

September 21, 2021

PP 25 32

To Whom it may concern :

I Frank G Woods III have had a piece of property declared total loss ? the F/V Wave Ryder last November

? December , 2020 have been out of sight out of mind as the Boat has been in storage ? Here is the

insurance adjusters declaration of total loss. So please omit this vessel from my inventory or list of tax personal property tax?

Sincerely; Frank G Woods III



my phone # 907-843-1644

any questions please call

paid off
& sold in 2021

887532

CONTRACT OF SALE OF F/V WAVE RYDER

THIS AGREEMENT made and entered into this 22nd day of

MAY, 2023, by and between FRANK G WOODS

III of 4016 Bea Ave Dillingham, AK 99576, SELLERS and Matthew D Anelon
of 115 Blueberry Ave, Anchorage, AK 99506, BUYERS.

WITNESS: for and in consideration of the mutual covenants contained herein, SELLERS agree to sell and BUYERS agree to purchase the fishing boat F/V WAVE RYDER on the following terms and condition:

1. Price. BUYERS will pay the sum of One Hundred and ninety five thousand and 00/100 and no/100 Dollars,

(\$ 195,000.00) for the boat including all electronics and miscellaneous equipment and fittings specified on the Marine Survey dated

6-2-2019 (update scheduled). Payments will be made as follows: CFAB Loan disbursement

a. The sum of _____ has been paid, and receipt is hereby acknowledged.

b. The sum of \$19,000.00 will be paid on or before June N/A
30.2023

c. The balance of \$195,000.00 will be paid on or before June 20th, 2023

2. Title. The boat is a 1994 Master Marine 32 foot Bristol bay Gillnetter

. Sellers warrant that they have good title to the boat and that there are no liens or encumbrances on it. Neither party will suffer any liens to be placed on the boat prior to closing.

3. Condition on Delivery. Sellers warrant that the vessel is staunch and seaworthy and that no defects exist in the hull and machinery. The vessel was inspected by

MATT ANELON on ???? and was found to be staunch and seaworthy at that time.

4. Payment and Closing. In the event BUYERS financing is not approved, all money paid by them shall be returned without interest. Closing shall occur at the time of final payment. SELLERS shall convey title to BUYERS upon receipt of payment and shall execute all documents required by the U.S. Coast Guard or otherwise to transfer the boat. BUYERS will pay all documentation and recording fees.

5. Possession. Vessel will remain with Sellers until full payment is received from BUYERS and no liability will be assumed by either party while the boat is in SELLERS possession.

6. Equipment. This sale includes all machinery and equipment included in the marine survey and present on the boat on this date, with the exception of Bailers main fish holds, Anchor, minus group radio,

7. Brokers. Sellers warrant that the vessel has been listed with NO Broker. They agree to pay the broker fee and otherwise hold BUYERS harmless for any commission on the sale of this vessel.

8. Taxes. SELLERS have paid all property taxes, charges, and fees due on the boat, including City Of Dillingham personal property taxes.

9. Cooperation. The parties agree to cooperate in good faith towards the prompt closing of sale, and to execute all required documents necessary to effect the sale, or in the event of a loss or as otherwise might be required.

10. Assignment. Buyers shall not assign nor sublet their interest in the vessel prior to the closing without the prior written consent of SELLERS.

11. Entire Agreement. Binding Effect. This instrument represents the entire agreement of

the parties; modifications must be in writing and signed by the party to be charged. This agreement binds the heirs and inures to the benefit of the parties' heirs, assigns and representatives.

JP 75 32

SELLER

(Signature)

[Handwritten Signature]

(Printed name)

Frank G. Woods TR

(Date)

5/22/23

SUBSCRIBED AND SWORN TO before me this date, May 22, 2023

Notary Public in and for Alaska

My Commission Expires: 3/24/2024

[Handwritten Signature]



BUYER

(Signature)

[Handwritten Signature]

(Printed name)

Matthew Anelon

(Date)

05/22/2023

SUBSCRIBED AND SWORN TO before me this date, 5/22/2023

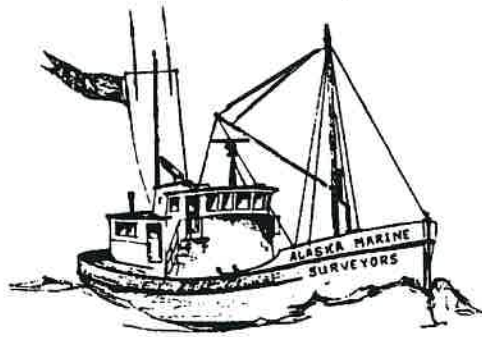
Notary Public in and for Alaska

My Commission Expires: 06/01/2026

[Handwritten Signature]



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Alaska Marine Surveyors, Inc.

