



San Juan Marine Resources Committee Recommendations for Managing Derelict Vessels in San Juan County November 11, 2010

Introduction

Derelict and abandoned vessels are a problem in the waters of Washington State, including the San Juan Islands. They pose hazards to navigation, detract from aesthetics and are a significant source of marine debris as well as hazardous materials in marine waters and along beaches when they sink. Removing and disposing of derelict vessels before they sink saves money and prevents environmental damage. According to Terry Whalen of A1-Marine, five boats were removed from San Juan waters just within the past 12 months. This is a growing problem in the state. As a result of the economic downturn, more derelict vessels are turning up as people neglect or abandon boats they cannot afford to maintain. The state estimates there are more than 200 abandoned boats in Washington waters, but actual numbers could be much higher.

State Derelict Vessel Removal Program

Legislation (RCW 79.100) was passed to provide local public entities with the tools and funding to deal with derelict vessels. The State Department of Natural Resources manages the program. Since 2003 the Derelict Vessel Removal Program has provided funding and guidance to help Authorized Public Entities in the removal and disposal of derelict vessels. Funding comes from vessel registration fees. An Authorized Public Entity can be the Department of Natural Resources; the Department of Fish and Wildlife; the Parks and Recreation Commission; a metropolitan park district; a port district; and any city, town or county with ownership, management or jurisdiction over the aquatic lands in the state where an abandoned or derelict vessel is located.

Authorized Public Entities are reimbursed by the Department of Natural Resources for authorized expenditures up to ninety percent (90%) of administrative, removal, disposal, and environmental damage costs for the removal and disposal of derelict vessels when the last owners is either unknown after a reasonable search effort or is insolvent. The remaining 10% of costs can be in the form of "in-kind" services.

If a city, county or port cannot or will not assume responsibility for vessel removal, DNR can use its own assets or contract with other entities to remove and dispose of derelict or abandoned vessels. However, without a local partner, derelict boats often sink before they can be removed.

Derelict Vessel Removal Program in San Juan County

San Juan County was the Authorized Public Entity for derelict vessels from 2005 to 2008. The program was originally managed by Public Works and was transferred to Health and Community Services (H&CS) when the staff that managed the program retired. H&CS recommended that the County Council discontinue the program as the county struggled with budget shortfalls for 2009. The program was discontinued because of the following problems:

- Collections required for reimbursement from DNR became more difficult to manage.
- Administrative costs may not be fully reimbursed, especially if lengthy collection from vessel owners is required or if complex and hazardous vessel removal and disposal are required. County Administrator Pete Rose estimates that administration of the program would require 4 to 10 hours/week of staff time, costing \$10,000 - \$20,000 per year. The Auditor reported that the net loss to the county from the program in 2007 and 2008 was about \$100 per year.
- The county was required to carry costs before reimbursements were made.

MRC Recommendations

The MRC recommendations listed below were submitted to the County Council in April 2010. They were based on the information we learned from individuals who have experience with the regional and San Juan operation of the Derelict Vessel Removal Program. We met with Pete Rose, John Manning, Terry Whalen from A1 Marine, a marine salvage company that has removed several derelict boats, Melissa Ferris, the Derelict Vessel Program Manager for DNR and Joanruth Baumann, former administrator of the program for Public Works.

1) The MRC strongly recommends that a derelict vessel removal program be restarted in San Juan County. This program brings money into the County. For a small investment on the County's part, as little as \$5,000 a year, can bring in \$90,000 of matching funds for goods and services purchased in San Juan County, an excellent return on investment.

2) Work with DNR to remove barriers and create a partnership that works for San Juan County. The manager of the state's Derelict Vessel Removal Program said that DNR is willing to work with the county to streamline the process and

remove the responsibility for collections from the local administrator of the program.

3) Given the County’s staffing and resource problems, hiring a contractor may be the most viable way to administer the program. The contractor may be willing to carry administration and removal costs prior to reimbursement or it may be possible to procure grant funds or donations. The MRC has drafted an RFQ which is included with this report for project administration.

4) A proactive approach to derelict vessels can save money and prevent environmental harm. A monitoring program to identify abandoned and derelict vessels through checks on boat registrations could prevent vessels from sinking.

5) A local campaign, published well in advance, to notify vessel owners that their vessels will be tagged if without current registration, will not only identify potential derelict vessels but will add money into DNR’s derelict vessel fund.

Community Support for the Derelict Vessel Program

Since this issue came up in the Spring of 2010, the San Juan community has stepped forward to commit resources for re-starting the derelict vessel program.

Organization	Donations	Funds/in-kind value
Port of Friday Harbor	In-kind services for moorage/pumping	Up to \$10,000
Community donations	Friday Harbor Power Squadron: \$1000 San Juan Island Yacht Club: \$1000 Common Sense Alliance: \$1800 Roche Harbor Resort: \$1000 Island Marine Center/Lopez: \$200 Jensen’s Shipyard: \$500 Friends of the San Juans: \$500 Friday Harbor Sailing Club: \$500 Marine Resources Committee: \$1,000	\$7,500
Marine Resources Committee	Assistance with developing an RFQ for hiring a program administrator. The MRC will also help produce an annual report on the program for the County Council and community.	
	TOTAL	\$17,500

An investment of \$2,500 from San Juan County should provide sufficient match of \$10,000 to carry the program at the overall funding level of \$100,000 for at least one year. Adding the value provided by in-kind services would likely extend the program further. The responsibilities of the contractor selected for this work

will include pursuit of in-kind services, grants and community donations to maintain the program beyond the first year.

