V. PERSONS TO BE HEARD

Public participation on any item off the agenda – time limit not to exceed 3 minutes for any individual.

VI. APPROVAL OF MINUTES

A. September 17, 2024

VII. REPORTS

Chair:

Harbor Master:

City Staff:

Assembly Liaison

Other(s)

VIII. UNFINISHED BUSINESS

None.

IX. NEW BUSINESS

B. Passenger Wharfage Fees

C. Vessel Insurance Types

D. Parking Areas

X. SET NEXT MEETING DATE AND AGENDA ITEMS

XI. ADJOURNMENT



Sitka Port and Harbors Commission Minutes

Tuesday, September 17, 2024, 6:00PM
Harrigan Centennial Hall

Port and Harbors Commission Members:

Dave Gordon, Shauna Thornton, Tamy Stevenson,
Tyler Green, Andrew Callistini, Jorgen Eliason, Justin Peeler
Chris Ystad (Assembly Liaison)

I. CALL TO ORDER

Dave Gordon called to order at 6:02 PM

II. ROLL CALL

Present: Shauna Thornton, Tamy Stevenson, Dave Gordon, Jorgen Eliason, Andrew Callistini & Justin Peeler

Absent: Tyler Green

Staff: Harbormaster Stan Eliason, Office Assistant Alicia Soto, Melissa Haley, Finance Director

III. CORRESPONDENCE

None.

IV. AGENDA CHANGES

None.

V. PERSONS TO BE HEARD

None.

VI. APPROVAL OF MINUTES

A. Approval of May 8, 2024, meeting minutes

Motion to approve the minutes as written.

M- Peeler moved to approve the May 8, 2024, meeting minutes S-Eliason

Motion passed unanimously.

VII. REPORTS

1.) Harbormaster – None

2.) City Staff – None

3.) Chair – None

4.) Assembly Liaison –None

5.) Other (s) –None

VIII. UNFINISHED BUSINESS

None.

IX. NEW BUSINESS

B. Port Asset Organization Structure and Harbor Rate Study Project Findings

Dennis Bruce and Captain Jeff Monroe from HDR discussed their analysis of the financial situation of Sitka's harbors. They noted that the majority of the harbors' operating revenue comes from mortgage-related fees, which have been increasing at a rate higher than inflation. They also highlighted that without new revenue streams, mortgage rates would need to continue increasing annually. They compared Sitka's mortgage rates to

other Alaska ports and found that Sitka's rates were higher than average. However, when compared to Washington State ports, Sitka's rates were significantly lower. The team also identified potential revenue opportunities, such as charging for the use of harbor assets, implementing a passenger fee, charging for vehicle parking, and establishing a surcharge for harbor services.

X. SET NEXT MEETING DATE AND AGENDA ITEMS

- **October 9, 2024 at 6:00 PM**
- **Tariff definition**
- **Insurance**
- **Moorage**
- **Passenger Wharfage fees**

M-Stevenson moved to add to a discussion of port asset organization structure and harbor rate study project document and feasibility of a tariff, to the next meeting agenda. S-Peeler

Roll call vote as follows:

Yes- Thornton, Stevenson, Gordon, Eliason, Callistini, and Peeler

Motion passed unanimously.

XI. ADJOURNMENT

Chair a Thornton adjourned the meeting at 7:45 p.m.

Attest: Alicia Soto, Office Assistant

PASSENGER/CRUISESHIP DOCKAGE RATES

LOA	PER FOOT PER DAY
Under 100'	\$0.70
100' - 149'	\$0.70
150' - 199'	\$1.40
200' - 299'	\$1.77
300' - 399'	\$2.35
400' - 499'	\$2.82
500' - 599'	\$3.72
600' - 699'	\$4.27
700' - 969'	\$4.88
970 - 1049'	\$5.58
1050+	\$6.39
Lighters	\$390.00 (flat rate)

(Passenger ships charged 105% of Rates per foot (0-6).
KMC 13.08.100(f))

* PASSENGER WHARFAGE FEES

Passenger ship docking at the city-owned wharf or port facility will be imposed a passenger wharfage fee of \$9.00 per passenger.

Passenger ships that lighter passengers to a wharf or port facility owned by the city or any private entity, will be imposed a passenger wharfage fee of \$6.00 per passenger.

PORT DEVELOPMENT FEES - NOT TAXABLE

(In addition to fees listed above during the period of May 1 through September 30 for Passenger or Cargo Vessels)

LOA	PER FOOT, PER SERVICE
120' - 499'	\$1.97
500' +	\$3.00

30 DAY FLAT RATE

Under 100'	\$ 789.00	Available
100' - 149'	\$1,749.00	from
150' - 199'	\$2,623.00	10/15
200' - 299'	\$4,752.00	thru
300' - 399'	\$8,174.00	04/30

(Payable in advance)

The City Manager may assess promotional fees for certain vessels. (KMC 13.08.101)

CHARTER VESSEL LOADING ZONE PERMIT

\$4.00/foot/month (Seasonal Available at 20%

Discount. Must be current on taxes and interest with COK and KGB)

