

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2018-18

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING THE REIMBURSEMENT OF \$36,000 TO THE STATE OF ALASKA FOR THE COSTS ASSOCIATED WITH THE SCUTTILING OF THE FISHING AND PROCESSING VESSEL AKUTAN

WHEREAS, the fishing and processing vessel Akutan (hereafter Akutan) was escorted to Unalaska by the United States Coast Guard (USCG) and anchored in Captains Bay; and

WHEREAS, the Akutan was abandoned by the owner and crew in Captains Bay; and

WHEREAS, the Akutan had no responsible party to repair or remove the vessel from Captains Bay; and

WHEREAS, the UCSG exhausted the Superfund for the removal of environmental contaminants from the vessel; and

WHEREAS, the Alaska Department of Environmental Conservation (ADEC), USCG, and the Alaska Department of Natural Resources (DNR) agreed that the anchorage for the Akutan would not likely withstand winter storm conditions; and

WHEREAS, it was agreed that the sinking or grounding of the Akutan in Captains Bay would have negative, cascading impacts to subsistence fishing, salmon streams, native allotments, and navigation as well as negative economic impacts for industry in Captains Bay; and

WHEREAS, ADEC, DNR, USCG, and the City of Unalaska collaborated with their authorities to form a plan to remove the Akutan from Captains Bay; and

WHEREAS, the USCG approved an emergency scuttle for the Akutan; and

WHEREAS, DNR took custody of the vessel and managed all the ownership of the Akutan; and

WHEREAS, DNR negotiated a fair rate for the removal and emergency scuttle of the Akutan; and

WHEREAS, DNR has requested that the City of Unalaska reimburse the State for the cost of the towing and ammunition for the scuttling of the Akutan; and

WHEREAS, The City of Unalaska solicited the support of ADEC, DNR and USCG to remove the Akutan from Captains Bay to protect our waters, commerce, and way of life; and

WHEREAS, City of Unalaska has notified and agreed with ADEC, DNR and USCG that the means for taking control of the Akutan, the financing of the scuttle, and the emergency scuttle itself are not precedent-setting for the future removal of abandoned and derelict vessels.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Unalaska authorizes the reimbursement of \$36,000 to the State of Alaska for the costs associated with the scuttling of the fishing and processing vessel Akutan.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on February 13, 2018.



Dennis Robinson
Vice Mayor

ATTEST:



Acting City Clerk



MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Nancy Peterson, City Manager
Date: February 13, 2018
Re: Resolution 2018-18, a Resolution of the Unalaska City Council authorizing the reimbursement of \$36,000 to the State of Alaska for the costs associated with the scuttling of the P/V Akutan

SUMMARY: Resolution 2018-18 authorizes the reimbursement of \$36,000 to the State of Alaska for the cost of scuttling the P/V Akutan. This agreement is the result of the City of Unalaska, Alaska Department of Environmental Conservation (ADEC), Alaska Department of Natural Resources (DNR) and the U.S. Coast Guard (USCG) working together and within their individual authorities to find a solution without setting a precedent for future abandoned or derelict vessels.

PREVIOUS COUNCIL ACTION: The Council approved Budget Amendment 3 to the FY18 budget on January 23, 2018, transferring \$31,400 to the City Manager's budget to make funding available to assist with the cost of scuttling the P/V Akutan, if the Council determined it was in the best interest of the City to do so.

BACKGROUND: The Akutan was abandoned in Captains Bay in August 2017. The City, DNR, ADEC and USCG formed an after-abandonment exit strategy. The DNR has requested financial assistance with the removal of the P/V Akutan.

DISCUSSION: The fishing and processing vessel Akutan was escorted by the USCG Cutter Midget into Captains Bay under an informal request for Port of Refuge and without a formal exit strategy. We, the City of Unalaska, did not know the condition of the vessel, the financial status of the owner, or any of the other circumstances that surfaced during the Akutan's stay in Unalaska. Had we known the fate of the vessel, it would not have changed our authority with the USCG to direct the Akutan to anchor in Captains Bay.

The series of events that unfolded beginning in August 2017 highlighted weaknesses and jurisdictional voids within the scope of the State agencies and local governments to effectively deal with abandoned and derelict vessels.

