

1 [Ratify Port Emergency Repair Contract]

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3 **Resolution ratifying San Francisco Port Commission emergency contract for recovery**
4 **and repair of marine vessel known as Drydock #1.**

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6 WHEREAS, San Francisco Charter Section B3.581 provides that the San Francisco
7 Port Commission has the exclusive power to perform or accomplish the construction,
8 reconstruction, repair, operation and use of all works, buildings, facilities, utilities, structures
9 and appliances incidental necessary or convenient for the promotion and accommodation of
10 commerce and navigation or located within the port area; and

11 WHEREAS, The Port Commission may confer on the Port Director the authority to
12 enter into contracts germane to the scope of the Commission's powers and duties; and,

13 WHEREAS, On November 7, 2002 during a high wind storm, the marine vessel, known
14 as Dry Dock #1 (Dimensions 654 feet long by 125 feet wide), broke free from its mooring,
15 parting its lines and tearing five mooring bits from their footings on the pier, and went adrift
16 before it went aground at Yerba Buena Island; and,

17 WHEREAS, On November 12, 2002, the Port Commission declared the existence of an
18 emergency due to the threat to public health and safety because the Drydock # 1 posed a
19 threat to navigation, the Bay Bridge footings, and to the BART tube if it was not secured and
20 repairs made to the holes in the hull to prevent its sinking; and,

21 WHEREAS, Pursuant to the emergency declaration, the Port entered into emergency
22 contracts with various tug boat companies, marine equipment suppliers and with Titan
23 Maritime, Inc. to perform salvage operations to recover Drydock #1, complete emergency
24 repairs and transport it to a safe harbor at the Port; and,

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1 WHEREAS, Titan Maritime, Inc. assisted in stabilizing and securing the Dry Dock #1 at
2 its resting place at Yerba Buena Island, performed an underwater assessment to determine
3 the best procedure to recover the Dry Dock #1, executed temporary welding and repairs to the
4 hull, obtained and operated pumping equipment to refloat the Dry Dock #1, provided tugs and
5 pilots for the transport to a safe berth on December 8, 2002, and assumed round the clock
6 custodial care, including insurance and indemnity, between December 8 and December 22,
7 2002; and,

8 WHEREAS, Further repairs, performed out of the water in a drydock, were required to
9 repair the damage to Drydock #1 to prevent it from taking on water and sinking; and,

10 WHEREAS, On December 20, 2002 the Port entered into an emergency contract with
11 San Francisco Dry Dock, Inc. at Pier 70 to transfer Dry Dock #1 into its larger dry dock for an
12 amount not to exceed \$500,000; and,

13 WHEREAS, The San Francisco Dry Dock, Inc, completed a scope of work including
14 assessment of hull damage and general inspections as to seaworthiness, harden and improve
15 the temporary repairs executed by Titan Maritime when the drydock was aground by replacing
16 wooden and plastic patches with metal plating, retracting the outrigger-aprons onto the main
17 deck of Drydock #1 to improve tow characteristics, removing exterior cat walks, refloating Dry
18 Dock #1, and berthing the drydock in a safe, wind protected berth, at a cost of \$300 per day,
19 for invoices totaling \$240,835 to date; and,

20 WHEREAS, Upon the execution of the contract with San Francisco Dry Dock, Inc. and
21 the transfer of Dry Dock #1 into the operating drydock facility, the Port was able to terminate
22 its agreement with Titan Maritime, Inc. with invoices under that contract totaling \$1,172,000;
23 and,

24 WHEREAS, San Francisco Dry Dock, Inc. controls and operates the only drydock
25 facility in San Francisco Bay capable of receiving Dry Dock #1 for repairs; and,

1 WHEREAS, The remaining scope of work under consideration includes additional
2 repairs or modifications to Dry Dock#1 as required to achieve United States Coast Guard
3 permits, and possible further modifications depending upon the ultimate disposition method
4 selected pursuant to a contracting process that will proceed on a non-emergency basis; and,

5 WHEREAS, Pursuant to Administrative Code Section 6.60, the Port notified the
6 Controller and the Board of Supervisors of the existence of the emergency and the need for
7 the emergency contracts, and because the Titan Maritime, Inc. contract was on a time and
8 materials basis it was not possible to bring a final contract amount to this Board for approval
9 until all of the invoices were received and reviewed for accuracy and reasonableness; and,

10 WHEREAS, the Port now seeks the ratification by this Board of Supervisors for the
11 contract with Titan Maritime, Inc., as it exceeds the \$250,000 threshold established in
12 Administrative Code 6.60; and,

13 WHEREAS, the Port will continue to notify the Board and seek such approvals as are
14 necessary, consistent with budgetary and fiscal procedures, to reallocate Port funds to
15 account for the various contracts made necessary by this emergency situation; now,
16 therefore, be it

17 RESOLVED, That this Board of Supervisors hereby ratifies and approves the
18 emergency contract between the San Francisco Port Commission and Titan Maritime, Inc. in
19 the amount of \$1,172,000.