Timing for Re-Starting the Program

Each year the State’s fund for derelict vessel removal is recharged with vessel registration fees. Melissa Montgomery Ferris, manager of DNR’s derelict vessel removal program said that \$150,000 remains in the fund for 2010 as of November 12, 2010. She said that the county should wait until next July to start charging a lot of money to the fund, however she pointed out that it may be worthwhile to identify boats in danger of sinking now before winter storms hit.

Next Steps

To maintain the momentum that the community has created for reestablishing this program, the MRC recommends that the County assign staff to continue to move forward. After a contractor is hired, someone in the county will need to oversee the contract.

Task	Lead
Draft RFQ	MRC
Establish an account for donations	County
Develop an inter-local agreement with the Port of Friday Harbor for in-kind services	County
Meet with the Sheriff to explore in-kind services for transport and security when investigating or identifying derelict and abandoned vessels.	County or contractor hired to manage the program.
Convene a hiring committee & select a contractor	County
Notify DNR about restarting the program. Ask for advice on when to start the program.	County
Develop a contract	County
Contract management	County

Appendices

Appendix A: Letter of support from Port of Friday Harbor

Appendix B: Draft RFQ for derelict vessel program administration

Appendix C: February 23, 2010 Article in Journal of the San Juans by Richard Walker

Appendix A



P.O. Box 889, Friday Harbor, WA 98250 * 360-378-2688 * fax 360-378-6114 * <http://www.portfridayharbor.org>
Greg Hertel * Mike Ahrenius * Barbara Marrett

October 27, 2010

San Juan County Marine Resources Committee
Friday Harbor, WA 98250


The Friday Harbor Port Commission agrees that it is to the benefit of the Port District to remove derelict vessels from local waters before they become hazards by sinking and spilling fuels into the water. The Port will participate in the San Juan County Derelict Vessel Program to the following extent.

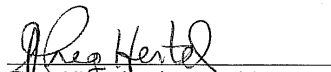
- The Port will provide moorage for vessels that are deemed to be derelict and are brought to the Port's Marina for temporary storage during the removal process.
- The Port will provide staff time and equipment for pumping vessels out for the duration of their stay in the Marina.
- The value of these services will be tracked by Port staff and may not exceed \$10,000 in a calendar year.

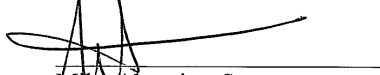
The terms of the agreement should be discussed between MRC and Port staff, and an inter-local agreement should be drafted.

Sincerely,

Friday Harbor Port Commission


Barbara Marrett, President


Greg Hertel, Vice President


Mike Ahrenius, Secretary

S.J.C. COMMUNITY

NOV 01 2010

DEVELOPMENT & PLANNING

The Port of Friday Harbor -- *An Island Friendly Port*

Appendix B: *RFQ DRAFT*

Project Title: Derelict Vessel Management in San Juan County

Issuing Agency: San Juan County

Project Manager: Pete Rose, San Juan County Administrator

Submittals accepted until: March X, 2011

Submit to: San Juan County
350 Court St # 5
Friday Harbor, WA 98250

Schedule:

RFP issued: January 15, 2011

Deadline for proposals: March, X 2011

Selection of contractor: April, X, 2011

Program begins: June 1, 2011

Program assessment for effectiveness/continuation: April, 2012

Project Description

The Washington State Department of Natural Resources has extended authority to authorized public entities through the passage of RCW 79.100, which provides tools and funding to deal with the environmental and safety hazards caused by abandoned and derelict vessels. As an Authorized Public Entity, San Juan County has the authority, subject to the processes and limitations outlined in statute, to store, strip, use, auction, sell, salvage, scrap or dispose of an abandoned or derelict vessel found on aquatic lands within its jurisdiction in a manner that best benefits the citizens of the state and minimizes environmental impacts. San Juan County is soliciting proposals from qualified individuals or firms to provide administration of its duties as an Authorized Public Entity for the management of derelict and abandoned vessels in accordance with RCW 79.100 and state guidelines for the derelict vessel management program. San Juan County and community partners have raised funds for the required match to support a \$100,000 program for about one year. Procurement of continued funding will be the responsibility of the contractor.

Budget

The budget for this contract will not exceed \$20,000.

RFQ: DRAFT
Qualifications

Experience with derelict vessel removal in San Juan County

Experience with each of the management responsibilities required of an Authorized Public Entity working with the Washington State Department of Natural Resources Derelict Vessel Management Program. Experience with derelict vessel identification, prioritization and reporting, obtaining custody of a vessel, local and state permits required for removal, vessel removal, disposal and salvage, and administration of expenses for reimbursement.