WATER (PER SERVICE) - NOT TAXABLE

199' or less	\$ 60.00
200' - 299'	\$120.00
300' - 399'	\$180.00
400' - 499'	\$240.00
500' - 599'	\$360.00
600' - 699'	\$480.00
700' - 799'	\$600.00
800' - 899'	\$720.00
900' - 1,100'	\$840.00

(KMC 13.08.180)

PORT ACCESS PASSES - NOT TAXABLE

VEHICLE SIZE	RATE
Service	\$ 45.00 per month
Up to 20'	\$ 45.00 per month
Over 20'-30'	\$ 75.00 per month
Over 30'	\$200.00 per month

(Payable in advance. Seasonal Available at 20% Discount. Must be current on taxes and interest with COK and KGB)


NON-PASSENGER DOCKAGE PER DAY

LOA	DAYS		
	0-6	7-14	15 +
Under 100'	\$0.67	\$0.55	\$0.50
100' - 149'	\$0.67	\$0.55	\$0.50
150' - 199'	\$1.34	\$1.08	\$0.85
200' - 299'	\$1.69	\$1.34	\$1.08
300' - 399'	\$2.21	\$1.77	\$1.38
400' - 499'	\$2.65	\$2.11	\$1.77
500' - 599'	\$3.55	\$2.84	\$2.84
600' - 699'	\$4.07	\$4.07	\$4.07
700' - 969'	\$4.65	\$4.65	\$4.65
970' - 1049'	\$5.32	\$5.32	\$5.32
1050'+	\$6.09	\$6.09	\$6.09

13.10.030 Imposition of passenger wharfage fees.

(a) Beginning April 1, 2021, upon each visit by a passenger ship docking at a city-owned or city-leased port facility, a passenger wharfage fee of \$9.00 per passenger shall be assessed. Beginning April 1, 2024, the passenger wharfage fee assessed by this subsection shall be \$11.00 per passenger. Beginning April 1, 2025, the passenger wharfage fee assessed by this subsection shall be \$13.00 per passenger.

(b) Beginning April 1, 2021, upon each visit by a passenger ship that lighters passengers to or from a wharf or port facility owned or leased by the city or any private entity, a passenger wharfage fee of \$6.00 per passenger shall be assessed. Beginning April 1, 2024, the passenger wharfage fee assessed by this subsection shall be \$8.00 per passenger. Beginning April 1, 2025, the passenger wharfage fee assessed by this subsection shall be \$10.00 per passenger.

 (c) Beginning April 1, 2021, upon each visit by a passenger ship docking at a wharf or port facility owned by a private entity, a passenger wharfage fee of \$6.00 per passenger shall be assessed. Beginning April 1, 2024, the passenger wharfage fee assessed by this subsection shall be \$8.00 per passenger. Beginning April 1, 2025, the passenger wharfage fee assessed by this subsection shall be \$10.00 per passenger. (Ord. 1973 § 1, 2023; Ord. 1902 § 8, 2019; Ord. 1829 § 1, 2016; Ord. 1732 § 1, 2013; Ord. 1688 § 1, 2012; Ord. 1682 § 14, 2011; Ord. 1669 § 1, 2011; Ord. 1555 § 1, 2007; Ord. 1517 § 1, 2005)

13.10.040 Calculation of fees.

(a) The total amount of passenger wharfage fees for each ship shall be calculated based on the passenger manifest upon arrival or departure, whichever is greater, for the ship upon its entry into or departure from any port within the city. Only one passenger wharfage fee shall be assessed per passenger per ship per visit.

(b) Upon entry into or departure from any port within the city, the owner, operator or authorized agent from each ship shall provide the city manager with a passenger manifest.

(c) The city manager shall develop procedures in accordance with KMC 13.10.080 for transmission of the passenger manifest from the owner, operator or authorized agent to the city manager. (Ord. 1682 § 15, 2011)

- **Passenger-for-hire fee.**

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(a)

Definition. The fee assessed to a person conducting commercial charter vessel activities at all facilities managed by the docks and harbors department.

(b)

Relationship to other fees. This fee applies in addition to other fees set out in 05 CBJAC 020, except as follows:

(1)

A person paying moorage fees for reservations moorage at Statter Harbor as set out in 05 CBJAC 25.040 shall not be required to pay this fee;

(2)

A person paying freight use fees as set out in 05 CBJAC 20.070 shall not be required to pay this fee if the passengers are loaded at a launch ramp; and

(3)

A person conducting passenger-for-hire activities at the Douglas Boat Harbor Launch Ramps, North Douglas Launch Ramp, Amalga Harbor Launch Ramp, and Echo Cove Launch Ramp are assessed fees as set out 05 CBJAC 01 in lieu of this fee.

(c)

Requirements. The owner of a vessel must apply to and obtain a permit from the harbormaster in order to conduct passenger-for-hire activities at all facilities managed by the docks and harbors department. Applications are available at any of the docks and harbor department offices or online. The harbormaster is authorized to issue permits with reasonable conditions concerning insurance, operations, and the payment of fees.

(d)

Inspected vessel fees. The harbormaster shall assess permit fees to the owner of a vessel engaged in passenger-for-hire activities that is regulated under Subchapter T and S of 40 CFR 33 as follows:

(1)

Calendar year permit: \$671.39 per vessel plus \$1.94 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity.

