

# VESSEL DISPOSAL SURCHARGE AND VESSEL DISPOSAL COSTS



# VDS EXPLAINED: 05 CBJAC 40.010

- ▶ (g) *Vessel salvage and disposal.*
  - ▶ (1) Prior to obtaining a moorage assignment pursuant to 05 CBJAC [40.035](#), 050, 055, or 065, the owner of a vessel must
    - ▶ (i) provide the Harbormaster with proof of current marine insurance showing, at a minimum, the owner's name, information identifying the vessel, and the dates of insurance coverage; or
    - ▶ (ii) pay a non-refundable moorage surcharge \$0.31 (2024) per foot per month.
  - ▶ (2) The funds collected from the moorage surcharge under this regulation will be used to pay for the unrecoverable costs attributable to vessel salvage and disposal activities in the small boat harbors.
  - ▶ (3) This regulation does not relieve an owner from the responsibility to pay fees as set out in CBJ Ordinance [Title 85](#) or regulations adopted thereunder, and does not constitute marine insurance.
- ▶ **NOTE: This charge is only applied to stall holders, not transient vessels**



# VDS COLLECTED:

- ▶ FY21: \$16,478.56
- ▶ FY22: \$17,847.67
- ▶ FY23: \$20,764.17
- ▶ FY24: \$6,366.27 (FYTD 12.04.23)
  
- ▶ Total over past 41 Months: \$ 61,456.67
  
- ▶ Amount spent disposing of four vessels in the past six months: \$81,652.02



# WHERE DID THEY COME FROM?

- ▶ NORTHERN STAR- Statter Harbor Transient, Live Aboard, Uninsured
- ▶ HALANA- Statter Harbor Transient, Live Aboard, Uninsured
- ▶ AWNRE- Downtown Harbors Transient, Live Aboard, Uninsured
- ▶ HARMONY- Downtown Harbors, Stall Holder, Uninsured
- ▶ **Only one of these four vessels was paying VDS. (HARMONY)**



# LIVEABOARDS IN TRANSIENT MOORAGE:

- ▶ It is the desire of the Docks and Harbors staff to limit liveaboard moorage to assigned stalls only.
- ▶ This will allow the tenant to have power in their own name as well as subject the vessel to insurance requirements/VDS charges.
- ▶ If the vessel is too large for available stalls, the Harbormaster will have to authorize the vessel to be used as a liveaboard in transient moorage.
- ▶ Current liveaboard vessels in transient moorage would be grandfathered and would only lose their status if the vessel changed hands or the individual moved off the vessel.



# OPTIONS:

- ▶ Raise VDS to accurately reflect what it costs to dispose of a vessel.
- ▶ Require all uninsured vessels to pay VDS even if in transient moorage.
- ▶ Require uninsured vessels to pay daily rate.
- ▶ Limit/prohibit live aboard vessels in transient moorage.
- ▶ Assess VDS to all vessels, similar to fuel surcharges on shipping orders.
- ▶ Require all vessels to be insured.

