



of the San Francisco Bay Region

*Mandated by the California Oil Spill
Prevention and Response Act of 1990*

HARBOR SAFETY COMMITTEE OF THE SF BAY REGION

Thursday; February 13, 2003

Port of San Francisco, Pier 1, San Francisco, CA

Scott Merritt, Foss Maritime Company, Vice-Chair, called the public meeting to order at 10:00 and welcomed those in attendance. The secretariat confirmed the presence of a quorum. The following committee members or alternates were in attendance. **Len Cardoza**, Port of Oakland; **John Davey**, Port of San Francisco; **Stuart McRobbie**, SeaRiver Maritime; **Doug Lathrop**, Chevron Texaco; **Don Watters**, CSX Lines; **Marina V. Secchitano**, Inlandboatman's Union; **Capt. Margaret Reasoner**, Crowley Maritime Services; **Capt. Larry Teague**, San Francisco Bar Pilots; **Michael Beatie**, Golden Gate Bridge, Highway and Transportation District, Ferry Division; **Joan Lundstrom**, Bay Conservation and Development Commission; **Margot Brown**, National Boating Federation; and **Kathryn Zagzebski**, The Marine Mammal Center. Also present were U. S. Coast Guard representative, **Cmdr. Steve Boyle** (MSO); U. S. Army Corps of Engineers representatives, **Larry Graham** and **David Dwinell**; **Ken Leverich**, State Lands Commission; and **Lynn Korwatch**, Marine Exchange and HSC Secretariat. In addition, more than twenty representatives of the interested public were present.

Corrections to minutes of 1-9-03 meeting. **L. Cardoza**: Delete the title "Col." from **David Dwinell** in attendance section. MOTION by **J. Lundstrom**, seconded by **M. Brown**, to "approve the minutes as corrected." Motion passed without objection.

USCG COTP'S REPORT. (1) **S. Boyle** reported on port operations statistics for pollution response and investigations and significant port safety events for the period January 1, 2003 through January 31, 2003. A written report is made a part of these minutes. (2) The CG is taking lack of advance warning of vessel arrivals very seriously. Violations of the notice of arrival requirements can result in a letter of warning or civil penalty. (3) **S. Boyle** introduced **Lt. Faye Miller**, who handles the recreational boating sub-committee pilot program, and **Lt. Cdr. Charles Shroeder**, who is working on the port security plan. A presentation by **F. Miller** on the recreational boaters' program will be agendaed for the next HSC meeting. (4) Security. There have been increased reports of Al-Qaeda activity recently, resulting in the announcement of the threat level being raised from 'elevated' (yellow) to 'high' (orange). Possible targets for terrorist acts include the energy sector, financial sector, key transportation links, symbolic targets, U. S. symbols of power and soft targets, such as apartment buildings. SF is at marine security level one and 23 reservists have been recalled to active duty, joining the Sea Marshal and facility inspection programs. More reservists may be called. The CG is in the process of publishing a new rule establishing security zones around the piers, abutments and pilings of the Golden Gate and Oakland Bay Bridges. **M. Secchitano**: What is the status of the freeze on issuing mariners' renewal documents? **S. Boyle**: The freeze is still in affect. The CG is working to develop



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procedures for better scrutiny of documents and to develop new forms. **M. Secchitano**: The renewal of mariners' documents is important for the certification of crews and boats.

CLEARINGHOUSE REPORT, A. Steinbrugge. A written report with statistics for the month of January 2003 is made a part of these minutes. There were no calls to OSPR during the month of January for escort violations or in response to calls from the Pilots to report a vessel arriving at the pilot station without escort paperwork. However, there has been one of each, to-date, in February. There were two calls regarding escort violations in 2002; six calls in 2001 and five calls in 2000. **L. Teague** noted that non-escorted vessels are checking in when it is no longer necessary, nor is it required for escorted vessels to check out. This clutters the airways and may add to the MX burden. **L. Korwatch**: It does add to radio communications, but the MX appreciates the information to confirm traffic movement.

OSPR REPORT. None.

NOAA REPORT. None.

COE REPORT, D. Dwinell. **Larry Graham** was also in attendance to answer any questions. The text of the COE Report is made a part of these minutes by attachment. Question: Are there any reports on the new debris boat? **D. Dwinell**: Will check and report at next meeting. **M. Beatie**: The "Raccoon" and "Grizzly" are doing a great job on a daily basis, responding to requests for debris removal.

STATE LANDS COMMISSION REPORT, K. Leverich. (1) Regularly scheduled monitoring and checking of facilities has been conducted. There were no spills in January. (2) State Lands is working with the CG on security issues. (3) The Customer Service Meeting went well. The most recent meeting started earlier and State Lands would like input on whether this earlier time is more convenient for the long run.

WATER TRANSIT AUTHORITY PRESENTATION, Mary Culnane. The plan for an expanded ferry service was submitted to the state legislature in December 2002. They have six months to review and approve the plan, with the WTA evolving into an administrative agency. The goal is to build an environmentally sensitive and cost-effective system, a difficult task. With increased Bay Area traffic projected, the cost of ferries compares favorably with other modes of public transportation. Increasing the ferry system can get people out of cars and will provide new jobs. Cost for the proposed expansion is \$665 million over ten years; net operating cost is projected to be \$46 million per year. Possible funding can come from a \$1 bridge toll increase; federal, state and local money; the fare box; developers' contributions and a sales tax to fund



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local terminals and services. Traffic interaction simulations were conducted by George Washington University in cooperation with the California Maritime Academy and ABS to assist in risk assessment and planning. Question: Will there be a phased-in approach to implementation of the plan towards 2015 completion? **M. Culnane**: Yes. The process could begin in 2006. Question: How does the consideration of environmental sensitivity impact the plan? **M. Culnane**: It adds 15-20% to the cost of building a ferry, compared with the ferries of today. Question: How do the ferry operators like the plan? **M. Culnane**: Blue Water Network supports the plan and the ferry operators see more jobs for highly trained operators and crew. Question: How will new routes be implemented? **M. Culnane**: The implementation of new routes has been prioritized, beginning with Martinez/Hercules cross-bay. Other routes will be studied. Implementation will be dependent on financial support and permitting processes. The entire slide presentation is made a part of these minutes and can be accessed from the MX/HSC website.