(2)

Each calendar year after 2022, a fee equal to the previous year's fee adjusted by the Consumer Price Index - Urban Alaska (CPI) as reported by the Alaska Department of Labor & Workforce Development for the calendar year preceding the start of the seasonal cruise vessel year (April 1 - November 1). The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

(3)

No charge for non-profit use when approved by the harbormaster on a case-by-case basis.

(e)

Uninspected vessel fees. The harbormaster shall assess permit fees to the owner of a vessel engaged in passenger-for-hire activities that is not regulated under Subchapter T and S of 40 CFR 33 (OUPV - operator of uninspected passenger vessels) as follows:

(1)

Calendar year permit: \$202.20 per vessel plus \$1.94 per passenger each calendar day that one or more facilities is used for passenger-for-hire activity.

(2)

Each calendar year after 2022, a fee equal to the previous year's fee adjusted by the Consumer Price Index - Urban Alaska (CPI) as reported by the Alaska Department of Labor & Workforce Development for the calendar year preceding the start of the seasonal cruise vessel year (April 1 - November 1). The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

(3)

No charge for non-profit use when approved by the Harbormaster on a case-by case basis.

(Amended 4-11-2005, eff. 4-19-2005; Amended 12-5-2005, eff. 12-12-2005; Amended 4-24-2006, eff. 5-2-2006; Amended 7-15-2013, eff. 7-23-2013; Amended 4-1-2015, eff. 4-8-2015; Amended 12-13-2021, eff. 12-21-2021; Amended 2-28-2022, eff. 3-9-2022; Amended 10-26-2023, eff. 1-1-2024)

- **05 CBJAC 20.090 - Statter Harbor Bus Lot permit fee.**

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(a)

Definition. The fee assessed to the owner of a vehicle for picking-up and discharging passengers for passenger-for-hire activities at the Statter Harbor Bus Lot.

(b)

Requirements. The owner of a vehicle using the Statter Harbor Bus Lot to pick-up and discharge passengers for passenger-for-hire activities must apply to and obtain a permit from the Harbormaster. Applications are available at any of the Docks and Harbor Department Offices. The Harbormaster is authorized to issue permits with reasonable conditions concerning insurance, operations, and payment of fees.

(c)

Fees. The Harbormaster shall assess permit fees to the owner of a vehicle using the Statter Harbor Bus Lot to pick-up and discharge passengers for passenger-for-hire activities as follows:

(1)

Calendar year permit: \$370.81 per company plus \$18.54 per passenger seat; or

(2)

Once per week permit: \$25.00 per vehicle per calendar day for companies that use the lot to drop-off passengers for passenger-for-hire activities no more than once per week; or

(3)

No charge for non-profit use when approved by the Harbormaster on a case-by-case basis.

(d)

CPI adjustment. The fees assessed in this section will be equal to the previous year's fee and adjusted by the Consumer Price Index - Urban Alaska (CPI) as reported by the Alaska Department of Labor & Workforce Development for the calendar year preceding the start of the calendar year. The Docks and Harbors Board may, by motion, take action to keep the fee the same as the previous year, or increase the fee in an amount less than the CPI adjustment.

(Amended 4-11-2005, eff. 4-19-2005; Amended 4-24-2006, eff. 5-2-2006; Amended 7-15-2013, eff. 7-23-2013; Amended 2-28-2022, eff. 3-9-2022; Amended 11-21-2022, eff. 12-22-2022; Amended 10-26-2023, eff. 1-1-2024)

Another cruise destination, Haines, Alaska, has turned to cruise guests for an influx of revenue to build, repair, and improve port facilities. In this latest case, the town voted to charge each cruise passenger a \$9 revenue fee upon arrival.

The Haines Borough Assembly voted on September 24, 2024 to enact the fee, effective on October 2, 2024. Since the Alaska cruise season has officially ended, the fee will be charged to guests starting with the 2025 season.

The \$9 fee applies to guests onboard ships that dock at Haines as well as ships that anchor in the harbor and tender guests ashore. The cruise line is responsible for collecting and remitting the fees to the local government upon arrival in port.

“These fees aim to offset costs incurred by the Haines Borough in acquiring, operating, leasing, constructing, repairing, improving, and equipping its port facilities,” **the Assembly’s meeting agenda states.**

More generally, the fees will also be used to mitigate “the burden and impacts” that cruise ships and their guests have on the town’s services and infrastructure.

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The fees that Haines will receive from cruise guests are slated to increase over time. A suggestion from town tourism director Rebecca Hylton, and adopted by the Assembly, provides for a hike to \$12 per person in 2027 and to \$13 per person in 2029.

“This approach not only ensures that we remain competitive and fair to both our guests and residents, but also provides cruise lines with the

necessary information to set their pricing for the coming years,” **Rebecca Hylton, Haines tourism director, said in a statement to the Assembly.**

“By securing predictable revenue through these adjustments, we can ensure the long-term sustainability and enhancement of our port facilities, while aligning more closely with the fees charged by other Southeast Alaska ports,” **added Hylton.**

Haines, a popular port about 100 miles north of Juneau, the state capital, is situated on the Chilkoot Inlet, in Alaska’s Inside Passage. Guests on ships calling at Haines often visit the Chilkat Bald Eagle Preserve and take excursions to the Chilkoot River, known for bear sightings thanks to its active salmon run.

