

Alaska Marine Surveyors, Inc.

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August 23, 2022

Scott Robinson
CPR Management Services, LLC
4005 20th Avenue W, Suite 228
Seattle, WA 98199

RE: F/V CHALLENGER- Capsize - DOL: 08/07/22
Assured: Alward Fisheries LLC
Final Damage Report DV3261 "Hull & Machinery"

Dear Mr. Robinson,

Acting at the request of, CPR Management for F/V Challenger "Hull & Machinery" underwriters, the undersigned marine surveyor did, on August 10th and 11th, 2022, discuss the F/V Challenger, which was capsized, in Larsen Bay, Alaska.

The purpose of attending was to determine the nature, extent and cause of damage as a result of a reported capsizing.

Vessel Particulars

Name:	Challenger
Official No.:	943644
IMO. No:	643943644
Call Sign:	WDE5087
Hull ID No.:	B-48-023
Hailing Port:	Homer, AK
Owner:	Alward Fisheries, LLC [REDACTED] [REDACTED]

Year Built: 1989
Where Built: Seattle, WA
Built By: Unknown
Length Overall: 53.0'
Registered Length: 52.5'
Width: 15.0'
Depth: 7.0'
Gross Tons: 36
Net Tons: 29
Type: uninspected commercial fishing vessel
Registry: United States of America
Construction: Fiberglass

Report of Accident

According to owner, Mr. Matthew Alward, in his USCG statement dated August 9, 2022, the F/V Challenger was traveling at 6 knots when it struck an uncharted rock and started taking water on the bow. The crew immediately placed a 2” trash pump in the forecabin and began pumping water out of the bow. The water filled to the engine room where they got a 3” hydraulic Pacer pump and a 2” Flowmax pump to pump the water out. The vessel continued to take on more water than they were able to pump out. After approximately 4 – 5 minutes after impact, the crew got into the seine skiff. Approximately 10 minutes in, the vessel capsized but remained floating. The vessel looked to be floating stable stern up so the crew got a line on it and started towing towards Larsen Bay where they arrived 14 hours later and notified the Coast Guard.

Damage

The following was observed during the undersigned’s inspection:

Found

The F/V Challenger is currently capsized and fully ingressed with saltwater, with all electrical, machinery, equipment and finishes submerged under water and determined unreliable for further serviceability.

Recommend

Repairs are not recommended.

It is the undersigned marine surveyor’s opinion the cost of repairs will exceed the undersigned understood vessel’s insured value of \$620,000.00.

So, it is the undersigned marine surveyor’s opinion, the F/V Challenger be considered a Constructive Total Loss (CTL).

Repairs

Repairs are not recommended.

It is the undersigned marine surveyor’s opinion the cost of repairs will exceed the undersigned understood vessel’s insured value of \$620,000.00. So, it is the undersigned marine surveyor’s opinion, the F/V Challenger be considered a Constructive Total Loss (CTL).

Cause of Damage

The cause of damage appears to be due to navigational error whereby the vessel’s captain reportedly struck an uncharted rock. This is difficult to suggest this was due to operator error as the rock was not charted on the navigational system and may have not been visible by the captain’s view.


It is always prudent action to always observe the navigational route with and without computerized or charts but also physical visual piloting practices.

Surveyor’s Comments

1. Dry-docking of the vessel is not necessary.
2. Bonus overtime labor is not necessary.
3. Towage was necessary.
4. No injuries were reported.
5. No pollution was reported or observed.
6. Crew members may present owner with personal effects inventory for reimbursement.
7. There was extensive internal flooding to cause machinery damage.

This Final Damage Report DV3261 “Hull & Machinery” was made without prejudice.

Regards,



[Handwritten signature]
Stuart L. McFarland
AMS, Inc. Associate Marine Surveyor
NAMS Global Associate Marine Surveyor

Attached: USCG 2692 Statement (2 Pages)
 Photo (provided by owner)

REPORT of MARINE CASUALTY, COMMERCIAL DIVING CASUALTY, or OCS-RELATED CASUALTY**Section I - Reporting Vessel/Facility Information**

1. Vessel or Facility Name F/V Challenger		2. Vessel Official Number or IMO Number 643943644		3. Vessel Flag USA	
4. Vessel Length 52.5 <input checked="" type="checkbox"/> Feet <input type="checkbox"/> Meters		5. Vessel Gross Tons 36		6. Vessel Propulsion Type	
7. Vessel or Facility Type Commercial Fishing Vessel			8. Vessel or Facility Service or Occupation Commercial Fishing		
9. FOR TOWING ONLY	9a. Arrangement:		9b. Number of Vessels Towed:		9d. Did one or more of the barges in the tow cause or sustain damage in the marine casualty? <input type="checkbox"/> Yes <input type="checkbox"/> No (If Yes complete and attach one or more CG-2692A forms to this report)
	<input type="checkbox"/> Pushing Ahead	<input type="checkbox"/> Towing Astern	<input type="checkbox"/> Towing Alongside	Empty _____ Loaded _____ Total _____	

Section II - Reason for Submitting this Report (Check all that apply)