NAVIGATION WORK GROUP REPORT, L. Teague. **E. Dohm** reported that the focus of the committee's work has been on improving survey data and delivery time of the information. The COE public website is up and running, <http://www.spn.usace.army.mil/hydrosurvey/>. Charts are being posted almost as soon as the surveys are done. Ideally, this could also be continued up to Sacramento/Stockton, however, COE Sacramento District charts in a different format. District SF is willing to work with Sacramento to reformat charts. Pilots now get information directly off the COE website.

UNDERWATER ROCKS WORK GROUP REPORT, L. Cardoza. (1) Regarding the Oakland Project, the omnibus bill for all appropriations that didn't pass Congress is going through now with \$12 million for Port of Oakland 50 foot Project and O&M funding for Port of Oakland federal channels and other projects. The President's budget for FY 2004 only includes \$7 million for the Oakland Development Project and \$6.8 million for Port of Oakland O&M. The lesson learned is that, if you don't execute a program, you lose the money. The Inner Harbor Turning Basin expansion continues on schedule and under budget, including construction of a flare at the southeast corner to increase the size of turning basin beyond 1500'. There is hope for a contract for additional demolition and to finish the Inner Harbor widening project. **L. Cardoza** will go to Washington, DC, next Tuesday to give a lessons-learned presentation on the COE process to Congressional Administrative Assistants. The Port of Oakland has not had 42' of water in the federal channel since 2000. The COE is encouraged to take a hard look at the program and move work ahead. If it is delayed until July, it may not be possible to achieve 42'. (2) The report of the Underwater Rocks Work Group is made a part of these minutes. **L. Teague**: Where do we go now that it has been determined that the project doesn't meet COE project parameters for cost benefit? **L. Cardoza**: The work group is looking at alternate measures. **L. Teague**: Under what authority does the work group get involved in navigational



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issues on the bay? **L. Cardoza**: The group would come back to the HSC before publishing any recommendations. The focus of the group is to develop a completed feasibility study. Question: Isn't the work of the Underwater Rocks Work Group expanding outside their domain? **L. Cardoza**: The next step towards completing the feasibility study is for the participants, the COE and State Lands, to revise the scope of the feasibility study to address all causes of accidents and to develop alternatives that will address reducing the risk of these accidents. **J. Lundstrom**: It's important to look at what other alternatives there may be, more tugs, navigational issues or something else. With more input, there is better information. Question: With the cost of the project well below the COE threshold, is the work group going to ignore that and march on anyway? **L. Cardoza**: The cost benefit approach is only one aspect of a feasibility study. Completing the study may lead to a different direction for funding the project. Question reiterated: To this point, the project is not worth it. Despite that, will the group just march on with the project? **L. Cardoza**: The foremost example in the mind of the participants in the feasibility study is the EXXON VALDEZ spill. Statistically, that shouldn't have happened. For the sake of safe navigation on SF Bay, we need to continue in this direction, if there is even a remote concern that there could be a spill. The study continues to be funded by the COE. The result of completing the feasibility study could be that the project falls below the cost benefits required by the COE, but can be funded by other sources. **M. Brown**: The participants should explore other agencies that are conscious of the dangers in the areas of the rocks and look at their cost/benefit analysis. The COE is constrained by legal limits that may not apply to other agencies. The group should take a broader view. **L. Cardoza**: The COE recommended, coming out of the Feasibility Study F-3 Conference, that other agencies or the legislature be considered to fund the project. Question: Who will revise the scope of the feasibility study? **L. Cardoza**: The COE and State Lands, with input from the Underwater Rocks Work Group. **S. Merritt**, as Chair, recommended that someone from the Navigation Work Group be included as the Underwater Rocks Work Group expands its scope. **L. Cardoza**: **L. Teague**, **E. Dohm** and **K. Levin**, all from the San Francisco Bar Pilots, have been active participants. The next work group meeting is scheduled for 3-11-03. **J. Lundstrom**: Putting the discussion in an historical context, as first chair of the Underwater Rocks Work Group, noted that **Congressman Miller** has been interested in the project since the beginning and all this background work, including the feasibility study, is necessary for any legislative action. Work to look at the rocks began in the early 90's when a CG WAM study identified the danger posed by the rocks.

FERRY OPERATORS WORK GROUP REPORT, M. Beatie. No report. **M. Beatie** reported that there was an important meeting last week regarding BART retrofit work, from the Berkeley tunnel to the Montgomery Street station. The issue is how to anchor the tube under the bay to keep it from floating in an earthquake. The main affect, short term, will be the placement, in a few months, of barges doing bore sampling. Depending on what methods are used to

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reinforce the tunnel, there could be barges in the navigation channel for several months at a time. The expensive alternative would be to work from inside the tunnel.

HUMAN FACTORS WORK GROUP, D. Watters. No report.

PREVENTION THROUGH PEOPLE WORK GROUP, M. Brown. (1) Regarding the ferry system, AC Transit has indicated that they plan to discontinue the route to the Alameda Ferry Terminal. On Monday, there was a notice posted available on the ferry announcing no service on Monday. These things don't increase the public's confidence in the system. (2) The February meeting of the PTP Work Group was canceled. The next meetings are scheduled for 3-6-03 and 3-19-03. The fireboat SEAWOLF support letter drafted by the work group was read and reviewed. Addressed to the Oakland City Manager, over the signature of the HSC Chair, and copied to the Mayor, City Council, Senator Don Perata and Assembly Member Wilma Chan; the letter states:

"The Harbor Safety Committee of the San Francisco Bay Region strongly encourages the City of Oakland to retain permanently the emergency response capability of the fireboat SEAWOLF.