While 2024 statistics are not yet available, the port welcomed 97 cruise ship calls in 2023, representing about 68,000 cruise guests. It was a decline from the totals in 2022, when 78,000 guests arrived, but still higher than the pre-pandemic arrivals number of 54,000.

Carnival Cruise Ship in Haines, Alaska (Photo Credit: Ken Schulze)

Cruise ships from virtually every major line called at the port in 2024, including such notable ships as Cunard’s *Queen Elizabeth*, Royal Caribbean’s *Brilliance of the Seas*, and Norwegian Cruise Line’s *Norwegian Sun* in June

Several luxury ships also called, such as Seabourn’s *Seabourn Odyssey*, Silversea Cruises’ *Silver Muse*, and Ponant’s *Le Soleal*, during the course of the season.


Haines is not alone among Alaska ports looking to earn extra revenue from cruise arrivals. Juneau collects an \$8 per cruise passenger fee, and recently took steps to lessen the impact of cruise ship arrivals in the city.

Earlier this year, it reached an agreement with the Cruise Lines International Association to **set daily debarkation limits** of 16,000 guests and a lower limit of 12,000 on Saturdays.

Besides Alaska, several popular cruise destinations around the world have enacted cruise arrival fees as the industry has grown.

In Greece, for example, cruise arrivals to Santorini and Mykonos starting in 2025 will pay a €20 (approximately \$22) fee. The revenue will be used to mitigate the effects of cruise passengers on the local infrastructure.

Amsterdam, in 2024, raised its cruise guest fee to €11 (about \$12 USD). The city had been charging €8. Amsterdam also hiked its tourist tax on hotel stays, which impacts cruisers who visit the destination for pre- or post-cruise stays. The fee is currently 12.5%.

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- Over-the-road fees for cargo entering the terminal not conveyed over wharves
 - Equipment hire - per hour
 - Gangways - per day
 - Search and Rescue fees
 - Ground vehicles - per unit per hour by type
 - Vendor services - annual or temporary licenses
 - Utilities - electrical per kilowatt hour plus administrative fee
 - Water - per ton or gallon
 - Sewage - per ton or gallon
 - Hookup fees - per man hour, straight or overtime, plus benefits and management
 - Labor
 - Administrative fees

4.3.2 Port Insurance

Ports and port facilities have two areas of insurance related to normal operations. They consist of insurance for commercial activities, which includes cargo and fishing vessels, excursion, and boat rentals, and insurance for recreational activities. In either case, the burden for insurance is never on the port but on the user of port facilities. To protect the port, all users should provide the port with copies of insurance certificates and, if necessary, policy summaries to ensure that the user has adequate coverage in all areas. This should be a standard for all vessel owners. If necessary, the port may ask to be named as co-insured or additionally insured for unique operations such as fueling activities. The insurance policies may be all-encompassing with riders attached, but in general should include the coverage as listed in each category below. In addition to the vessel operator, the port and terminal should carry their own coverage for their own protection.

Insurance as stated is the responsibility of the vessel owner or operator. In no case, if proof of insurance is not provided, should a vessel be permitted to dock at CBS Harbors facilities. The policies are for specific terms.

Included in the insurance tariff should be provisions to protect the port that apply to all categories of vessels. These would include:

- Rates, charges, rules/regulations, and the services offered or provided by the Port **do not include insurance of any kind.**

- The terminal reserves the right to **request insurance certificates** for operators in the port or on the terminal to confirm they have the required levels.
- The port or the terminal can specify additional or co-insurance and be named as additionally or co-insured for operations or terminal users.
- Certificates of insurance shall be provided at the beginning of the term of the insurance policy, and new certificates shall be provided when insurance coverage is altered or renewed.
- The port or terminal **MUST** be notified if at any time the insurance lapses, and the port or terminal reserves the right to order a vessel to vacate any of the port's facilities for failure to maintain insurance coverage.

RECREATIONAL INSURANCE

Recreational vessels can be additionally problematic given the wide range of types of boats and owners. Recreational vessels are specifically defined as vessels owned or operated by a single user for the benefit of that owner or operator as utilized for personal recreational activities.

An owner or operator should be required to keep a vessel seaworthy and capable of being moved by operating under its own power. If a vessel is undergoing repairs, specific periods should be provided for such vessel to be repaired by the port. If the port believes that a vessel is unseaworthy, a report of same is received by another operator, or if it is determined through inspection by the port, the owner or operator must provide evidence of seaworthiness from a licensed marine surveyor. When a vessel is undergoing repairs, the vessel owner shall keep the port informed as to the status of the work being undertaken.


Overall, recreational vessels should carry each of the following insurances based on size and type of vessel: general liability insurance, pollution coverage, and wreck removal coverage.

