

1 [Emergency Declaration - Stabilize Dry Dock No. 2 at Pier 68 - Not to Exceed \$10,000,000]

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3 **Resolution approving an emergency declaration of the Port of San Francisco, pursuant**
4 **to Administrative Code, Section 6.60, to provide immediate emergency repairs to**
5 **stabilize Dry Dock No. 2 at Pier 68 for a total estimated not to exceed cost of**
6 **\$10,000,000 and adopting environmental findings.**

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8 WHEREAS, The shipyard at Pier 68 has been non-operational since 2016 when BAE
9 Systems San Francisco Ship Repair, Inc. sold their rights to operate the yard and paid the
10 Port a settlement of \$4.9 million; and

11 WHEREAS, In August of 2017, and again in April of 2018, Port staff issued solicitations
12 for a shipyard operator but neither effort resulted in reactivation of the shipyard; and

13 WHEREAS, Some shipyard equipment, including Dry Dock No. 2, remain in place but
14 is degrading rapidly without reinvestment and regular use; and

15 WHEREAS, The shipyard includes two dry docks (Dry Dock No. 2 and the Eureka)
16 which are not certified for operations and have significant deferred maintenance; and

17 WHEREAS, Dry Dock No. 2 is a 900-foot single-section steel floating dock constructed
18 by the Bethlehem Steel Corporation in 1970; and

19 WHEREAS, Over the past several years, the Port has taken repeated steps to address
20 Dry Dock No. 2, including emergency stabilization actions, structural assessments, and efforts
21 to sell the dry dock for removal and off-site repair, which ultimately did not result in an
22 agreement; and

23 WHEREAS, The Port has engaged a consultant to draft long-term plans to repair,
24 stabilize and demolish both Dry Dock No. 2 and Eureka; and

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1 WHEREAS, In November 2025, the Port became aware of excessive listing of Dry
2 Dock No. 2, and an inspection of Dry Dock No. 2 found significant corrosion and deterioration
3 that indicates a much higher risk of sinking than previously known; and

4 WHEREAS, Storms in November 2025, with high winds accelerated damage to Dry
5 Dock No. 2, enlarging existing tears on the structures hull; and

6 WHEREAS, These conditions have resulted in increasingly difficult-to-control flooding
7 of ballast tanks, causing Dry Dock No. 2 to list beyond safe limits and increasing the risk the
8 catastrophic failure; and

9 WHEREAS, The accelerated deterioration of Dry Dock No. 2 at Pier 68 is a clear and
10 imminent danger to public health or safety demanding immediate action and represents an
11 actual emergency as defined by Section 6.60 of the San Francisco Administrative Code; and

12 WHEREAS, Immediate emergency repairs are necessary to stabilize the vessel and
13 remove or stabilize the cranes located on top of the Dry Dock No. 2 vertical wing walls; and

14 WHEREAS, On December 8, 2025, in accordance with Administrative Code,
15 Section 6.60, the Executive Director of the Port of San Francisco, declared an actual
16 emergency to provide immediate emergency repairs to stabilize Dry Dock No. 2 at Pier 68 for
17 a total not to exceed cost of \$10,000,000 (the "Emergency Declaration"); and

18 WHEREAS, The President of the Port Commission has approved the Emergency
19 Declaration in writing, as required by Section 6.60(d) of the Administrative Code; and

20 WHEREAS, Administrative Code, Section 6.60(d), requires that the Board of
21 Supervisors approve emergency work with an estimated cost in excess of \$250,000; and

22 WHEREAS, The Controller has certified that funds are available for this emergency
23 work; and

24 WHEREAS, On December 17, 2025, the Planning Department issued a letter finding
25 that the actions identified in this legislation are statutorily exempt from the California

1 Environmental Quality Act, California Public Resources Code, Sections 21000 et seq., and
2 such letter is on file with the Clerk of the Board of Supervisors in File No. 260009; now
3 therefore, be it

4 RESOLVED, That the Board of Supervisors adopts the Planning Department's
5 abovementioned environmental findings and approves the Port of San Francisco Executive
6 Director's emergency declaration for the necessary repairs to stabilize Dry Dock No. 2 at Pier
7 68 for a total not to exceed cost of \$10,000,000; and, be it

8 FURTHER RESOLVED, That the Board of Supervisors ratifies actions taken to date by
9 the Port of San Francisco to address such emergency work and resolve the emergency
10 condition.

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