The Unalaska City Council has taken a very active role in the Akutan by expressing very specific concerns and questions regarding environmental, navigational and economic impacts; the vessel's proximity to subsistence grounds and native allotments; and the ongoing uncertainty of its stability and the sustainability of its anchorage, especially during the upcoming with winter months.

Council's diligent approach allowed City staff to represent the unwavering message that "the Akutan must leave the City limits of Unalaska". Dealing with abandoned and derelict vessels is not a simple process. The legal and jurisdictional issues are many and complicated, and all the agencies involved face similar, but different, limitations within their individual authorities.

The City, ADEC, DNR and USC teamed together to combine their authorities and jurisdictions to provide a legal, simple and cost-effective approach to the removal of the Akutan. The ability to utilize the various authorities of these agencies is specific to the situation of the Akutan. All the circumstances were taken into consideration, including the bankruptcy, the insurance status, the activation the Super Fund, the condition of the vessel, the anchorage itself, the historic weather conditions in Captains Bay, as well as the cost of a traditional scuttling and EPA permitting, versus a contract for destruction or towing to another location.

It is not the City of Unalaska's responsibility to bear the cost of the removal of the Akutan. The City did have the most to lose by allowing the Akutan to remain at anchor in Captains Bay. For this reason, we remained engaged in the process through to the point of the vessel's destruction. USCG used its authorities to issue an emergency scuttle permit, DNR used their authority to take custody of the vessel, and the City of Unalaska agreed to bring forward to Council the financial request to pay for the scuttling costs.

The City of Unalaska also had a similar authority to take control of the vessel, but less authority to leverage a swift and cost-effective removal of the vessel. We strongly encouraged DNR to exercise their authority, and by doing so, DNR was able to leverage a stronger political position from which to work with USCG for the emergency scuttle.

The contract before you represents the cost of removing the Akutan from anchor, the cost of towing, and the ammunition for scuttling. City Council has expressed valid concern regarding setting a precedent for the City of Unalaska becoming the "bone yard" for derelict and abandoned vessels. The team approach to the removal of the Akutan has heightened the awareness of all the agencies to the many issues surrounding abandoned and derelict vessels, vessels in distress, and Possible Ports of Refuge. Sharing the responsibility for solving the Akutan situation has mitigated the perception of direct ownership of the problem. The above agencies were aware, and/or part of the decision-making matrix for the arrival and anchoring of the Akutan in Captains Bay. The outcome of the Akutan resulted in all of the agencies reviewing processes regarding harboring vessels in distress.

As after-action, the Port Department is preparing a brief for the City Council on the designation of Potential Port of Refuge and the City's authorities within that designation. Other agencies are also reviewing the role in distressed vessel placement and opening communication lines between the local and State authorities and the USCG.

The City of Unalaska has been requested to fund \$36,000 for the logistics of the emergency scuttle. This is a reasonable amount, considering that the remaining options

ranged from \$500,000 to \$1,500,000. The multi-agency approach dilutes the necessity for one agency to bear the burden of responsibility for the Akutan. The only reason the Akutan has been removed from the City of Unalaska is because of the cooperative effort of the ADEC, DNR, USCG and the City of Unalaska. For these reasons, we are requesting the City Council approve a reimbursement to DNR in the amount of \$36,000 to pay for the cost of the scuttling of the Akutan.

ALTERNATIVES: Council could choose to not support Resolution 2018-18 or could choose to reimburse less than the \$36,000 requested.

FINANCIAL IMPLICATIONS: The City of Unalaska has amended the City Manager's Budget to include \$31,400 for financial assistance in the scuttling of the Akutan. Additional funds are available within that budget to fund the full amount of \$36,000.

LEGAL: The City Attorney has reviewed and approved the attached Reimbursement Agreement with the State.

STAFF RECOMMENDATION: Staff recommends adoption of Resolution 2018-18.

PROPOSED MOTION: I move to adopt Resolution 2018-18.

CITY MANAGER'S COMMENTS: This is a difficult decision for the Council because of the concern for setting a precedent for future obligations in similar circumstances. The City was an integral part of the discussions regarding the Akutan and advocated strongly for the removal of the vessel from our waters. The amount that the State is requesting is significantly lower than originally estimated.