We are relieved to hear that the SEAWOLF has been temporarily exempted from the 'rotating brown-out' imposed on other fire services. We consider the SEAWOLF to be essential to the safety and integrity of the Port and City of Oakland, and the local maritime community.

The SEAWOLF is the only fireboat in the East Bay. It provides emergency response capabilities unique to a shipboard platform, primarily fire fighting capabilities where land-based access is difficult, and provides critical water supply capabilities essential for a variety of disasters, including earthquakes.

As the Port of Oakland expands, and in this time of heightened security, it is essential that the specialized emergency response capabilities provided by the SEAWOLF be retained, and remain a permanent component of fire safety and homeland security equipment for the East Bay waterfront.

Please do not curtail the service provided by the SEAWOLF and its crew."

MOTION by M. Brown, seconded by **J. Lundstrom**, "to adopt the letter as read." Motion passed unanimously. **Jim Delacey**, Oakland Fire Department, Captain Station 2, Fireboat



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SEAWOLF, introduced **Jonathan Raimey**, pilot of the fireboat, who thanked the HSC for their support.

TUG ESCORT WORK GROUP REPORT, J. Lundstrom. The work group has worked on the issue of escorting chemical tankers for a year. There were many meetings, with participation from a wide range of interests, including the pilots, CG, BCDC, State Lands and the tanker industry. The group went in with the belief that chemical tankers should be escorted and concluded that chemical tankers should not be required to have tug escorts and that the recommendation in the Harbor Safety Plan to the effect that the Administrator of OSPR should propose legislation to that end should be rescinded. **MOTION** by **L. Teague**, seconded by **M. Brown**, the "the Harbor Safety Committee rescind its 1998 recommendation to propose state legislation which would require tug escorts for vessels 'carrying certain dangerous chemical cargoes in enough quantities to pose a risk' to San Francisco Bay." See report made part of these minutes for work group findings. **M. Beatie** reported that an LPG vessel arrived last week with CG vessels escorting and no tugs. **S. Merritt**: There is no statutory requirement to tug escort vessels with non-petroleum based cargo. Question called and motion passed unanimously. The Chair recommended that the full report of the Tug Escort Work Group be forwarded to the Administrator to provide documentation for the record of the careful thought and work that went into this action. A list of meetings held and a list of all the user groups represented in the process will also be included. The Chair added that this is a complex issue and the CG COTP is on top of it on SF Bay.

PORTS FUNDING WORK GROUP, S. Merritt. The group has been looking at how to create recurring funding for PORTS. After several meetings, it is down to testing the waters to see if user groups will pick up funding. The proposed letter, to be signed by the Chair of HSC and addressed to members of various user groups was read and discussed. The draft letter states:

"The Harbor Safety Committee of the San Francisco Bay Region is seeking your ongoing support in saving and maintaining the San Francisco Bay Physical Oceanographic Real-Time System (PORTS). PORTS is a decision support tool that improves the safety and efficiency of maritime commerce, coastal resource management and recreational uses of the San Francisco Bay. It provides real-time tide, current, salinity and weather information to the mariner, port users and environmental response organizations. The system was initially funded through its installation and demonstration phase by NOAA/NOS. It received subsequent State support from both the Office of Oil Spill Response and the Department of Boating and Waterways. Recently the system received a large grant for \$80K from an oil spill fund to renew and upgrade any of the sensors and the infrastructure of the system. It was the intention of the project to turn over the

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system's funding to the local users and funding sources after it proved its value. We, the members of the Harbor Safety Committee, believe the system has proven to be a valuable tool in promoting safety, operational efficiency and emergency response support, and is a resource that is worth supporting.

We are asking the owners and agents of deep draft vessel traffic calling San Francisco Bay to make a voluntary contribution of \$25 per ship arrival. We are making similar requests for funding from recreational boaters, facility operators, port authorities, ferry services, commercial information sources, regulators and tug/workboat operators. It is our hope that, through voluntary contributions from this wide variety of sources, we can raise the \$175,000 annual operating budget of the system, and keep PORTS as a resource for the maritime community on San Francisco Bay. Collections would be made via the SF Bay Marine Exchange as an additional line item on user invoices.

More information concerning the value and usages of the system can be found at: http://www.sfmex.org/Support/PORTS_Intro.html. Or, you can log onto the system at: <http://co-ops.nos.noaa.gov/sfports/sfports.html> or dial in at 866-727-6787.

We appreciate your consideration of this request and encourage you to assist your fellow SF Bay user community in maintaining this vital component of safety on San Francisco Bay. Please contact Alan Steinbrugge at 415-441-6600 or Alan@sfmex.org and let us know at what level of support your organization is willing to contribute. Without the support of all users, many members of the maritime communities will be reluctant to participate."

S. Merritt added that the budget page will be attached to the letter, along with a 'frequently asked questions' page, to assist in the decision making process. **M. Brown**: Typo on line 3, should say "decision making". The last sentence should be eliminated. **S. McRobbie**: The last sentence should read: "With the support of all users, all members of the maritime community would benefit from the PORTS system." **D. Lathrop**: Paragraph 2, last sentence, should be moved to after the first sentence in that paragraph. **M. Brown**: Paragraph 2, last sentence, the word "collections" should be changed to contributions. **K. Zagzebski**: "NOAA/NOS" should be spelled out. **L. Korwatch**: The amount of the grant should indicate \$85,000. MOTION by **S. Merritt**, seconded by **M. Beatie**, "to move forward on preparation of the letter as amended and present all letters to various users at the next HSC meeting." Motion passed unanimously.

