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## Memorandum

To: Elaine Forbes  
From: Matthew Bell  
CC: Andre Coleman  
Date: December 8, 2025  
Subject: Pier 68 Dry Dock 2, Emergency Declaration

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Dear Director Forbes:

Per Section 6.60 of the San Francisco Administrative Code, Port Engineering requests you declare an emergency regarding the rapid deterioration of Dry Dock #2 (DD2) at Pier 68. DD2 requires immediate emergency repairs to stabilize the vessel and to remove or stabilize the cranes on top of the DD2 vertical wing. These steps are necessary to safeguard the lives of citizens and staff who work, or are located on or near the vessel.

### Background

DD2 is a 55-year-old 900-foot single-section steel floating dry dock constructed by the Bethlehem Steel Corporation. It is a rigid unit-type dock with continuous pontoon and wing walls with 40 ballast compartments (20 per side).

The Pier 68 shipyard has been without a tenant performing ship repairs or dry dock maintenance since 2017. Inadequate maintenance of DD2 was a major factor in the closure of the shipyard. Without sustained maintenance the vessel continues to deteriorate.

The DD2 has become a liability as it continues to deteriorate. The following actions have been taken to reduce and remove this liability from the Port:

- On March 17, 2021, the Port issued an Emergency Declaration to facilitate repairs to stabilize crane #33 on the western wing wall on DD2 that was freely rotating due to failure of a slewing brake caused by high wind in the winter storm of 2021.
- In June of 2023, and February 2024, Port staff pursued Requests for Offers to sell the vessel for removal and off-site repair. However, by the Spring of 2025, the sole respondent, Desan Shipyard, and the Port were unable to reach an agreement for sale and removal of DD2.
- In April of 2024, Port Engineering engaged an on-call consultant, GHD-Structus JV, to provide an overall assessment of DD2 after it was found to be listing/heeling in March 2024. The consultant team prepared a technical



memorandum in May 2024 summarizing the general conditions to develop a plan for removal, repair, or demolition.

- In December 2024, Port Engineering engaged the same on-call consultant to provide supplemental staff, a project manager, and a Naval Architecture subconsultant, Herbert Engineering Corp., to prepare designs for stabilization repairs that will enable the final demolition of DD2. Inspections by the consultant team documented extensive hull tears near the waterline of the vessel, and welded steel repairs were designed.
- Winter storms in 2024-25 required urgent action by the Port to move quickly to enter into an informal contract in April 2024 to demolish a DD2 access stair that nearly collapsed onto a critical electrical panel during a listing incident. The electrical panel is the only source of electricity for DD2 and powers the high-capacity ballast tank pumps that keep DD2 afloat.
- Most recently, a storm in November 2025 caused additional damage to DD2 that now requires emergency repairs. The current conditions are explained below.

On November 5, 2025, a member of the public in a nearby tugboat contacted Port Maritime staff to report excessive listing of DD2 on the north-east side. Port staff opened the holding tanks and observed that existing tears in the hull had enlarged, and new tears had appeared, resulting in additional uncontrolled flooding of ballast tanks and unsafe listing of the vessel. Auxiliary industrial pumps have been rented by Port Maintenance and installed to pump out ballast tanks where the dock's onboard pumps no longer function. The auxiliary pumping requires Port staff to monitor the water levels visually and move portable pumps from tank to tank. Potential consequences of uncontrolled flooding of ballast tanks through holes in the vessel include: (i) collapse of the cranes located near the only dock-side access point to DD2 due to the excess listing angle; (ii) breaking of mooring keepers due to excess listing angle, potentially setting the dock adrift; and (iii) sinking of the dock, which would introduce pollution into the bay and necessitate a significantly more complex salvage and demolition effort.

In the interest of protecting public and staff safety, and preventing further damage, a contractor with the ability to deploy a floating crane barge, perform underwater welding, and perform other specialized marine salvage and vessel repair work is required to address the needed work expeditiously.