ATTACHMENTS:

1. Letter from the State of Alaska Department of Natural Resources
2. Contract from Resolve Marine Group
3. Reimbursement Agreement with the State



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Natural Resources

DIVISION OF MINING, LAND AND WATER

DIRECTOR'S OFFICE

550 W. 7th Avenue, Suite 1070

Anchorage, AK 99501-3576

Main: 907.269.8600

Fax: 907.269.8904

January 23, 2018

City Council of Unalaska
Mr. Frank Kelty, Mayor
City Hall
43 Raven Way
Unalaska, AK 99685

RE: Request for Funding Assistance for Removal of F/V Akutan

Dear Mayor Kelty and Members of Unalaska City Council:

As you know, the State of Alaska has taken custody of F/V Akutan as a derelict vessel under AS 30.30. The vessel is currently moored in trespass in Dutch Harbor. The State has sent the necessary notice to all interested parties and the general public and nobody has stepped forward to claim the Akutan, either as an owner, lienholder or purchaser. Accordingly, the State intends to dispose of this vessel as soon as it is practicable and safe to do so.

The State has also coordinated with Federal agencies to expedite removal of Akutan and secure a necessary declaration from the United States Coast Guard that an emergency exists for purposes of scuttling the vessel. The State has received a final contract from Resolve Marine Group, Inc. in the amount of \$36,000 to tow and scuttle the vessel, which is attached to this correspondence. This amount represents a significantly lower amount than what the potential liabilities could be if the conditions change precluding an emergency ocean dump.

The State therefore respectfully requests of that the City of Unalaska provide financial assistance of the above contract amount, along with any all local support and courtesies to Resolve, the USCG and/or State representatives to expedite the removal and scuttling of Akutan. To that end, enclosed please find a Reimbursement Agreement to document the financial support between the City and the State.

Please let me know of any questions. The State greatly appreciates, in advance, Unalaska's support in this endeavor.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brent W. Goodrum".

Brent W. Goodrum
Division Director
Division of Mining, Land & Water

City of Unalaska
and
State of Alaska
Department of Natural Resources
Division of Mining, Land and Water

Reimbursement Agreement
For Disposal of F/V Akutan

This Reimbursement Agreement is entered into between the City of Unalaska (Unalaska), with its principal office located at Unalaska City Hall, 43 Raven Way, Unalaska, Alaska 99685 and the State of Alaska, Department of Natural Resources, Division of Mining, Land and Water (DNR-DMLW), with a principal mailing address of 550 West 7th Avenue, Suite 1070, Anchorage, Alaska, 99501, under its' authority of AS 38.05.035 for purposes of disposing of a derelict vessel under AS 30.30.

Purpose

The purpose of this agreement is so that Unalaska can reimburse DNR-DMLW up to the amount of \$36,000 for the costs associated with the scuttling of the F/V Akutan from Captains Bay, near Unalaska.

Project Scope

DNR-DMLW has taken custody of F/V Akutan, currently moored in trespass in Captains Bay near Dutch Harbor, as a derelict vessel under AS 30.30. DNR-DMLW has properly notified all necessary and interested parties as well as the general public of its intention to dispose of the derelict vessel. No party has stepped forward to claim the Akutan, either as an owner, lienholder or purchaser. Therefore, DNR-DMLW intends to proceed with the disposal of this vessel as soon as it is practicable and safe to do so.

In order to proceed with the disposal, DNR-DMLW has coordinated with Federal agencies to expedite removal of Akutan and secure a necessary declaration from the United States Coast Guard that an emergency exists for purposes of scuttling the vessel. For this effort, DNR-DMLW has also entered into a contract with Resolve Marine Group, Inc. in the amount of \$36,000 to tow and scuttle the vessel as soon as weather conditions allow. Unalaska has graciously agreed to provide financial assistance for this effort by agreeing to reimburse DNR-DMLW for the cost of the contract with Resolve Marine.

It is mutually agreed that:

1. The DNR-DMLW will work with Resolve Marine Group to fulfill the terms of that contract.
2. Within 30 days of authorizing payment to Resolve Marine Group under the terms of that contract, DNR-DMLW will send Unalaska a copy of the paid receipt to seek reimbursement.

