



City Manager
334 Front Street
Ketchikan, AK 99901

Phone (907) 228-5603
Fax (907) 225-5075

TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Lacey G. Simpson, Acting City Manager

DATE: September 8, 2022

RE: **Approving Three-Year Memorandum of Agreement for Berth III Off-Season Berthing – The State of Alaska, Department of Transportation & Public Facilities, Alaska Marine Highway System**

The motion detailed below was prepared at the request of Port & Harbors Director Darryl Verfaillie, who asked that it be placed before the City Council for consideration at its meeting of September 15, 2022. If adopted, the motion provides for approving a three-year Memorandum of Agreement between the City of Ketchikan and the Alaska Marine Highway System for Berth III off-season berthing. The terms and conditions of the agreement are detailed in Mr. Verfaillie's transmittal memorandum and require no elaboration on the part of the City Manager's office. I concur with the Port & Harbors Director's recommendation.

The Port & Harbors Director will be attending the meeting of September 15, 2022, in order to address any questions and/or concerns that Councilmembers may have.

A motion has been prepared for City Council consideration.

RECOMMENDATION

It is recommended that the City Council adopt the motion approving the three-year Memorandum of Agreement between the City of Ketchikan and the State of Alaska, Department of Transportation & Public Facilities, Alaska Marine Highway System for Berth III off-season berthing and directing the Acting City Manager and Port & Harbors Director to execute the agreement on behalf of the City Council.

Recommended Motion: I move the City Council approve the three-year Memorandum of Agreement between the City of Ketchikan and the State of Alaska, Department of Transportation & Public Facilities, Alaska Marine Highway System for Berth III off-season berthing and direct the Acting City Manager and Port & Harbors Director to execute the agreement on behalf of the City Council.



**2933 Tongass Avenue
Ketchikan, Alaska 99901
Phone (907) 228-5632
Fax (907) 247-3610**

MEMORANDUM

To: Lacey Simpson, Acting City Manager
From: Darryl Verfaillie, Port & Harbors Director
Cc: Craig Bisson, Port Operations Coordinator
Date: September 2, 2022
Re: **ALASKA MARINE HIGHWAY SYSTEM (AMHS) 2022-2025 WINTER LAYUP AGREEMENT**

Attached is a draft moorage agreement, which would set the terms for winter layup of AMHS ferries at Berth III for the next three (3) years. The agreement mirrors the previous four (4) agreements which had been in effect from 2010-2013, 2013-2016, 2016-2019 and 2019-2022 respectively. Highlights are as follows:

- All rates are based on the off-season port rates for stays of fifteen (15) days or more for non-passenger vessels.
- There is a clause stating that if the port rates change then their rates would be based on the new rates.
- Although all nine (9) existing ferries are covered under the agreement, it would be highly unlikely that more than one ferry would be able to moor to the Berth III barge at any one time due to the length of the vessels, the location of the power shore ties and the maximum of 600 total amps of available power.
- Either the City or AMHS may terminate the agreement with ninety (90) days written notice.

There is currently an AMHS vessel scheduled for 2022 winter layup on Berth III.

I recommend that the City Council authorize the Acting City Manager and the Port and Harbors Director to sign the 2022-2025 winter layup agreement.

Recommended Motion: I move that the City Council approve the three-year Memorandum of Agreement between the City of Ketchikan and the Alaska Marine Highway System for Berth III off-season berthing and direct the Acting City Manager and Port & Harbors Director to execute the agreement on behalf of the City Council.

Attachments:
MOA No. 2523S021

As-Needed Vessel Moorage – Ketchikan City Berth III

Memorandum of Agreement

No. 2523S021

Between

The State of Alaska,

Department of Transportation & Public Facilities,

Alaska Marine Highway System

And

City of Ketchikan

This agreement for off season berthing is entered into, by and between the Parties identified immediately below:

State of Alaska (the “State” or the “AMHS”)
Department of Transportation & Public Facilities
Alaska Marine Highway System
7559 N. Tongass Highway
Ketchikan, Alaska 99901

And

City of Ketchikan (the “City”)
334 Front Street
Ketchikan, AK 99901

TERM

The approximate term of this as-needed agreement is for three years, from date of final execution through August 31, 2025. This agreement may be terminated by either the City or AMHS with a ninety (90) day written notice.