10. The above vessel was involved in a Marine Casualty consisting in (46 CFR 4.05-1 and 4.05-10):

1. Unintended grounding or an unintended strike of (allision with) a bridge
2. Intended grounding or intended strike of a bridge that created a hazard to navigation, the environment or the safety of the vessel, or that meets any of the criteria in 3 through 8 below
3. Loss of main propulsion, primary steering, or any associated component or control system that reduces the maneuverability of the vessel
4. Occurrence materially and adversely affected the vessel's seaworthiness or fitness for service or route
5. Loss of life
6. Injury that requires professional medical treatment (treatment beyond first aid) and, if the person is engaged or employed on board a vessel in commercial service, that renders the individual unfit to perform his or her routine duties
7. Occurrence causing property damage in excess of \$75,000
8. Occurrence involving significant harm to the environment

11. The above facility or vessel was involved in a Commercial Diving Casualty involving (46 CFR 197.484):

1. Loss of life
2. Diving-related injury to any person causing incapacitation for more than 72 hours
3. Diving-related injury to any person requiring hospitalization for more than 24 hours

12. The above facility or vessel was involved in an OCS Facility Casualty Resulting in (33 CFR 146.30 and 146.35):

1. Death
2. Injury to 5 or more persons in a single incident
3. Injury causing any person to be incapacitated for more than 72 hours
4. OCS Facility only - Damage affecting the usefulness of primary lifesaving or firefighting equipment
5. OCS Facility only - Damage to the facility exceeding \$25,000 resulting from a collision by a vessel with the facility
6. OCS Facility only - Damage to a floating OCS facility exceeding \$25,000

Section III - Associated Parties Information (Fill all fields that apply)

13. Name of Owner Matthew J Alward		Telephone [REDACTED]		14. Name of Operator or Manager same		Telephone	
Address [REDACTED]		Email address [REDACTED]		Address		Email address	
15. Name of Master or Person-in-Charge (Last, First, Middle) Alward, Matthew, Julian		Telephone [REDACTED]		16. Name of Agent (Last, First, Middle) none		Telephone	
Address [REDACTED]		Email address [REDACTED]		Address		Email address	
17. Name of Dive Supervisor (Last, First, Middle) none		Telephone		18. Name of Pilot (Last, First, Middle) none		Telephone	
Address		Email address		Address		Email address	

Section IV - Casualty Information

19. Date/Time (local) of Occurrence 8/7/2022		20. Location-Name of Body of Water or Waterway: Latitude: 57°38'24.5"N Shelikof Strait Longitude: 154°18'50.8"W OR River Mile Marker:	
21. Property Damage Estimated Damage Cost(s) to: Vessel: \$600,000.00 Cargo: \$ Facility: \$ Other: \$		Describe the Extent of Property Damage Hole in the bow resulting in flooding of the vessel	
22. Status of Involved Persons (If there are 1 or more injured, dead or missing persons complete and attach one or more CG-2692C forms to this Report) Total Number of Persons: On Board the Vessel: 4 Injured: 0 Dead: 0 Missing: 0			

Section IV - Casualty Information (continued)

23. Was This Casualty a Serious Marine Incident (SMI) as Defined in 46 CFR 4.03-2?

Yes No Not at this Time, But is Likely to Become an SMI (If Yes or Is Likely to Become an SMI complete/attach one or more CG-2692B forms to this report)

24a. Is there any evidence of alcohol or drug use by or intoxication of individuals directly involved in the casualty?

Yes No (If Yes, identify those individuals for whom evidence has been obtained and specify the method to obtain such evidence in block 24c)

24b. Did any individual directly involved in a casualty refuse to submit to, or cooperate in, the administration of a timely chemical test, when directed by a law enforcement officer or by the marine employer?

Yes No (If Yes, note the individual(s) who refused in block 24c)

24c. Individuals with evidence of drug or alcohol use, evidence of intoxication, or who refused to submit/cooperate in a timely chemical test (if more space is needed, continue in block 25c)

Our alcohol testing equipment couldn't be retrieved due to rapid flooding so no testing was preformed.

24d. Is there evidence that alcohol use contributed to this casualty?

Yes No (If Yes, discuss in block 25b)

25. Nature and Circumstance of the Casualty:

25a. Activity or Operation Being Conducted at the Time of the Casualty:

Traveling



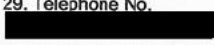
25b. Description of the Casualty (casualty events and the conditions and actions that were believed to be causal factors as well as any hazards created as a result of the casualty. Attach additional sheets if necessary.):

We were traveling at 6 knots and hit an uncharted rock and started taking on water from the bow. The crew immediately responded by placing a 2" trash pump in the foc-sle and began pumping out the bow. The water got to the engine room and we got a 3" hydraulic Pacer pump and a 2" flow max pump pumping out the engine room and we were still taking on more water then the pumps could keep up with. At that point about 4-5 minutes after impact we all four got into the seine skiff (no one went in the water) and pulled the seine off of the deck as two other seine vessels arrived. One of the vessels retrieved the seine net out of the water and the other stood by. Within 10 minutes or so the boat capsized but remained floating. The boat looked to be foating stable stern up so we got a line on it and started towing towards Larsen Bay where we arrived 14 hours later and notified the Coast Guard.

25c. Any other comments, including with respect to use of or need for emergency response equipment:

We used our emergence 2" Honda trash pump for dewatering. The epirb and life raft deployed from their hydrostatic releases.

Section V - Person Making this Report

24. Name (PRINT) (Last, First, Middle) Alward, Matthew, Julian	25. Signature: 	26. Date 8/9/2022
27. Title owner	28. Address 	
29. Telephone No. 	30. Email 