3. Unalaska will submit the reimbursement payment to DNR-DMLW within 30 days of receiving a copy of the DNR-DMLW paid receipt to Resolve Marine Group.
4. Nothing in this agreement is intended to conflict with Federal, State or local laws or regulations. If there are conflicts, the agreement will be amended at the first opportunity to bring it into conformance with applicable laws and regulations.
5. Each party shall be responsible for its own actions and indemnify, hold harmless and defend the other from liability of any nature or kind including costs and expenses for all actions or claims resulting from injuries or damages sustained by any person or property as a result of any error, omission, or negligent acts relating from performance of this agreement.

Principal Contacts

Division of Mining Land and Water:
Brent W. Goodrum
550 W. 7th Ave. Ste. 1070
Anchorage, AK 99501
Phone: (907) 269-8600
Email: brent.goodrum@alaska.gov

City of Unalaska:
Mayor Frank Kelty
Unalaska City Hall
43 Raven Way
Unalaska, AK 99685
Phone: (907) 581-1251, ext. 2201
Email: MayorKelty@ci.unalaska.ak.us

Authorized Representatives

By signature below, Unalaska and DNR-DMLW certify that the individuals listed in this document as representatives are authorized to act in their respective duties for matters related to this agreement.

Division of Mining, Land and Water



Brent W. Goodrum

City of Unalaska, Alaska

Frank Kelty

23 JAN 2018

Date

Date



CONTRACT
Department of Natural Resources

NUMBER
CT 10 180000629 - 1

AWARD DATE
January 10, 2018

VENDOR
VC016612
RESOLVE MARINE GROUP INC
1510 SE 17TH ST STE 400
FORT LAUDERDALE, FL 33316-1729 US

EFFECTIVE:
January 10, 2018

EXPIRES:
March 31, 2018

PAYMENT TERMS

% /

Note: The State will pay within 30 days if no payment terms are defined here.

Tel: Fax:

DOCUMENT DESCRIPTION

Services to Scuttle FV Akutan for DMLW

Contract Amount: \$30,000.00

Extended Description:

Contractor to provide services to scuttle the FV Akutan per the requirements of Appendices A through D to this contract, RFQ 180000045, Amendment 1 to this RFQ, and accepted quote to this RFQ. RFQ 180000045, Amendment 1 to this RFQ, and accepted quote to this RFQ are incorporated by reference into this contract.

Line No.	Description	Quantity	Unit	Unit Cost	Line Amount
1	Services to Scuttle FV Akutan for DMLW	0.00		\$0.00	\$30,000.00

Start Date	End Date	Delivery Date	F.O.B. Point
01/10/18	03/31/18		F.O.B. final destination

BILL TO:	SHIP TO:
MLW - Suite 1070 (Director) ANC Mining, Land and Water 550 West 7th Avenue Suite 1070 Anchorage, AK 99501-3579	

Extended Description:

Contractor to provide services to scuttle the FV Akutan per the requirements of Appendices A through D to this contract, RFQ 180000045, Amendment 1 to this RFQ, and accepted quote to this RFQ. RFQ 180000045, Amendment 1 to this RFQ, and accepted quote to this RFQ are incorporated by reference into this contract.

CERTIFICATION:

I certify that the facts herein and on supporting documents are correct, that this voucher constitutes a legal charge against funds and appropriations cited, that sufficient funds are encumbered to pay this obligation, or that there is a sufficient balance in the appropriation cited to cover this obligation. I am aware that to knowingly make or allow false entries or alternations on a public record, or knowingly destroy, mutilate, suppress, conceal, remove or otherwise impair the verity, legibility or availability of a public record constitutes tampering with public records punishable under AS 11.56.815-.820. Other disciplinary action may be taken up to and including dismissal.