PURPOSE

The purpose of this agreement is to define the services and requirements for off-season berthing of AMHS vessels at City Berth III.

The State desires to ensure maximum feasible protection for its vessels from physical damage and degradation during the berthing period.

VESSEL CHARACTERISTICS

Aurora	
Overall Length	235.0 Feet
Beam	57 Feet
Draft	14 Feet
Displacement Tonnage	2,132 Long Tons
Columbia	
Overall Length	418 Feet
Beam	85 Feet
Draft	17.6 Feet
Displacement Tonnage	7,683 Long Tons
Hubbard	
Overall Length	280 Feet
Beam	67 Feet
Draft	12.6 Feet
Displacement Tonnage	2,000 Long Tons
Kennicott	
Overall Length	382 Feet
Beam	85 Feet
Draft	17.6 Feet
Displacement Tonnage	7,503 Long Tons
LeConte	
Overall length	235 Feet
Beam	57 Feet
Draft	14 Feet
Displacement Tonnage	2,132 Long Tons
Lituya	
Overall Length	181 Feet
Beam	50 Feet
Draft	10.6 Feet
Displacement Tonnage	647 Long Tons
Matanuska	
Overall Length	480 Feet
Beam	74 Feet

Draft	17 Feet
Displacement Tonnage	5,568 Long Tons
Tazlina	
Overall Length	280 Feet
Beam	67 Feet
Draft	12.6 Feet
Displacement Tonnage	2,100 Long Tons
Tustumena	
Overall Length	296 Feet
Beam	59 Feet
Draft	14.5 Feet
Displacement Tonnage	3,067 Long Tons

AGREEMENT

The City of Ketchikan will provide AMHS a mooring facility at City Berth III during the off-season.

The AMHS will contract with local stevedoring services for a gangway that is adequately sized, self-adjusting, lighted and certified for foot traffic, including line-handling services for vessel arrivals and departures.

The AMHS will provide and manage an adequate vessel marine fender system between the dock and vessel for the term of this agreement, including installation on arrival and removal on departure.

The AMHS will be responsible for the safety of its vessel 24-hours a day, 7-days a week while moored at City Berth III. The intent of these safety measures are, but not limited to:

- Prevent the general public and unauthorized personnel gaining entry to the vessel at any time.
- Allow AMHS crew and emergency services to immediately access the vessel.
- Record all crew, contractor, visitor, and vehicle access to the vessel and berthing facility; the access log will be maintained by AMHS personnel.
- Provide snow plowing and removal activities in a timely manner during inclement weather conditions for the purpose of emergency service vehicle access and AMHS crew access from the gate to the vessel.

The City will furnish 480 volt, 600 amp, 3 phase, A.C. electrical power to shore power box(s) with one installed meter to monitor electrical usage by the vessel. AMHS will be responsible for payment of metered electrical usage to the City on a monthly basis with the charges provided as a separate line item on the monthly invoice for moorage. AMHS will be responsible for arranging the connection and disconnection of electrical services.

The City shall ensure that fire fighting water supply is available at all times to ensure the vessel's fixed fire extinguishing systems are ready for immediate use, and provide two (2) charged fire mains with water @ min 80 lb/in², 4" line connected to the vessel's fire main and sprinkler system shore

connections. The connection valve between shore and vessel shall remain dry with the valve closed at the shore hydrant, unless fire fighting water is required aboard the vessel. The City will arrange for connection and disconnection of water services.

The City shall provide Fire, Emergency and Medical services to the vessel. It is understood that the City of Ketchikan Fire Department will provide this service. A 'fee for service' shall form the basis of billing for the emergency services. These costs shall be billed to AMHS at cost (no markup) on a monthly basis.

A planning conference and walk-through with City of Ketchikan Port & Harbors department and City Fire department representatives and vessels' crew shall occur within one week of a vessels' arrival at City Berth III. Incident pre-planning and response scenarios shall be part of this meeting.