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PORTS REPORT, A. Steinbrugge. (1) The existing PORTS InfoHub is going to cease to exist and be rolled into the NOAA CO-OPS website on 3-3-03. Users will be automatically forwarded to the CO-OPS website when using the existing InfoHub web link. It will have all the same functions as the existing one, with information from all PORTS in the country. (2) The Benicia current meter is moving forward on two separate tracks. The experimental meter is on-track to be installed first, at the beginning of March. NOAA has developed a proto-type mount for the low-tech side-looking monitor. The Oakland current meter was deployed and a cable run to the CG buoy dock. The cable has been compromised and repair work will be scheduled for low tide at the end of the month. The Golden Gate Bridge pier is being worked on, so only archived tide height information is available by satellite, with data gathered every three hours.

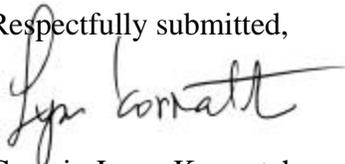
OLD BUSINESS. None.

NEW BUSINESS. (1) **L. Korwatch** provided a meetings update. There is no MTS meeting scheduled for February. The next meeting will be 3-20-03 at 10:00 at the offices of JWD, Kaiser Center. The next security meeting is scheduled for 3-11-03, at the Port of Oakland at 10:00, with an invitation-only Afloat Group meeting to be held prior to that at 9:00. On 3-21-03 the Propeller Club will hold a security symposium at the World Trade Club from 8:00 to 1:30. More information is available on the MX website.

The next meeting of the HSC will be held on 3-13-03 at 10:00 on Coast Guard Island. Due to CG security requirements, the HSC must provide a list of attendees. Those attending should sign sheet at this meeting or advise MX. All attending must have a valid driver's license and proof of insurance to enter Coast Guard Island.

MOTION by **L. Teague**, seconded by **M. Beatie**, to "adjourn the meeting." Motion was passed without objection. Meeting adjourned at 1150.

Respectfully submitted,



Captain Lynn Korwatch
Executive Secretary

USCG Marine Safety Office San Francisco Bay

Port Operations Statistics

January 2003

PORT SAFETY:	TOTAL
• SOLAS Interventions/COTP Orders:	06
• Marine Casualty: Allision/Collision (1) Grounding/Sinking (2) Fire (0)	03
• Marine Casualty (Mechanical): Propulsion (0) Steering (1)	01

POLLUTION RESPONSE:	MSO
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Total oil pollution incidents within San Francisco Bay for the month:	10
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▪ Source Identification; Discharges and Potential Discharges from:	
Deep Draft Vessels	01
Facilities (includes all non-vessel)	02
Military/Public Vessels	02
Commercial Fishing Vessels	00
Other Commercial Vessels	00
Non-Commercial Vessels (e.g. pleasure craft)	02
Unknown Source (as of the end of the month)	03
▪ Spill Volume:	
Unconfirmed	04
No Spill, Potential Needing Action	01
Spills < 10 gallons	03
Spills 10 to 100 gallons	02
Spills 100 to 1000 gallons	00
Spills > 1000 gallons	00

Significant Cases:

05 JAN – T/V GAZ BALTIC was issued a COTP Order after releasing approximately 50 gallons of oil into the water while moored at the Port of Stockton (the cause was a lube oil cooler gasket casualty on the number 1 generator). Vessel conducted repairs, MSRC conducted clean-up, MER personnel responded. Following clean-up, COTP Order was rescinded.

05 JAN – T/V ALLEGIANCE failed to make advanced notice of arrival. Agent was issued a Letter of Warning (in lieu of Civil Penalty).

06 JAN – T/V KENAI lost steering while inbound from the pilot's station to San Francisco Bay. The vessel was issued a COTP Order to have a class society surveyor determine the cause of the steering failure, conduct a test of the steering system following repairs, and submit a report of satisfactory repairs to the MSO. Vessel was cleared by class, COTP Order was rescinded.

28 JAN – S/S MAUI grounded in the Oakland Estuary and remained for several hours until it was pulled free by tugs. Vessel sustained no hull damage. Case is under investigation.

28 JAN – M/V EVER DYNAMIC failed to make advanced notice of arrival. COTP Order was issued requiring vessel to not enter port. Vessels information was received and reviewed. COTP Order rescinded.

31 JAN – M/V WHITE CORAL went soft aground while anchored in the Sacramento River Deep Ship Channel due to a tidal change. Due to the possibility of undetected hull damage, the vessel was issued a COTP Order to proceed to Anchorage 7 and have the vessel's class society conduct a hull damage survey. Vessel was cleared by class, COTP Order was rescinded.

San Francisco Bay Clearinghouse Report For January 2003

San Francisco Bay Region Totals

			2002
Tanker arrivals to San Francisco Bay	78		50
Total tank ship & tank barge movements	358		241
Tank ship movements	240	67.04%	158
Escorted tank ship movements	120	33.52%	74
Unescorted tank ship movements	120	33.52%	84
Tank barge movements	118	32.96%	83
Escorted tank barge movements	57	15.92%	50
Unescorted tank barge movements	61	17.04%	33
Percentages above are percent of total tank ship & tank barge movements for each item.			
Escorts reported to OSPR	0		0

Movements by Zone	Zone 1	%	Zone 2	%	Zone 4	%	Zone 6	%	Total	%
Total movements	219		343		1		169		732	
Unescorted movements	105	47.95%	174	50.73%	1	100.00%	83	49.11%	363	49.59%
Tank ships	76	34.70%	117	34.11%	0	0.00%	52	30.77%	245	33.47%
Tank barges	29	13.24%	57	16.62%	1	100.00%	31	18.34%	118	16.12%
Escorted movements	114	52.05%	169	49.27%	0	0.00%	86	50.89%	369	50.41%
Tank ships	78	35.62%	116	33.82%	0	0.00%	50	29.59%	244	33.33%
Tank barges	36	16.44%	53	15.45%	0	0.00%	36	21.30%	125	17.08%

Notes:

1. Information is only noted for zones where escorts are required.
2. All percentages are percent of total movements for the zone.
3. Every movement is counted in each zone transited during the movement.
4. Total movements is the total of all unescorted movements and all escorted movements.