PROCUREMENT OFFICER:

Name: James Sonnier

Initials: _____

Contact: (907)269-8687

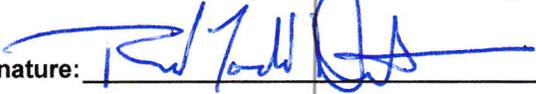
Email: jim.sonnier@alaska.gov

Date: _____

SIGNATURES:

Name: Richard Todd Duke

Title: Area Manager

Signature: 

Date: JAN 12, 2018

Name: _____

Title: _____

Signature: _____

Date: _____

Name: _____

Title: _____

Signature: _____

Date: _____

Terms and Conditions		
No.	Name	Section
011	Appendix A Goods	1

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**APPENDIX A
GENERAL CONDITIONS**

1. Inspections and Reports:

The department may inspect, in the manner and at reasonable times it considers appropriate, all of the contractor's facilities and activities under this contract. The contractor shall make progress and other reports in the manner and at the times the department reasonably requires.

2. Suitable Materials, Etc.:

Unless otherwise specified, all materials, supplies or equipment offered by the contractor shall be new, unused, and of the latest edition, version, model or crop and of recent manufacture.

3. Disputes:

If the contractor has a claim arising in connection with the contract that it cannot resolve with the State by mutual agreement, it shall pursue the claim, if at all, in accordance with the provisions of AS 36.30.620 AS 36.30.632

4. Default:

In case of default by the contractor, for any reason whatsoever, the State of Alaska may procure the goods or services from another source and hold the contractor responsible for any resulting excess cost and may seek other remedies under law or equity.

5. No Assignment or Delegation:

The contractor may not assign or delegate this contract, or any part of it, or any right to any of the money to be paid under it, except with the written consent of the Procurement Officer.

6. No Additional Work or Material:

No claim for additional supplies or services, not specifically provided in this contract, performed or furnished by the contractor, will be allowed, nor may the contractor do any work or furnish any material not covered by the contract unless the work or material is ordered in writing by the Procurement Officer.

7. Independent Contractor:

The contractor and any agents and employees of the contractor act in an independent capacity and are not officers or employees or agents of the State in the performance of this contract.

8. Payment of Taxes:

As a condition of performance of this contract, the contractor shall pay all federal, State, and local taxes incurred by the contractor and shall require their payment by any subcontractor or any other persons in the performance of this contract. Satisfactory performance of this paragraph is a condition precedent to payment by the State under this contract.

9. Compliance:

In the performance of this contract, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws, and be liable for all required insurance, licenses, permits and bonds.

10. Conflicting Provisions:

Unless specifically amended and approved by the Department of Law, the terms of this contract supersede any provisions the contractor may seek to add. The contractor may not add additional or different terms to this contract; AS 45.02.207(b)(1). The contractor specifically acknowledges and agrees that, among other things, provisions in any documents it sees to append hereto that purport to (1) waive the State of Alaska's sovereign immunity, (2) impose indemnification obligations on the State of Alaska, or (3) seek to limit liability of the contractor for acts of contractor negligence, are expressly superseded by this contract and are void.

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11. Officials Not to Benefit:

Contractor must comply with all applicable federal or State laws regulating ethical conduct of public officers and employees.

12. Contract Prices:

Contract prices for commodities must be in U.S. funds and include applicable federal duty, brokerage fees, packaging, and transportation cost to the FOB point so that upon transfer of title the commodity can be utilized without further cost. Prices for services must be in U.S. funds and include applicable federal duty, brokerage fee, packaging, and transportation cost so that the services can be provided without further cost.

13. Contract Funding:

Contractors are advised that funds are available for the initial purchase and/or the first term of the contract. Payment and performance obligations for succeeding purchases and/or additional terms of the contract are subject to the availability and appropriation of funds.

14. Force Majeure:

The parties to this contract are not liable for the consequences of any failure to perform, or default in performing, any of their obligations under this Agreement, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the respective party. For the purposes of this Agreement, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.

15. Contract Extension:

Unless otherwise provided, the State and the contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect, and (2) to provide written notice to the other party of the intent to cancel such month-to-month extension at least thirty (30) days before the desired date of cancellation.

16. Severability:

If any provision of the contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

17. Continuing Obligation of Contractor:

Notwithstanding the expiration date of this contract, the contractor is obligated to fulfill its responsibilities until warranty, guarantee, maintenance and parts availability requirements have completely expired.