Section 6.60 of the San Francisco Administrative Code defines an "actual emergency" in part as the discovery of any condition involving a clear and imminent danger to public health or safety, demanding immediate action. The situation at Pier 68 fits the definition of an "actual emergency" because it represents a clear and imminent danger to public health or safety.

The timing of the emergency request is urgent due to winter storms, which could cause uncontrolled flooding and movements of DD2 with the potential for DD2 to be unmoored and sent adrift. Per Section 6.60(f) of the San Francisco Administrative Code, contracts



awarded under emergency circumstances are exempt from requirements of Chapter 6 and Chapters 12A, 12B, 12C, and Chapter 14 of the Administrative Code (although it is policy to make every effort to comply with the provisions of Administrative Code 12A, 12B, 12C, and Chapter 14B). The emergency declaration allows the Port to facilitate repairs in the most expeditious manner.

The repair work is estimated to be up to \$10,000,000, and will be procured and managed by San Francisco Public Works. Since the estimated repair work is anticipated to exceed \$250,000, additional approvals by the President of the Port Commission and the San Francisco Board of Supervisors are required, per Section 6.60(d) of the Administrative Code.

If you approve of the declaration of emergency, please sign and return the emergency declaration document.



December 8, 2025

**To: Mayor Daniel Lurie  
City Hall, Rm. 200  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102**

**San Francisco Port Commission  
Attention: The Honorable Gail Gilman, President  
Pier One, The Embarcadero  
San Francisco, CA 94111**

**The Honorable Board of Supervisors  
Attention: Ms. Angela Calvillo  
City Hall, Rm. 244  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102**

**Mr. Greg Wagner, Controller  
City Hall, Rm. 316  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102**

**From: Elaine Forbes, Port of San Francisco Executive Director**

**Subject: Declaration of Emergency; Repairs to Stabilize Pier 68 Dry Dock Vessel**

Dear Mayor Lurie, Members of the Board, Commission President Gail Gilman, Port Commissioners, and Mr. Wagner,

In accordance with Chapter 6, Section 6.60 of the Administrative Code of the City and County of San Francisco, I am declaring an emergency on behalf of the Port of San Francisco ("Port").

Storms in November 2025 with high winds have accelerated damage to Dry Dock #2 (DD2), so that existing tears have enlarged, and new tears have appeared on the hull of DD2. These conditions have resulted in increasingly difficult-to-control flooding of ballast tanks, causing DD2 to list beyond safe limits and increasing the risk of catastrophic failure. The situation is a clear and imminent danger to public health or safety, demanding immediate action.

The accelerated deterioration of DD2 at Pier 68 represents an "actual emergency" as defined by Section 6.60 of the San Francisco Administrative Code. Immediate emergency repairs are necessary to stabilize the vessel and remove or stabilize the



cranes on top of the DD2 vertical wing walls, which will safeguard the property of the Port, and maintain public health and welfare.

This emergency declaration is to enable the Port to engage one or more contractors to (i) perform welding and patching repairs to minimize the intake of water, (ii) access the DD2 cranes on top of the wing walls to stabilize or remove the cranes, and (iii) take other actions necessary to address the emergency and make DD2 safe. This work is beyond the capabilities of City forces. The Port will collaborate with San Francisco Public Works to contract for the work. The estimated cost of these services is approximately \$10,000,000.

I am therefore declaring the existence of an emergency. Because the estimated cost of the emergency work will exceed the threshold amount of \$250,000, I request that Commission President Gail Gilman approve this declaration, pursuant to Section 6.60(d) of the Administrative Code.

Sincerely,

DocuSigned by:

*Elaine Forbes*

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Elaine Forbes

Executive Director, Port of San Francisco

CONCUR AND APPROVE:

Signed by:

*Gail Gilman*

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Gail Gilman, President  
San Francisco Port Commission

DATE:

12/9/2025

Cc: Carla Short, Director, San Francisco Department of Public Works.  
Michelle Sexton, General Counsel, Port