P.O. Box 2342
Kodiak, Alaska 99615
Phone: (907)487-0800
FAX #: (907)487-0801
Email: amsinc@ptialaska.net

December 8, 2020

Mona Holmes
Arthur J. Gallagher & Co.
1241 A SE Bay Blvd.
Newport, OR 97365

RE: F/V Wave Ryder – Engine/Hull Corrosion - DOL: o/a 2016
Assured: Charles Wood
Preliminary Damage Report DV3155 “Hull & Machinery”

Dear Ms. Holmes,

Acting at the request of Arthur J. Gallagher & Co., for F/V Wave Ryder “Hull & Machinery” underwriters, the undersigned marine surveyor did, on September 28, 2020, attend the F/V Wave Ryder, dry-docked, in Dillingham, Alaska.

The purpose of attending was to determine the nature, extent and cause of damage due to reported bottom hull corrosion.

Attending

Frank Woods - Owner Representative

Vessel Particulars

Name: WAVE RYDER
Official No.: 1021862
IMO. No: None found
Call Sign: WCK7861
Hull ID No.: 009459
Hailing Port: Dillingham, Alaska
Owner: Frank Woods
PO Box 713
Dillingham, AK 99516

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2017

Began to notice slight hull oxidation (corrosion) after 2017 fishing season. Frank had the zincs replaced in the stern. Hydraulic powered and electric controlled RSW system was installed in the engine room.

2018

The oxidation was increasing so they began to diagnose. Mr. Woods started to find live, unconnected wires coming off the batteries and resting on the haul inside the engine room and control station in the bow. The wires were removed from batteries and electric circuit. They found electrical grounds with self-tapping bolts under the dash that were bolted to the hull, control wires for the jet’s reverse bucket and trim tab functions bolted into the flying bridge grounding through the hull, and other bad grounding practices that were extremely corroded and had components trying to ground through the hull instead of their direct path to the battery. He reports they also found the RSW had grounding wires bolted to the hull. Mr. Woods removed all these grounding issues by rewiring each control system with their own designated bus bar and creating a direct path back to the batteries. Frank decided to repaint the bottom of the hull with corrosion preventive paint for aluminum vessels, and he also added two more zincs to hull.

2020

Mr. Woods reports he noticed hull integrity issues in the stern of the boat underneath the RSW unit, between the keel coolers, and between the engines. He attempted to find more electrical issues, but none were present. He isolated the RSW unit with rubber as a precaution due to the location of the corrosion in the area. He looked at corrosion area and reports it was on the new aluminum welded into the boat from 2016 during the engine and jet package installation. Frank did research and found it to be a different grade of aluminum, as well as the wrong material type for the keel coolers.

Summary:

Mr. Woods reports that the issue with the hull integrity was due to past workmanship with lack of experience or thought of consequences of their practice. The electrical issue was a large factor in the beginning and the onset of corrosion. Once the metal and paint were compromised it began a chain reaction of corrosion in the stern. The different grade of aluminum was not able to handle that amount of oxidation like the rest of the hull could, which caused major pitting issues in that area. The keel cooler material caused an issue with dissimilar metals and the way they transfer electrons. The material used for the keel coolers made it so the electrons would release faster in that area much faster than the rest of the hull, concentrating the corrosion to a specific area of the boat.

Statement of Travis Howard, Howard Fabrication

Within his Proposal for Bid, Travis Howard provides his opinion that the great amount of corrosion on the F/V Wave Ryder’s hull was caused by dissimilar metals, such as bronze keel coolers against the aluminum hull, which he reports was repaired with 5052 series aluminum, rather than 5086 series.