18. Governing Law; Forum Selection

This contract is governed by the laws of the State of Alaska. To the extent not otherwise governed by Article 3 of this Appendix, any claim concerning this contract shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

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APPENDIX B₁
INDEMNITY AND INSURANCE

Article 1. Indemnification

The Contractor shall indemnify, hold harmless, and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the Contractor under this agreement. The Contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the Contractor and the independent negligence of the Contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis.

“Contractor” 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 Contractor and in approving or accepting the Contractor’s work.

Article 2. Insurance

Without limiting contractor's indemnification, it is agreed that contractor 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 contractor'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 notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. 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 contractor'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 Contractor 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 Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per claim.
- 2.3 Commercial Automobile Liability Insurance:** covering all vehicles used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000. combined single limit per claim.
- 2.4. Marine General Liability Coverage:** the contractor shall provide coverage for all marine operations with limits of not less than \$5,000,000 with a pollution liability endorsement

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APPENDIX C to CT 180000629

SCOPE OF SERVICES

1. Requirement. Contractor to provide services to scuttle the FV Akutan per the requirements of Appendices A through D, RFQ 180000045, Amendment 1 to this RFQ, and accepted quote to this RFQ. RFQ 180000045, Amendment 1 to the RFQ, and accepted quote to the RFQ are incorporated by reference into this contract.

2. Contract Period: January 10, 2018 through March 31, 2018. This period may be extended at the sole discretion of the State.

3. Projected Work Window: January 14, 2018 through February 17, 2018. If circumstances beyond the control of the contractor or state delay completion of the project within this timeframe the State may, at its sole discretion, negotiate an extension to the contract deadline and contract costs with the contractor. Any negotiations will be within the scope of the contract and subject to a continuing need for the service and the requirements of the State of Alaska Procurement code.

4. Contract Work. Contract work is dependent upon the State receiving no response to the public Notice of Intended Disposal of Derelict Vessel issued by DNR on December 22, 2017. The contractor will be notified in writing by the DNR Project Manager on whether or not to proceed with the contract.

5. Contract Cancellation. Because the contract is dependent upon unsuccessful response to the Notice of Intended Disposal of Derelict Vessel, this contract may be cancelled by the State upon 24 hours written notice to the contractor.

6. Scope of Services.

a. Background. The FV Akutan, moored in trespass to a buoy over state-owned submerged land in Captains Bay near Dutch Harbor. Hazardous materials, including ammonia and fuel, have been removed from the vessel. DNR/DMLW issued a Public Notice of Intended Disposal of Derelict Vessel on December 22, 2017. This notice will expire on January 13, 2018.

b. Scope of Work.

1) The contractor will be required to:

a) Use a contractor supplied vessel of sufficient size to prepare and transport the FV

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Akutan to a waiting US Coast Guard (USCG) vessel 1-2 nautical miles from its current location in Captains Bay;

b) Collect and secure all mooring and anchor devices currently in use by the FV Akutan in Captains Bay;

c) Transfer the vessel and tow responsibilities from the contracted vessel to the USCG vessel for transport of the FV Akutan approximately 30 nautical miles to a pre-determined scuttle location, currently determined to be 54.12N and 167.17W in 900 fathoms of water and a minimum of 12 nautical miles from the nearest point of land;

d) Prepare FV Akutan for scuttle with sufficient explosives or similar to ensure timely sinking of the vessel.

e) Mark the final location of the FV Akutan using GPS equipment and report the location back to DNR/DMLW within 24 hours; and

f) Provide an “after action” report to DNR/DMLW within 24 hours of scuttle activities and a final detailed report to DNR within 5 days of the scuttle activities. Final report will include sufficient detailed written information and pictures to satisfy all contractual requirements.

2) All emergency dumping activities must be supervised and approved by the USCG.

3) No additional cleaning, fluid or debris removal is required.

c. Permits. It is anticipated DNR will have all necessary permits and authorizations in place at the time services are needed.