Experience with program administration.

Experience working with San Juan County and other partners such as the Port of Friday Harbor and San Juan County Sheriff.

Experience with fund raising and procurement of in-kind services.

Application Instructions

Responses to this RFQ should not exceed 7 pages and include the following information:

- A cover letter/statement of interest which highlights qualifications to perform this project.
- A description of experience working with derelict vessel management in San Juan County. Include your experience and ability to perform specific activities such as derelict vessel identification, respond to derelict vessel reports, prioritization of derelict vessels and reporting, obtaining custody of a vessel, obtaining local and state permits required for removal, vessel removal, disposal and salvage, and administration of expenses for reimbursement as well as donations and in-kind services.
- A description of partnerships, fund raising efforts and procurement of in-kind services to support the program beyond the first year.
- Scope of work including a proposed schedule for program set up, implementation, evaluation and reporting.
- Estimated budget. Include the number of hours and hourly rate for project staff.
- Three references who can attest to the firm or individual's ability to perform this work.

RFQ: DRAFT

Evaluation Criteria:

Evaluation and selection of the firm or individual chosen for the project will be based on the criteria listed below:

- Experience with derelict vessel management in San Juan County.
- Experience working with the Washington State Department of Natural Resources' Derelict Vessel Management Program.
- Overall quality of statement of qualifications
- Ability to perform the responsibilities required by an Authorized Public Entity as defined in RCW 79.100 and Washington State Department of Natural Resources' Derelict Vessel Removal Program Guidelines
- Budget and scope of work
- Ability to obtain resources and in-kind services for continuation of the program

Appendix C

Without a local coordinator, derelict boats are often not removed from the water until it's too late

By **RICHARD WALKER**
Journal of the San Juans Editor
Feb 23 2010

The idea seemed to be win-win.

Under the state Department of Natural Resources' Derelict Vessel Removal Program, local governments could get reimbursed for 75 percent — later upped to 90 percent — of the cost of disposing of derelict boats. Reimbursement would be made from an account funded by \$2 from each vessel registration in Washington state.

Removing the derelict vessel would remove a pollution threat from the marine environment. DNR would then pursue the boat's registered owner to recoup its costs.

The state law establishing the program allowed the program to be coordinated locally by a parks and recreation district, port district, and any "city, town, or county with ownership, management, or jurisdiction over the aquatic lands in Washington State."

Under the supervision of Joanruth Baumann, who at the time worked for the county Public Works Department, the local program was proactive, according to Terry Whalen of A1 Marine. Baumann worked with A1 to coordinate removal of boats identified as being at risk of sinking, and got them removed from the water before they could become an environmental hazard.

Under the supervision of Joanruth Baumann, who at the time worked for the county Public Works Department, the local program was proactive, according to Terry Whalen of A1 Marine. Baumann worked with A1 to coordinate removal of boats identified as being at risk of sinking, and got them removed from the water before they could become an environmental hazard.

Baumann said she had built up enough confidence with DNR that the agency trusted her to identify boats that were derelict and at risk of sinking. She even maintained a photo inventory of abandoned and derelict vessels.

"It's cheaper to get them before they sink," she said. "I would love to do it again as a contractor."

After Baumann left the county's employ in 2006, the job went to Shannon Hoffmann, stormwater technician in the Community Development and Planning Department. Then, to Gary Covington, environmental health specialist in the county Health Department. Then it got dropped.

The Town of Friday Harbor had pitched in \$2,500 a year, mostly to cover the cost of using town trucks to haul derelict vessels retrieved from Beaverton Cove. This year, the town has budgeted \$10 as a "placeholder."

Fast forward to August 2009. A 35- to 40-foot pontoon houseboat is photographed off Shipyard Cove taking on water Aug. 2, then partially submerged Sept. 2. And no one would take responsibility, to give the OK to take the vessel out of the water. The registered owner said she had sold it. The U.S. Coast Guard waited to see if it became a hazard to navigation. State DNR waited to see if it became an environmental hazard.

Meanwhile, currents carried the houseboat around Turn Island, through Cattle Pass, to Eagle Point, and then across Haro Strait to Canadian waters.

Without a local coordinator, the San Juans' participation in the Derelict Vessel Removal Program was rudderless.

'Being proactive is the way to stop this'

The Derelict Vessel Removal Program is still active; A1 Marine has the salvage contract with state DNR. But without a local authorized public entity, like the county, the program has become reactive rather than proactive.

As the authorized public entity, the county had the authority to obtain custody of a vessel that it deemed abandoned or derelict. To take custody of a vessel, the authorized public entity must mail notice of its intent to obtain custody, at least 20 days prior, to the last known address of the last owner to register the vessel. It must also post notice of its intent clearly on the vessel for 30 days, and publish its intent at least once, between 10 and 20 days prior, in a newspaper of general circulation for the county in which the vessel is located.

After that, A1 can salvage the vessel.

<http://www.printthis.clickability.com/pt/cpt?action=cpt&title=Without+a+local+coordina...> 11/15/2010