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**Report of the
U.S. Army Corps of Engineers, San Francisco District**

February 13, 2003

1. CORPS 2002 O&M DREDGING PROGRAM

- a. San Rafael** – Contractor continues to work on this project. The Corps has permission to dredge through March using an environmental bucket and a silt curtain.
- b. Petaluma** – Dredging stopped February 5, 2003 due to Endangered Species Act. Contractor is demobilizing from site. There are approximately 20,000 cubic yards of material remaining on this project. Dredging may resume when window opens August 1, 2003 depending on the availability of funds. Corps is still working under Congressional Continuing Resolution Authority and still has no official FY 03 budget.

2. CORPS 2003 O&M DREDGING PROGRAM

The Corps is waiting for the 2003 budget to be passed and signed so we can determine what we can do on this years dredging program. We are working under a continuing resolution authority.

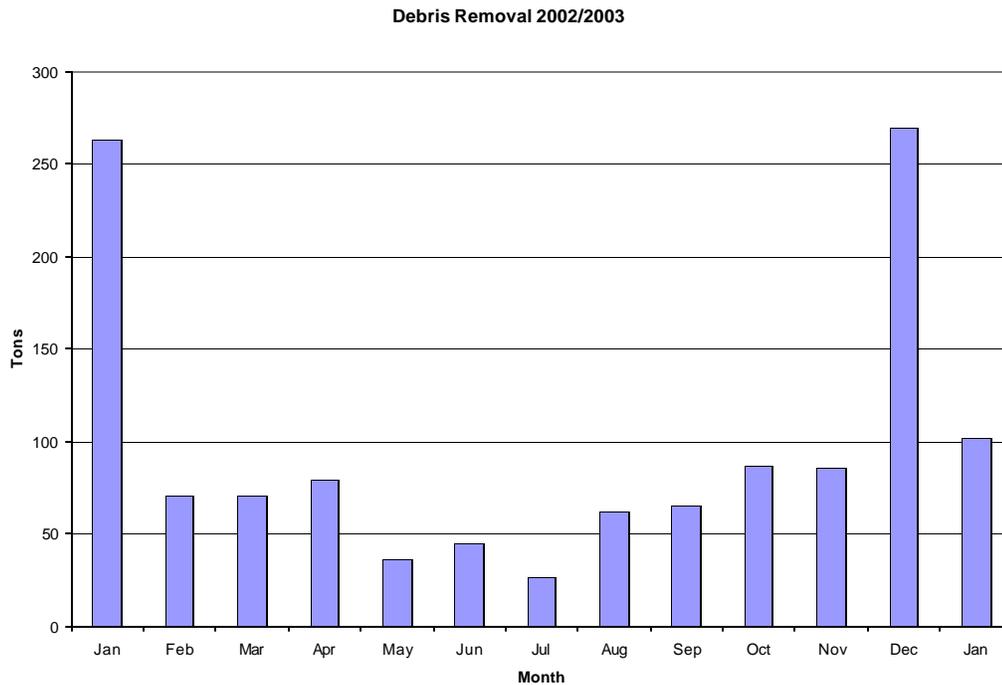
Corps has submitted a Master Sampling and Analysis Plan along with individual Sampling and Analysis Plans for each Corps project to the DMMO agencies for approval of this years Sampling and Testing Program. We expect to obtain approval of these within the next few weeks.

- a. Main Ship Channel** – Expect to start dredging in early June 2003. Government dredge *Essayons* is scheduled to perform the work.
- b. Richmond Outer and Southampton Shoal** – Expect to start dredging in early June 2003. Government dredge *Essayons* is scheduled to perform the work.
- c. Richmond Inner** – Project will be restarted as an FY 03 episode as soon as possible. The actual start date will depend on the Corps consulting with the resource agencies on the environmental windows or on when the environmental widows actually open in June. This will most likely be a continuation of the FY 2002 contract. Material is scheduled to go to the ocean.

- d. **Oakland (Inner & Outer)** – Corps plans to coordinate O & M dredging with the deepening project time line. If funding for the Deepening is not forthcoming, then the O & M dredging will revert back to the July time frame. Material is scheduled to go to the ocean.
- e. **Suisun Bay Channel/Pinole Shoal/New York Slough** - Expect to start dredging approximately mid July. Corps is working with Department of Water Resources to take the material to Sherman Island. However, if the funding is not available the Corps may use the government dredge *Essayon* to dredge the high spots.
- f. **Redwood City** – Not scheduled for dredging this year, but Corps is working with Port and Pilots to address problem areas of channel. One solution may be to do advanced maintenance in the problematic area of the channel.

3. DEBRIS REMOVAL

The total tonnage of debris collected on the San Francisco Bay for December 2002 was 102 tons. This is down from the 270 tons collected in the month of December.



4. UNDERWAY OR UPCOMING HARBOR IMPROVEMENTS

a. **Oakland 50-ft** - Corps is waiting to see how much money will be in this year's budget.

However, construction is continuing. Corps has modified the contract to keep construction going until budget is passed. This is being done under the continuing resolution authority. If the amount the Corps receives is the amount that is in the President's budget then we will not let another contract this year. If the amount is greater than what is in the president's budget, then we may be able to award a dredging contract to take some material to Montezuma.

The present contract covers the Inner Harbor Turning Basin Phase I A-2. This contract covers some demolition, marine construction and a little dredging. The Corps has received approximately 8.4 million dollars for 2002. This project is going well. The Contractor is on schedule and within budget for the contract that is underway.

b. **S.F. Rock Removal Feasibility Study** – Status Unchanged

The Corps has completed Risk Model that gives the probability of an accident occurring. We are working on the Cost Benefit (BC) ratio that is scheduled to be presented to Corps Headquarters in January. At present the Risk Model shows the risk to be small. It is difficult to capture the catastrophic nature of an accident if it should happen based on the way the BC is required to be calculated. The District is working with headquarters to see if there is another way of looking at the data.

c. **Avon Turning Basin** – Status Unchanged

Corps does have concerns that we could lose the money for this project and the opportunity to complete this project.