VESSELS FOR HIRE INSURANCE

Vessels for hire include vessels that are leased for use by third parties or that provide passenger services or excursion activities. These include vessels that provide passenger hire services, tours, ferries, vessels for lease, or similar operations. The owner or operator who leases a port berth must maintain liability insurance for the vessel owner, owner's employees, invitees, guests, and passengers covering bodily injury and property damage related to the vessel's operations or business activities.

These operators should have each of the following types of insurance:

- Liability insurance including Hull Protection and Indemnity
- General liability insurance
- Professional liability insurance for a recreational boat rental business
- Product liability insurance

- 
- Commercial insurance
 - Commercial vehicle insurance for the recreational boat rental business
 - Tools and equipment insurance
 - Commercial property insurance
 - Temporary insurance by month, week, or day for the recreational boat rental business
 - Business Owner's Policy (BOP) for the recreational boat rental business
 - Workers' Compensation insurance for recreational boat rental business employees
 - Wreck removal coverage
 - Pollution coverage

COMMERCIAL VESSEL ACTIVITIES INSURANCE

This category of insurance is related to vessels that handle cargo or fish product. These operators should have each of the following types of insurance:

- Liability insurance including Hull Protection and Indemnity
- General liability insurance
- Professional liability insurance for commercial activities for type of operations
- Product liability insurance
- Commercial insurance
- Tools and equipment insurance
- Commercial property insurance
- BOP for the commercial operation
- Workers' Compensation insurance for vessel employees (supplemental to Jones Act requirements for U.S. flag cargo or passenger vessels)
- Wreck removal coverage
- Pollution coverage
- Hazmat and Dangerous Cargo coverage

PORT AND TERMINAL INSURANCE

These types of insurance cover Terminal/Port operational liability for Care/Custody/Control of Cargo (CCC) and for liability associated with fishing activities. These are carried by the port or terminal for their protection. These types of insurance include:

- Wharfinger (General Commercial Liability), which affords coverage to a wharf or pier owner and covers exposures encountered during business
- CCC coverage for the damage to vessels and the vessels' cargo while moored at the facility
- Property and Equipment Policy
- Warehouse Legal Liability for cargo not in transit but in longer-term storage
- Terminal Operator's Legal Liability
- Pollution Coverage Insurance

COVERAGE RATES

All insurance coverage is based on the type of vessel, category of operations, vessel size, crewing, and potential risk associated with those operations. General liability is the one level that is consistent with most insurances. Coverage rates are as follows:

- **Recreational:** At a minimum, coverage for property damage related to vessel mooring or operations should be at least \$500,000 per occurrence for recreational vessels. Other levels are based on size and type of vessel.
- **Vessels for hire:** If a vessel carries passengers for hire or is engaged in similar for-hire services, the general liability insurance should be in an amount not less than \$1,000,000 per occurrence. Other levels are based on the vessel size and type.
- **Commercial vessels:** If a vessel is engaged in commercial cargo operations or fishing activities, the general liability insurance should be in an amount not less than \$1,000,000 per occurrence. Other levels are based on the vessel size and type as well as the type of commodity handled. Hazmat and dangerous cargoes should have separate riders and the port and terminal co-insured.
- **Port and terminal insurance:** The port and its terminal should carry coverage based on its size, type of activities, potential risk, and other areas as previously mentioned. General liability is normally a minimum of \$1,000,000 per occurrence but may be higher based on the level of activity at the port's facilities. All other levels are based on what is being insured. CBS's insurance provider will indicate appropriate levels for the Port's activities and property.

MINIMUM INSURANCE REQUIREMENTS – CBS MARINE FACILITIES

The primary reason for insurances related to marine operations is to minimize the risks associated with the unique operations related to port facilities. Most port operators have a base standard of insurances they arrange for annually to cover general port facility operations. If the port has unique operations, such as handling hazardous or explosive cargoes, then additional and specialized insurances would be required. In general, Sitka's insurance portfolio should cover each of the following at a minimum for its port properties:

- **Wharfinger Insurance:** Wharfinger legal liability coverage is a type of marine insurance that affords coverage to a wharf or pier owner-operator for the liability exposures encountered during normal business. The policy provides care, custody, and control coverage to the owner-operator for the damage to vessels and the vessels' cargo while moored at the owner-operator's facility for which the owner-operator is legally liable.
- **Terminal Property Insurance:** Marine insurance covers damage by a covered peril to movable property like tools, equipment, and building materials. It also covers high-value items that are not adequately insured (or are not covered at all) under your commercial property or business liability policy. With the port's barge used as the handling area, this should be noted in the property insurance coverage and specified for damage that could arise on the barge and associated property. If CBS goes into any warehousing activity, then a warehouse liability policy would be added to general property insurance which covers the warehouse and the contents.
- **Pollution Liability Insurance:** The pollution legal liability insurance policy provides coverage for clean-up costs, bodily injury, property damage (including natural resource damage) and legal expenses for new and/or historical pollution conditions on, at, under, or migrating from or through a covered location or an indoor contaminant condition at a marine facility or from a vessel. This affords protection to the facility should a pollutant be allowed to enter the marine environment. The US Coast Guard and other federal and state agencies will require the cleanup of the pollutant, e.g., oil or chemicals, by those causing the pollution. In some cases, vessels will abandon barrels of oil or fuel, and these may enter the waterway without the knowledge of the port and the persons responsible cannot be located.
- **Wreck Removal:** This policy can be linked to the property policy if the submerged lands and berths are owned or managed by Sika. It is carried to ensure that if a vessel is abandoned and the owner not located or covered by their own insurance. It provides the financial assistance needed for wreck removal and potential pollution and may be tied to the property insurance. This insurance level is determined by the port's wreck removal and abandonment history. It is the best way to mitigate what could be a substantial cost, however it should be required that all parties leasing berth space carry this insurance.