7. Contract Management.

a. MLW Project Manager. The MLW Project Manager for this contract will be Mr. Clark Cox or his designee. Mr. Cox can be reached by telephone at 907-269-7470 or by email to clark.cox@alaska.gov. Mr. Cox or his designee will be responsible for day-to-day interaction with the contractor in the performance of this contract. Neither Mr. Cox nor his designee has any authority to fiscally or otherwise modify or amend this contract.

b. Overall. Overall contract management will be exercised by Procurement Specialists assigned to the DNR Procurement Section. Procurement Specialists assigned to this section can be reached by telephone at 907-269-8666 or 907-269-8687 or by email to

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dnr.ssd.procurement@alaska.gov. Procurement Specialists assigned to DNR Procurement have full authority to fiscally or otherwise modify or amend this contract.

7. Appendices. Appendices referred to in or attached to this contract are considered a part of it. This includes in order of priority Appendices A through D to this contract; RFQ 180000045 and Amendment 1 to this RFQ; and accepted quote to this RFQ. RFQ 180000045, Amendment 1 to this RFQ, and accepted proposal to this RFQ are incorporated by reference into this contract.

*****END OF APPENDIX C*****

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APPENDIX D

PAYMENT PROVISIONS

1. Invoices. Invoices are to be sent to the “Bill To” address shown in this contract. Payments will be NET 30 days upon receipt of services, receipt of a true and correct invoice, and approval of the MLW Project Manager.

2. Contract Costs.

- a. Per accepted quote contract costs will be \$36,000.00 for providing required services.
- b. Total cost of all services provided is not to exceed \$40,000.00.

*******END OF APPENDIX D*******

Request for Quotations

Department of Natural Resources

NUMBER

RFQ 10 180000045 - 1

DATE OF ISSUE

January 02, 2018

TITLE OF SOLICITATION:

Services to Scuttle the F/V Akutan

DEADLINE FOR RESPONSES:

January 09, 2018 14:00:00 Alaska Time

BID RECEIVING LOCATION

Support Services ANC Admin
Attn: Procurement
550 West 7th Avenue
Suite 1330
Anchorage, AK 99501-3564

VENDOR:

Name: Resolve Magone Marine Services Alaska Inc
Address: 6231 S Air Park Place
City, State, Zip Code: Anchorage AK 99502
Phone #: 907-243-0069
Email Address: tduke@resolvemarine.com
Contact Name: Todd Duke
Contact Email: Tduke@resolvemarine.com
Vendor #:

PURPOSE OF SOLICITATION:

The Department of Natural Resources, Division of Mining Land and Water, requires the services of a qualified contractor to scuttle the FV Akutan as specified within this RFQ.

THIS IS NOT AN ORDER.

SIGNATURE OF AUTHORIZED AGENT IS REQUIRED UNLESS RESPONSE IS SUBMITTED ELECTRONICALLY.

Signature X 

Date January 5, 2018

BID SCHEDULE

Event Date	Event Description
01/09/18	Solicitation Closing Date/Time

LINE ITEMS

Line No.	Description	Quantity	Unit	Unit Cost
1	Services to Scuttle the F/V Akutan	1	Lot	\$36,000.00
Start Date	End Date	Delivery Date	F.O.B. Point	Extended Line Total
01/14/18	03/31/18	Approx Jan 19	dependent on weather Dutch Harbor AK	\$36,000.00

Extended Description:

Services to scuttle the FV Akutan as specified within this RFQ.

EVALUATION CRITERIA

Code	Criteria Description	Points	Vendor Response <i>(DO NOT LIST PRICES IN THIS SECTION. UNIT PRICES AND TOTAL PRICES MUST BE FILLED IN ADJACENT TO THEIR LINE ITEMS.)</i>
12	Minimum Req	0	
18	Cost 100%	100	

PREFERENCES

Does your business qualify for the Alaska bidder preference?

Yes No

Does your business qualify for the Alaska veteran preference?

Yes No

Important Notice: If you received this solicitation from the State of Alaska's "Vendor Self-Service" web site, you must register with the procurement officer to receive subsequent amendments. Failure to contact the procurement officer may result in the rejection of your offer.

PROCUREMENT OFFICER: James Sonnier

TELEPHONE NUMBER: (907)269-8687

EMAIL: jim.sonnier@alaska.gov

Terms and Conditions		
No.	Name	Section
005	Request for Quotes	1

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b. **Total Cost** to provide services specified within this RFQ: \$ \$36,000.00.