The Corps expects to sign a Pre-construction Engineering Design (PED) cost sharing agreement with Contra Costa County on this project. However, we understand that Contra Costa County has given up on the oil companies and will work to form an assessment district to obtain the funds. Forming an assessment district may take some time. Funding will allow this project to start moving forward.

Congress added \$250,000 this FY to prepare a General Reevaluation Report (GRR) and evaluate the feasibility of constructing a Turning Basin at Avon. This Basin is part of the un-constructed Phase III, John F. Baldwin Ship Channel project. To initiate this study the COE has prepared a Study Plan and has submitted a draft 75/25 cost sharing agreement to Contra Costa County, for their consideration.

5. EMERGENCY DREDGING

None in FY 2003, however, Redwood City Harbor has requested emergency dredging, which is currently being evaluated.

Note: The just completed survey of Suisun's Bulls Head Reach area looked good. This information has been provided to the Pilots.

6. CORPS' BUDGET

Most FY 2002 projects are underway or complete and we are now waiting to see what funds will be in the FY 2003 budget. We will know the actual numbers when the FY 2003 budget is passed and signed. However we are starting work on our annual projects under our continuing resolution authority. Congress may not pass the budget until February or March.

7. OTHER WORK

Status Unchanged – Study is ongoing.

The San Francisco District is looking at a feasibility study to deepen the JFB Ship Channel to Stockton. This would be only 1 or 2 feet. Reconnaissance Study was performed a couple of years ago. Division has given ok to proceed with study. The Corps signed the Pre-construction Engineering Design agreement with the Port of Stockton on July 11, 2002. This started the Phase 1 study on salinity and economics. This study is expected to take approximately 10 months. Department of Water Resources is performing the study and the Corps has already provided some of the funds.

Status Unchanged – Work is continuing.

The San Francisco District has taken over the Sacramento River Deep Water Ship Channel Deepening Project from the Sacramento District. This project is looking at deepening the channel from 30 feet to 35 feet. Corps has developed a Project Management Plan (PMP). We were scheduled to sign a concurrence on PMP in September, but that did not happen. It is being rescheduled. We will be doing a Limited Revaluation Report (LRR) that focuses on economics and updating the environmental documentation. We have initiated this project. The studies should take approximately 18 months.

Memorandum

Date: January 23, 2003

To: Harbor Safety Committee, San Francisco Bay Region

From: Len Cardoza

Subject: Underwater Rocks Feasibility Study F-3 Conference Summary

The Corps of Engineers (CoE) held the F-3 Conference for the San Francisco Bay Rock Removal Project on January 23, 2003. The purpose of the conference was to review the results of the Feasibility Study to date; certify, if possible, the “without project” conditions (baseline data); and conduct a technical review of the supporting documents.

Noting the apparently inadequate benefit-to-cost ratio resulting from preliminary study conclusions, the central policy question addressed at the F-3 Conference is as follows: *Can the study consider the feasibility of the structural alternative under the Federal objective for National Ecosystem Restoration (NER) since the lowering of the rocks would reduce the risk of a catastrophic loss of species and habitat from an oil spill created by grounding on one of the three rocks.*

Corps of Engineers staff representing San Francisco District and South Pacific Division attended the conference. Headquarters, US Army Corps of Engineers (HQUSACE), in Washington D.C. participated by teleconference. California State Lands Commission, as the non-Federal Sponsor of the project, was represented by Steve Jenkins and Bill Morrison. Len Cardoza represented the Harbor Safety Committee.

Participants reviewed problems and opportunities reflected in the project, study objectives, and without project conditions. The Conference attendees generally agreed with the conclusions of the risk assessment model resulting in a cost benefit analysis significantly below the 1:1 ratio required to proceed with Corps of Engineers Projects under the concept of National Economic Benefit (NED).

Robyn Colosimo, representing USACE, reported that the CoE is not likely to support rock reduction as a National Environmental Restoration (NER) project since it would be difficult to quantify project benefits in habitat units. Further research may be required since the project benefits currently reflect remediation cost savings as a result of preventing an oil spill; not habitat restoration, as is the usual practice with NER projects. In addition, the CoE is not likely to cost-share non-structural alternatives such as the purchase / operation / maintenance of additional tugs.

The conference participants also discussed expanding the scope of the study to consider means to prevent oil spills as a result of all causes (not limited to grounding on the submerged rocks to the northwest and southeast of Alcatraz Island).

The next step in the project is to revise the scope of the feasibility study to address all causes of accidents and to develop alternatives that will address reducing the risk of these accidents. The revised scope will be tailored to be completed within existing budget.

Meetings. The next Underwater Rocks Work Group meeting has not yet been scheduled.

February 1, 2003

Final Report of Tug Escort Work Group on Requiring Tug
Escorts for Vessels Carrying Dangerous Cargoes in San Francisco Bay

The Tug Escort Work Group held a series of meetings to discuss whether the Harbor Safety Committee should alter its 1998 recommendation that: “Working with the Harbor Safety Committee, the Administrator should propose legislation to require that vessels carrying certain dangerous chemical cargoes in enough quantities to pose a risk be required to have a tug escort(s) in San Francisco Bay.” The Work Group consisted of representatives of tanker, tug, and terminal operators, pilots, Pacific Merchant Shipping Association, U.S. Coast Guard, BCDC, State Lands Commission and OSPR.

The Work Group discussed the definition and quantities of dangerous cargoes; the pattern of vessel movements of this category of vessel in the Bay; evidence of “problem ships” and IMO requirements for ship design.

1. Definition of Dangerous Cargoes and Quantities Carried

We reviewed Federal Regulation 33CFR160 of “certain dangerous cargo”. However, the Coast Guard noted that cargo listings do not include all dangerous cargoes carried. The San Francisco Marine Exchange uses Lloyd’s Register for tracking chemical tanker arrivals in the Bay. Lloyd’s Register and IMO have definitions for chemical tankers.