In general, the insurances required for marine activities can differ from general liability and property protection carried by a municipality. CBS should work with their insurance providers to

ensure the unique nature of the port's activities and facilities are covered under existing policies and costs built into the port's lease rates and berthing fees.

MINIMUM REQUIREMENTS - VESSELS USING CBS PORT FACILITIES

The obligation for carrying insurance for all types of vessels is the responsibility of the vessel owner and operator, not the port. While communities have often assumed responsibility for such things as abandoned vessels, it is the responsibility of the port to ensure that the vessel carries the insurance necessary to protect their activities as well as the port's property. In the case of accidents or pollution, the vessel is required to ensure the port is made whole and short- or long-term damage mitigated, and facilities restored to their pre incident condition. Each vessel should provide to the port a valid insurance certificate with the coverage specifically noted and the levels of coverage available. As deemed appropriate for some activities, such as handling fuels, passengers or hazmat material, the port should be named or additionally insured in the vessel's insurance certificate. These certificates should be provided when the mooring arrangement is made and the requirement for the certificates to be provided is contained in the port tariff. No vessel should be allowed to berth on a rental, leasehold, or regular use basis without providing these certificates. For transient berthing, less than a few hours, this should be left to the discretion of the port manager based on any regular use.

Vessel insurance is based on the size and type of vessel and is the obligation of the vessel owner/operator, paid for by them. These include fire and legal liability, hull protection and indemnity, pollution coverage, liability for special operations such as passenger handling or fueling, and wreck removal.

Levels of insurance coverage should be recommended by CBS' insurance provider and is based on costs incurred for the average number of incidents annually and is established by vessel type, regardless of size. In every situation, it is the obligation of the port's users, not CBS to incur costs that are related to vessels using port facilities.