Statement of Ralph Evalt, Aluminum Fabricators

According to an email from Ralph Evalt, dated November 25, 2020, which contains estimated repair costs, Mr. Evalt also reports that it is his opinion that the installation of copper alloy keel coolers was a major contributor to electrolysis through the hull.

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Repairs

Repairs are not recommended, as the cost of repairs will exceed the understood insured value of \$214,000.00.

“Field” Estimated Cost of Repairs

Dry-docking	\$	5,000.00	-	10,000.00
Enclosure	\$	8,000.00	-	10,000.00
Internal components R&R	\$	50,000.00	-	60,000.00
Aft aluminum repairs	\$	110,000.00	-	125,000.00
Materials	\$	12,000.00	-	15,000.00
Forward aluminum spot repairs	\$	15,000.00	-	20,000.00
Subtotal	\$	200,000.00	-	240,000.00
10% Unforeseen	\$	20,000.00	-	24,000.00
Total “Field” Estimated Cost of Repairs	\$	220,000.00	-	264,000.00
Average:				\$242,000.00

Cause of Damage

The cause of damage appears to be due to a number of contributing factors, as follows:

1. Crew Negligence –

A) Lack of Hull Coatings –

The Fernstrum keel coolers were reported to be recommended by Fernstrum and to be “aluminum friendly” keel coolers for aluminum-plated vessels, as long as proper coatings were applied to surrounding aluminum plate materials.

After installation of the keel coolers in April 2016, the owner reports a portion of the centerline keel and the recessed pockets for the keel coolers were not coated for about 2 years. Besides those uncoated sections,, the rest of the vessel has been prudently re-painted every year, and those neglected areas have now been recoated with the rest of the vessel every year for the last 2 years.

Therefore, it appears crew negligence is a contributing factor as a cause of damage, by not coating the aluminum hull per manufacturer’s specifications.

B) Lack of Anode Protection –

The vessel appeared to be properly zinced for a standard aluminum vessel with zincs on the stern where outdrives, jet units, or propellers are located, which introduce dissimilar metals. However, beside these zincs and the zincs on the keel coolers themselves, there were none on the hull plate. If in fact the keel coolers were “aluminum friendly” and properly installed, it may have still been prudent to install additional zinc anodes to prevent any galvanic corrosion due to dissimilar metals.

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Additionally, Fernstrum offers an aluminum keel cooler model 5000 specifically intended for aluminum hulls, which is of like-type material to the F/V Wave Ryder’s hull. It is unknown if this model was available in 2016, but if so, it is unknown why Fernstrum recommended to the owner to install copper Fernstrum keel coolers.

It does appear that the owner relied upon the advice provided by Fernstrum, and Fernstrum may have been negligent in making this recommendation. If the Fernstrum made a proper recommendation with strict specifications for installation, it would then need to be known what specifications were reported to Ben McDowell of Motive Power & Marine, and if Mr. McDowell followed those specification/instructions.

Again, Motive Power & Marine is no longer in operation, and Mr. Ben McDowell’s contact information could not be found.

Conclusion

Based on the information obtained to date, it appears the cause of the corrosion pitting began in 2016, after the repower, by the crew neglecting to coat 100% of the aluminum underwater plate, which was reported necessary for this type keel cooler application on an aluminum hull.

The pitting also began and continued with what appears to be stray current due to incomplete and improper wire installation, reportedly done by Motive Power and Marine. The stray current and incorrect bonding practices can create DC current corrosion.

An additional contributing factor from the beginning appears to be dissimilar metals by having copper keel coolers on an aluminum hull.

All three of these causes appear to have contributed to and be associated with this hull failure.

Surveyor’s Comments

1. Dry-docking of the vessel for repairs would be necessary.
2. Bonus overtime labor is not necessary.
3. Towage was not necessary.
4. No injuries were reported.
5. No pollution was reported or observed.
6. **The owner has presented a salvage offer of \$5,000.00 for the F/V Wave Ryder. The undersigned finds this offer to be fair and reasonable, and recommends that Underwriters accept.**

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A Veneil

City

accountant

RECEIVED
SEP 22 2021
CITY OF DILLINGHAM