7. Questions. Questions must be in writing. Direct any questions to the DNR Procurement Officer via fax to 907-269-8909 or email to dnr.ssd.procurement@alaska.gov.

8. Submitting Quotes. Quotes may be emailed to dnr.ssd.procurement@alaska.gov, faxed to 907-269-8909, or mailed to DNR/SSD Procurement, Attn: Jim Sonnier, 550 W. 7th Avenue, Suite 1330, Anchorage, Alaska, 99501. At a minimum the bidder must submit a completed page 1 of this RFQ and the Quote Schedule shown above. Quotes must be received prior to 2:00 p.m. on January 9, 2018. Late quotes will be rejected.

9. Appendices. Terms, conditions, and specifications of the documents attached to this RFQ are considered a part of it. **Successful bidder will be required to provide proof of insurance as specified in Appendix B1 with Marine Liability provisions within 1 business day after notification of award and to comply with provisions of the attached Appendix A.**

State of Alaska
Department of Natural Resources
Division of Mining, Land and Water
and
City of Unalaska

Reimbursement Agreement
For Disposal of F/V Akutan

This Reimbursement Agreement is entered into between the City of Unalaska (Unalaska), with its principal office located at Unalaska City Hall, 43 Raven Way, Unalaska, Alaska 99685 and the State of Alaska, Department of Natural Resources, Division of Mining, Land and Water (DNR-DMLW), with a principal mailing address of 550 West 7th Avenue, Suite 1070, Anchorage, Alaska, 99501, under its' authority of AS 38.05.035 for purposes of disposing of a derelict vessel under AS 30.30.

Purpose

The purpose of this agreement is so that Unalaska can reimburse DNR-DMLW up to the amount of \$36,000 for the costs associated with the scuttling of the F/V Akutan from Captains Bay, near Unalaska.

Project Scope

DNR-DMLW has taken custody of F/V Akutan, currently moored in trespass in Captains Bay near Dutch Harbor, as a derelict vessel under AS 30.30. DNR-DMLW has properly notified all necessary and interested parties as well as the general public of its intention to dispose of the derelict vessel. No party has stepped forward to claim the Akutan, either as an owner, lienholder or purchaser. Therefore, DNR-DMLW intends to proceed with the disposal of this vessel as soon as it is practicable and safe to do so.

In order to proceed with the disposal, DNR-DMLW has coordinated with Federal agencies to expedite removal of Akutan and secure a necessary declaration from the United States Coast Guard that an emergency exists for purposes of scuttling the vessel. For this effort, DNR-DMLW has also entered into a contract with Resolve Marine Group, Inc. in the amount of \$36,000 to tow and scuttle the vessel as soon as weather conditions allow. Unalaska has graciously agreed to provide financial assistance for this effort by agreeing to reimburse DNR-DMLW for the cost of the contract with Resolve Marine.

It is mutually agreed that:

1. The DNR-DMLW will work with Resolve Marine Group to fulfill the terms of that contract.
2. Within 30 days of authorizing payment to Resolve Marine Group under the terms of that contract, DNR-DMLW will send Unalaska a copy of the paid receipt to seek reimbursement.

3. Unalaska will submit the reimbursement payment to DNR-DMLW within 30 days of receiving a copy of the paid receipt.
4. Nothing in this agreement is intended to conflict with Federal, State or local laws or regulations. If there are conflicts, the agreement will be amended at the first opportunity to bring it into conformance with applicable laws and regulations.

Principal Contacts

Division of Mining Land and Water:
Brent W. Goodrum
550 W. 7th Ave. Ste. 1070
Anchorage, AK 99501
Phone: (907) 269-8600
Email: brent.goodrum@alaska.gov

City of Unalaska:
Mayor Frank Kelty
Unalaska City Hall
43 Raven Way
Unalaska, AK 99685
Phone: (907) 581-1251, ext. 2201
Email: MayorKelty@ci.unalaska.ak.us

Authorized Representatives

By signature below, Unalaska and DNR-DMLW certify that the individuals listed in this document as representatives are authorized to act in their respective duties for matters related to this agreement.

Division of Mining, Land and Water

City of Unalaska, Alaska

Brent W. Goodrum

Frank Kelty

Date

Date