During the initial berthing period, AMHS will maintain a partial crew onboard that will engage in maintenance activities and preparations for winter lay-up. AMHS personnel will remove all food and linens, cover exhaust stacks, drain freezable liquids from various systems, and perform other housekeeping activities. At its discretion, AMHS may assign additional crew members or outside contractors to accomplish specific tasks. AMHS will furnish a list of assigned employees and contractors to the City. Also, AMHS and the City will exchange the identity and contact information of respective representative(s) who are accessible at all times in the event an emergency should arise.

Near the end of the berthing period, as advised by AMHS, vessel crew will report onboard to start-up electrical, heating, and other normal services. This phase of the lay-up period will initially involve non-resident crew, progressing to crew living aboard as hotel services are re-established, and the vessel will eventually generate its own power. City will provide AMHS with designated parking for approximately 12 vehicles on or near the concrete dock adjacent to the ramp leading to City Berth III. Requests for additional parking will be handled on a case by case basis depending on the number of spaces requested, time of year and availability of adequate spaces.

INDEMNITY AND INSURANCE

Article 1. Indemnification

The City shall indemnify, hold harmless, and defend the State from and against any claim of, or liability for error, omission or negligent act of the City under this agreement. The City shall not be required to indemnify the State for a claim of, or liability for, the independent negligence of the State. If there is a claim of, or liability for, the joint negligent error or omission of the City and the independent negligence of the Contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "City" and "Contracting agency", as used within this and the following article, include the employees, agents and other Contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the Contracting agency's selection, administration, monitoring, or controlling of the City and in approving or accepting the City's work.

Article 2. Insurance

Without limiting City's indemnification, it is agreed that City shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the City's policy contains higher limits, the state shall be entitled to coverage to the

extent of such higher limits. Certificates of Insurance must be furnished to the Contracting Officer prior to beginning work and must provide for a 30-day prior notice of cancellation, nonrenewal or material change of conditions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the City's services. All insurance policies shall comply with, and be issued by insurers licensed to transact the business of insurance under AS 21.

2.1 Workers' Compensation Insurance: The City shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. The policy must waive subrogation against the State.

2.2 Commercial General Liability Insurance: covering all business premises and operations used by the City in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.

2.3 Commercial Automobile Liability Insurance: covering all vehicles used by the City in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.

RATE SCHEDULE and PAYMENT

It is mutually agreed and understood by and between the parties that AMHS shall compensate the City for moorage at Berth III in accordance with the rate schedule established in the City of Ketchikan Municipal Code and in effect at the time of moorage for non-passenger vessels staying 15 days or longer. As of August, 2022, the respective rates for each vessel for the remainder of 2022 are expected to be the following:

Vessel	Rate per Day	Vessel	Rate Per Day
Aurora	\$131.60	Lituya	\$79.64
Columbia	\$384.56	Matanuska	\$375.36
Hubbard	\$56.80	Tazlina	\$156.80
Kennicott	\$275.04	Tustumena	\$165.76
LeConte	\$131.60		

BILLING

Billing shall be on a monthly basis with invoices being sent to the following:

Email: dot.amhs.kco.accting@alaska.gov

POINTS OF CONTACT

The following officials are designated to act for the City of Ketchikan and the State.

For the City of Ketchikan:	Lacey Simpson Acting City Manager Phone: (907) 228-5603 Darryl Verfaillie Director, Port & Harbors Phone: (907) 228-6049, Cell: (907) 617-3680 Email: darrylv@City.Ketchikan.Ak.Us
For the State:	John Falvey AMHS, General Manager Phone: (907) 228-7250 Cisco Flores AMHS, Marine Engineering Manager Phone: (907) 225-7285, Cell: (907) 254-2905 Tom Mayer DOT&PF, Procurement Specialist 5 Phone: (907) 465-8855 Email: tom.mayer@alaska.gov

The parties hereto execute this Agreement:

Lacey Simpson
City of Ketchikan, Acting City Manager

Date

Darryl Verfaillie
City of Ketchikan, Port & Harbors, Director

Date

Cisco Flores
AMHS Marine Engineering Manager

Date

Tom Mayer
DOT&PF, Procurement Specialist

Date