In reviewing the varying definitions of chemical tankers, the Work Group noted that one vessel could have as many as 50 individual tanks carrying a variety of chemicals and petroleum. The most dangerous “cargoes of concern” are typically carried in the middle of the ship between outer tanks and double bottom tanks.

The Work Group debated several meetings on the difficulty of crafting a definition of “certain dangerous cargoes” and of defining “sufficient quantities to pose a risk” which could be translated into state regulation. Alternatively, we discussed whether to target certain of the most dangerous cargoes, but were faced with the same quandary of a clear definition.

2. Movement of Chemical Tankers in the Bay Region

To better understand the pattern of chemical tanker activity in the Bay Region, the Work Group analyzed lists of chemical and LPG tankers in calendar year 2001. Statistics provided by the Marine Exchange were:

- 87 chemical tanker arrivals; 56 different vessels. Two tankers arrived four or more times. The ships called at the Port of Stockton.
- Chemical tanker movements: Total movements: 292
Non-escorted movements: 237

Tug Escorted movements: 55 (about 20%)*
*Escorted ships had 5,000 or more long tons of petroleum on board.

- 18 LPG arrivals, 9 different vessels. The ships called at various refineries and the Ports of Stockton and Sacramento.

3. “Problem Ships”

A representative of the Coast Guard reported no steering or propulsion failures, or Captain of the Port Orders issued in 2001 for any of the chemical or LPG tankers listed by the Marine Exchange.

Lt. Diana Cranston explained that, post 9/11, the Coast Guard Sea Marshal Program requires 96-hour Advance Notice of Arrival. Lt. Cranston said that there is no database available identifying chemicals and quantities carried. Under the Sea Marshal Program, the Coast Guard escorts LPG and anhydrous ammonia tankers, which are considered “extremely dangerous cargo”, from the Sea Buoy outside the Golden Gate to berth. The Coast Guard escorts are security escorts and do not constitute a tug escort.

Regardless of the recently instituted Sea Marshal Program, the Captain of the Port has authority to detain “problem vessels” and to require tug escorts under Port State Control. As an aid, the Coast Guard tracks “problem vessels” using their PSIX-database to track SOLAS interventions on a worldwide basis.

The Work Group reviewed Port State Control information compiled on ship deficiencies and detentions of the 56 chemical tankers arriving in the Bay Region in 2001. The lists, compiled from Equasis, reported Port State Control actions taken against a vessel worldwide for the past three to four years.

Looking through the records, the group observed no patterns of problems or issues tied to mechanical failure of a vessel that would be grounds for requiring a tug escort. Ship deficiencies covered a broad range of issues from crew certification, fire safety and life saving to maintenance of propulsion and auxiliary machinery.

4. Ship Design

The Work Group noted that most chemical tankers are double-hulled ships subject to strict standards and close vetting review. We analyzed the 2001 list of chemical tankers in transiting the Bay for IMO classification type. The IMO classified chemical tankers:

Type I: A chemical tanker intended to transport chapter 17 products with very severe environmental and safety hazards which require maximum preventive measures to preclude an escape of such cargo. Type 1 ships are double-skin tankers with higher cargo tank integrity requirements than type 2 ships.

Type II: A chemical tanker intended to transport chapter 17 products with appreciably severe environmental and safety hazards, which require significant preventive measures to preclude an escape of such cargo. Type 2 ships are double-skin tankers.

Type III: A chemical tanker intended to transport chapter 17 products with sufficiently severe environmental and safety hazards, which require moderate degree of commitment to increase survival capabilities in a damaged condition. Type 3 ships are single-skin tankers with a certain survivability standard higher than for oil tankers.

The records showed that the majority of chemical tankers calling in the Bay in 2001 were Type 2, double-hull, affording a higher level of ship safety than most oil tankers.

Conclusions and Recommendation:

1. After extensive analysis, the Tug Escort Work Group recommends that the Harbor Safety Committee rescind its 1998 recommendation to propose state legislation which would require tug escorts for vessels “carrying certain dangerous chemical cargoes in enough quantities to pose a risk” in San Francisco Bay, based on the following reasons:

- It was extremely difficult to define dangerous cargoes and quantities which could be translated into legislation.
- Thorough analysis of this category of vessels in the Bay in calendar year 2001 did not reveal a pattern of problems or inadequate ship design.
- The Coast Guard has the authority through Port State Control to require tug escorts and to detain “problem ships” in this category if necessary.

2. The Work Group also considered whether to recommend that LNG vessels have mandatory tug escorting. At present, no LNG terminals exist within the Bay Area. A feasibility study is being undertaken whether to site a terminal at Mare Island, Vallejo. Should this proposal become more likely, the Work Group may reconvene to address the issue. No recommendation is made at this time to require tug escorts for LNG vessels.

Joan Lundstrom, Chair
Tug Escort Work Group



Shell Gas & Power

NEWS RELEASE

FOR IMMEDIATE RELEASE; January 16, 2003

Shell Exits Mare Island Energy Feasibility Study

VALLEJO, CALIF. (Jan. 16, 2003) – Shell US Gas and Power Company (Shell) announced today that it will discontinue participation in the Mare Island Energy Feasibility Study. Shell joined Bechtel Enterprises in May 2002 to study the feasibility of developing liquefied natural gas (LNG) and power generation facilities on Mare Island in Vallejo.

"While we still believe that LNG facilities can be built and safely operated at Mare Island, a number of factors have led us to conclude that this is not the best site for Shell," said Gus Noojin, President and CEO of Shell US Gas & Power.

"To fit within our global LNG portfolio, we look for potential terminal sites to meet our criteria for project scheduling, facility expansion capability, cost predictability and other requirements," said Noojin. "Regrettably, after taking a hard look at almost eight months of feasibility study results from Mare Island, we no longer see the potential for this site to fit within our long-term strategic plans."

