



December 2, 2013

PORT OF BELLINGHAM
Washington State

Update Letter #7

Dear Boathouse Owner:

In April 2013, Update Letter #6 was sent informing you of the recently adopted boathouse policy (a copy of the adopted policy was enclosed). As you recall, the boathouse policy was adopted without minimum liability insurance requirements for Multiparty Boathouse (MPBH) structures until additional market research could be done. Port staff informed the Commission that a recommendation would be presented late in the fourth quarter of 2013 once the appropriate level of coverage was determined. This letter is to inform you that new MPBH insurance requirements have been adopted into the Harbors' Rules, Regulations, and Procedures on November 19, 2013 by the Port Commission. A copy of the adopted MPBH policy is enclosed.

I'd like to point out that the policy adopted on November 19, 2013, incorporates two changes based on requests from the MPBH owners. Those changes are:

Liability Insurance Coverage

Originally the MPBH liability insurance requirement was established at \$5 million. The MPBH owners requested that the requirement be removed until additional research could be done to determine what coverage was available on the market. Based on the findings and subsequent recommendation from the Marina Advisory Committee (MAC) and the MPBH Owners, the MPBH liability coverage requirement was established at \$3 million.

January 15, 2014 deadline

The boathouse policy adopted in April 2013 gave MPBH owners until January 15, 2014, to provide their certificate of registration from the Washington Secretary of State establishing their legal entities and to obtain insurance on the boathouse structure. At the MPBH Open House held in September, the MPBH Owners expressed concern that they likely would not be able to meet the deadline of January 15, 2014. They requested additional time to finalize their legal entities and file with the state at which time would then be able to obtain insurance on the boathouse. The Rules & Regulations adopted on November 19, 2013, provide for a six-month extension based on the following criteria:

- Interim insurance coverage for the MPBH structures shall be through the vessels that are moored within the structure. The vessels shall carry a minimum \$1 million liability coverage written on a yacht/marine policy listing the Port as Additionally Insured.
- The vessel insurance must be in place by January 15th, 2014, before an extension will be granted.
- Alternate coverage may be considered and approved by the Executive Director on a case-by-case basis.
- Once the \$3 million coverage on the MPBH structures is in place and a copy of the policy is submitted to the Port, the vessel insurance requirement reverts back to \$300,000 minimum liability coverage.

We thank you for your participation and patience as these requirements have been developed. If you have any questions please feel free to contact me at pamt@portofbellingham.com or at 360-715-7382.

Regards,


Pam Taft

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Port of Bellingham

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