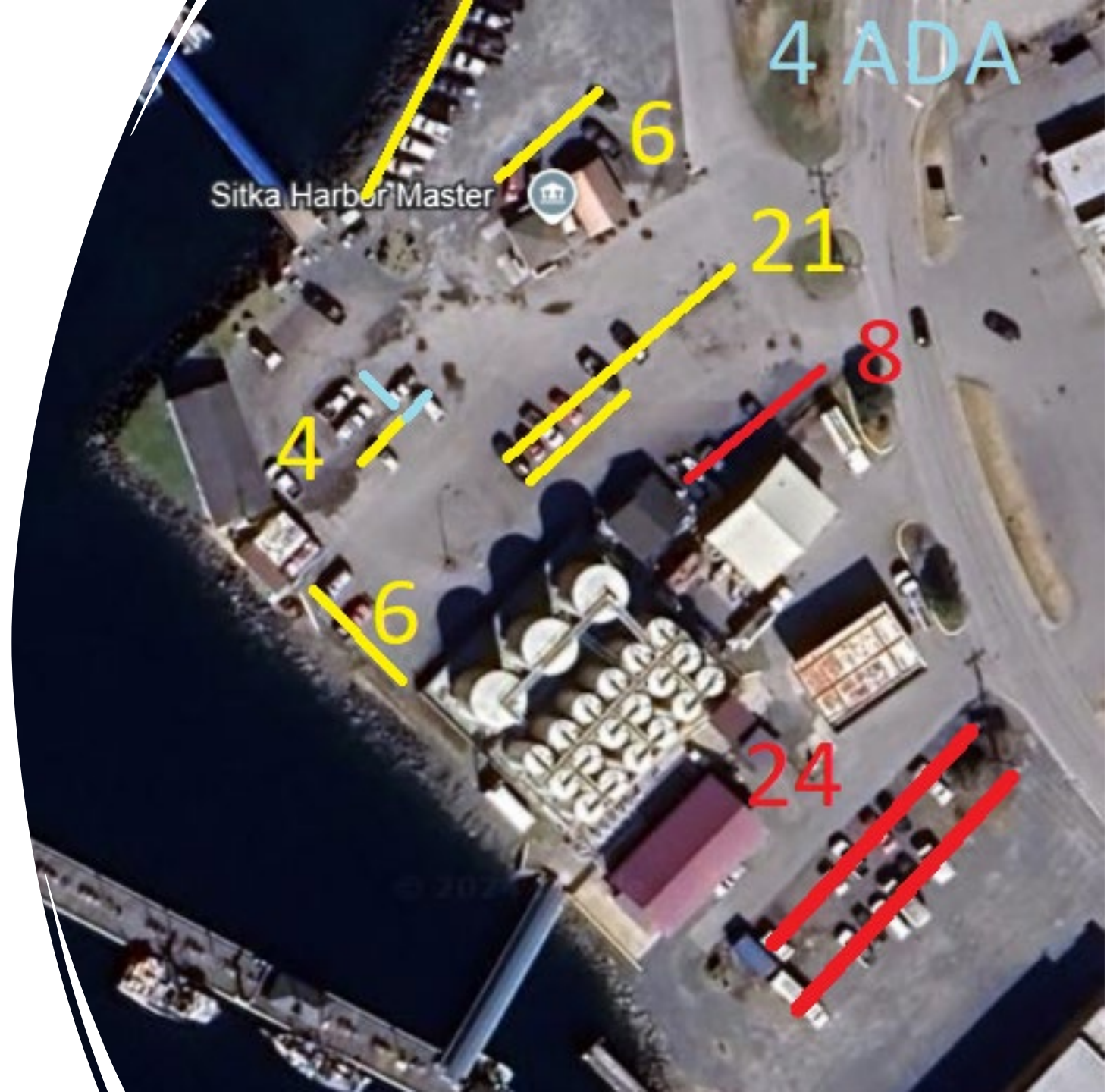
IMPLEMENTATION

Since the CBS fiscal year begins July 1, the recommendation is that the insurance requirements be approved and instituted on a Calendar Year basis beginning January 1, 2025. It is not recommended they be phased in but established and implemented with notification given to all current and potential users. The requirements should also be included in the Port's tariff and approved by the CBS Assembly. Normally, 30-45 days is a common notification period before implementation.

It should be noted that owning and operating a vessel is little different than owning and operating a private or commercial vehicle. Insurance coverage is a standard practice in the cost of doing business or owning a private recreational vessel. CBS should not bear the burden of incidents, accidents, or abandonment. Requirements should be posted and adjusted annually as required in the port's tariff and not berthing should be allowed if the vessel owner or operator does not provide the required proof of insurance when arranging for berthing. In addition, if the port maintains offshore mooring, the requirements should be the same.