"One of the most difficult aspects of this decision is saying goodbye to the many citizens of Vallejo who supported Shell's participation in the feasibility study," said Noojin. "We extend our appreciation for that support and our hopes that Mare Island economic development opportunities can be quickly realized."

Shell will continue to evaluate opportunities for LNG terminal development in California. "Nothing has changed our view that LNG imports can help stabilize natural gas prices and provide a diversified and secure source of safe, clean-burning fuel for California residents and businesses," said Noojin.

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QUESTIONS :

Shell Gas & Power

Jimmy Fox (713)-252-2351

January 17, 2003 – DB’s Markup 1/15/03 9:20PM

FOR IMMEDIATE RELEASE

CONTACT: Alison Abbott
(707) 645-7510

Bechtel to Seek Approval To Continue Mare Island Feasibility Study

(Vallejo, CA) Bechtel Enterprises Holdings, Inc. (Bechtel) announced today it will seek approval to continue to pursue its proposed energy project on Mare Island in the city of Vallejo, despite the decision by Shell US Gas & Power, to withdraw from further study of the project.

“Shell’s departure in no way compromises the integrity of the project,” said Bechtel Vice President for Power Development, Doug Brown. “We believe the Mare Island Energy Project can be built safely, and in an environmentally responsible manner that helps California meet its growing demand for clean fuel.”

Bechtel has been evaluating an LNG receiving terminal, storage facility and regasification plant — paired with a natural gas-fired power plant — on the southern end of Mare Island. The facility would help insure reliable supplies of natural gas and electricity for Northern California, enhance the local economy in Vallejo, and provide substantial support for clean air goals in the Bay area through clean fuel technologies.

“We strongly believe in Vallejo and the project’s potential role in supporting this community’s economic recovery and future prosperity,” said Bechtel’s community relations manager Alison Abbott. “The project itself would bring enormous long-term economic benefits to Vallejo that could be especially important in the wake of the anticipated funding reductions stemming from California’s \$35 billion budget deficit. And in the short-term, we are prepared to work with City officials to identify ways we might assist the City through difficult economic times, and help attract other investments to Mare Island and Vallejo.”

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Bechtel's proposed power plant would be among the cleanest in the world, encouraging the retirement of older, more polluting plants in the Bay area. A liquefied natural gas terminal would provide an abundant source of natural gas for the region. In addition, LNG is regarded by environmental groups across the country as one of the best alternative fuels available for significantly reducing the car, bus and truck emissions that are a major cause of air pollution and respiratory illness.

Over the last three months, the City of Vallejo conducted its own independent health and safety study, which concluded that the project could be developed in a way that protects public safety under California's rigorous permitting requirements. The report recommends further on-site technical research, planned as a part of Bechtel's feasibility study and permitting process.

Bechtel's Abbott emphasized safety as a primary project consideration, asserting, "We are confident that the proposed energy project can be built and operated safely — and the City of Vallejo's own Health and Safety Subcommittee clearly concurs. We assure you that safety will remain our number one priority, now and going forward."

Bechtel is requesting a decision from the Vallejo City Council that would allow it to complete its feasibility study and commence negotiations of an agreement with the City regarding the property it needs on the island, along with a comprehensive community benefits package. If the project is feasible and we can reach an acceptable agreement with the City, the voters of Vallejo should have a voice in deciding the future of this important project.

"We are confident that a majority of the people who live in Vallejo support our feasibility study on Mare Island and believe that the project itself is safe, and would have minimal environmental impacts," Abbott concluded. "We look forward to continuing to work with the people of Vallejo to determine if our energy proposal is compatible with Vallejo's economic development goals."

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Bechtel To Seek Approval To Continue Mare Island Feasibility Study

An Open Letter to the Vallejo Community:

Dear Friends and Neighbors,

Some time ago, Bechtel proposed an LNG receiving terminal and natural gas power plant on the southern end of Mare Island. The project's objectives were (and are) to help insure reliable supplies of natural gas and electricity for California, to enhance the local economy in Vallejo, and to provide substantial support for clean air goals in the Bay Area through clean fuel technologies.

In recent months, we have worked hand in hand with Shell on the project. Yesterday, Shell announced it is ending its involvement in Mare Island because the site no longer fits within its strategic plans. We expect to continue working with Shell on other projects, but Bechtel will now be moving forward in Vallejo on its own.

We strongly believe in Vallejo and the project's potential role in supporting this community's economic recovery and future prosperity. The project itself would bring enormous long-term economic benefits to Vallejo that could be especially important in the wake of the anticipated funding reductions in Vallejo, stemming from California's \$35 billion budget deficit. And in the short-term, we are prepared to work with City officials to identify ways we might assist the City through difficult economic times and help attract other investments to Mare Island and Vallejo.

With respect to environmental benefits, the power plant would be among the cleanest in the world, encouraging the retirement of older, more polluting plants. In addition, a liquefied natural gas terminal would provide an abundant regional source of LNG — embraced by environmental groups across the country as one of the best alternative fuels available for significantly reducing the car, bus and truck emissions that are a major cause of air pollution and respiratory illness.

Most importantly, we are confident that the proposed energy project can be built and operated safely — and the City of Vallejo's own Health and Safety Subcommittee clearly concurs. We assure you that safety will remain our number one priority, now and going forward.

What we're suggesting is very simple. Let us continue our feasibility study. Let us begin discussions with the City to see if we can agree upon terms and conditions for the property we need on Mare Island, as well as for a comprehensive community benefits package. Then, if a feasibility study proves the site is viable, and if we can come to an agreement with the City, we believe all the citizens of Vallejo should have a voice in deciding the future of this important project.

We are confident that a majority of the people who live in Vallejo support our feasibility study on Mare Island and believe that the project itself is safe, and would have minimal environmental impacts.

We look forward to continuing to work with the people of Vallejo in determining if our energy proposal is compatible with Vallejo's economic development goals.

We believe in the potential of this project to contribute to Vallejo's economic recovery and future prosperity.