

RESOLUTION NO. 96-2002

Approved June 11, 2002

**AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A
LETTER AGREEMENT WITH THE PORT OF SAN FRANCISCO FOR REMOVAL OF
THE REMPP SAILING SHIP AND FOR RELATED IMPROVEMENTS AS PART OF
THE SOUTH BEACH PARK AND HARBOR IMPROVEMENT PROJECT;
RINCON POINT-SOUTH BEACH REDEVELOPMENT PROJECT AREA**

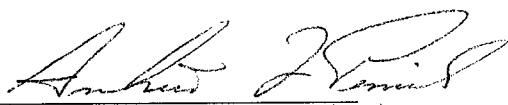
BASIS FOR RESOLUTION

1. In 1984 the Redevelopment Agency of the City and County of San Francisco ("Agency") entered into an Option to Lease Property with the Port of San Francisco ("Port"), which option expires on July 31, 2002.
2. The Agency is now exercising its option for one of two remaining parcels, a portion of Parcel N-2, the Dolphin P. Rempp sailing ship site ("Site"), which is a parcel needed for the completion of the South Beach Park and Harbor Improvement Project.
3. The ship and its surrounding platform ("Ship") located on the Site are badly deteriorated and the Port, working in conjunction with the City Purchaser, determined that the Ship has no auction value.
4. The Port then sought a bid for removal of the Ship from the Department of Public Works ("DPW") and the panel of contractors that has been retained by DPW to do such work for the City and County of San Francisco.
5. DPW received a bid from Bluewater Services, Inc. ("Bluewater") for the removal that contemplates as much recycling and reuse of the salvage material as possible.
6. The Agency now desires to enter into a Letter Agreement with the Port ("Letter Agreement") for the removal of the ship in an amount not to exceed \$60,000 to allow for Bluewater's services, DPW's staff costs, any unforeseen conditions, and to provide funds for security fencing and temporary improvements to the site at the completion of the work.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to execute the Letter Agreement with the Port for the removal of the Dolphin P Rempp from the South Beach Harbor and for related improvements substantially in the form lodged with Agency General Counsel.

APPROVED AS TO FORM:


Bertha A. Ontiveros 6/10/02
Agency General Counsel