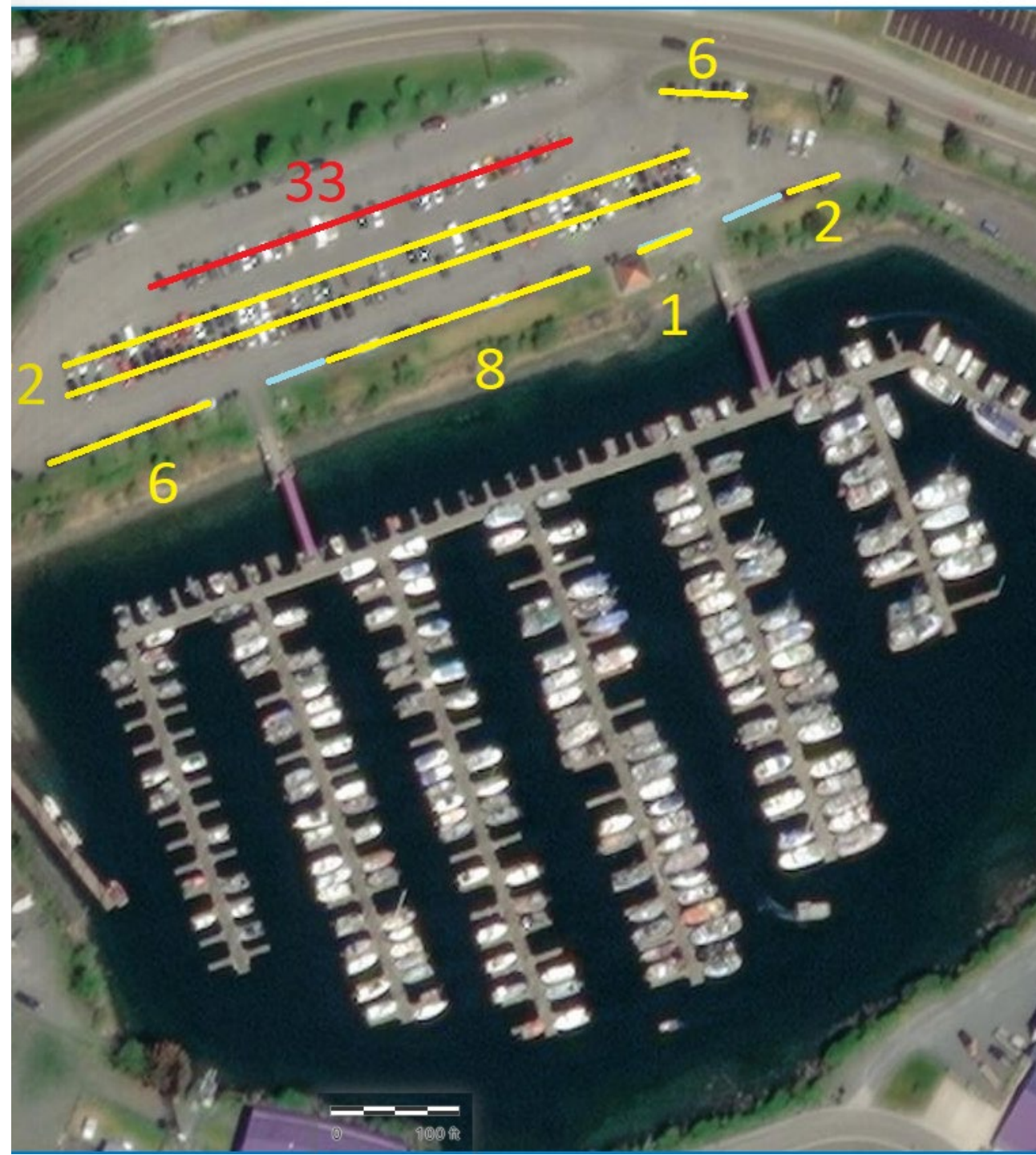
Thomsen Harbor and Port Parking

- THOMSEN 55 – 72 HR STALLS
- 8 - STALLS FOR 10 DAYS
- 4 - ADA STALLS
- PORT PARKING LOT
- 24 - STALLS FOR 10 DAYS



SEALING COVE

- 95 - 7 HR PARKING STALLS
- 33 - 10 DAY STALLS
- 4 - ADA





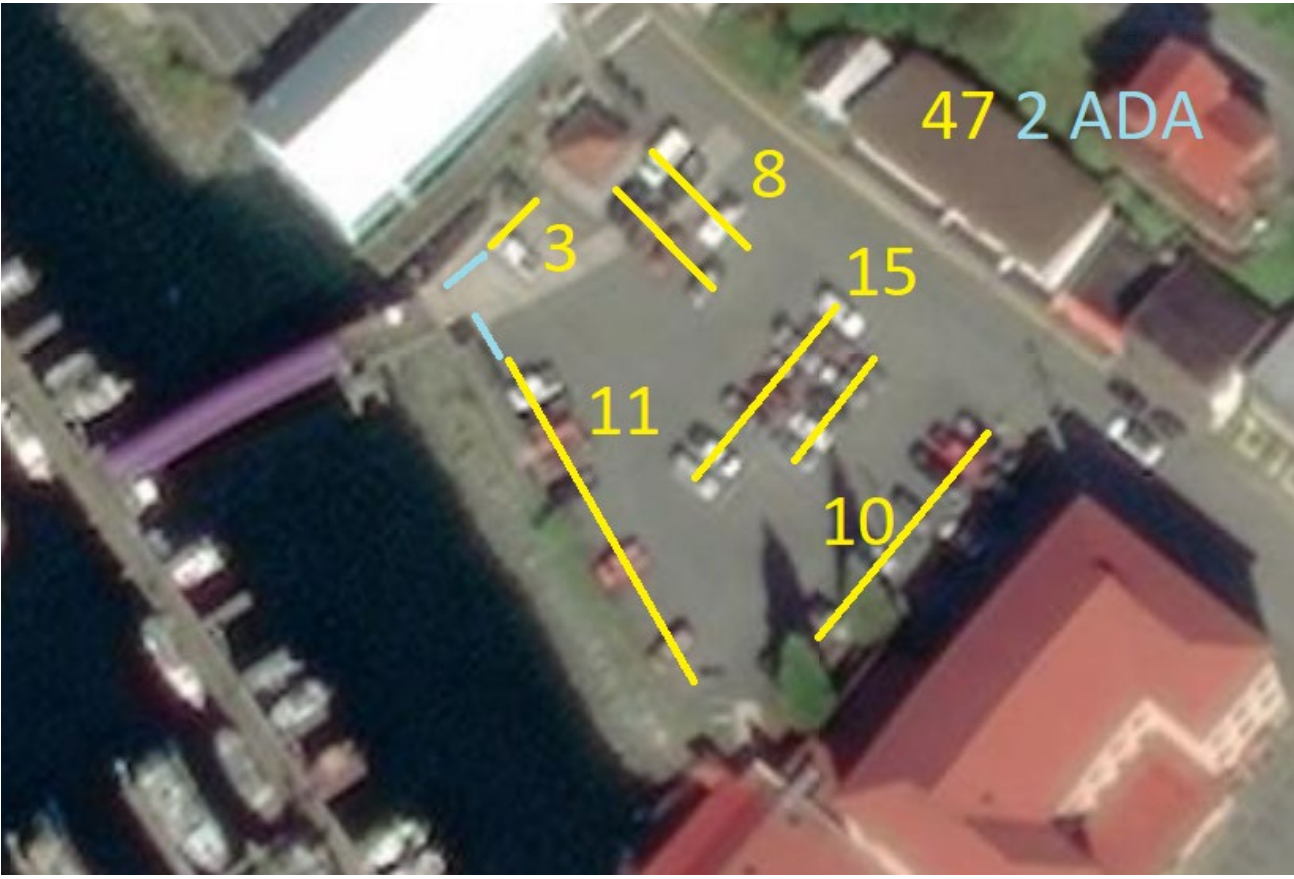
Eliason Harbor

- 5 - ADA
- 108 – 72 hr
- 37 – 10 day

ANB Harbor

47 - 72 HR

2 - ADA



Multi Use

- 123 - 72 HR
- 4 - ADA
- 13 - No overnight

