

## Shipyard Committee Report

November 10, 2016

Preliminary tasks necessary to take the ship to the Dorchester Shipyard continue despite a serious obstacle to those plans. The key activities, problems and accomplishments since the last report were:

- In the September report, I erroneously reported that we had the dredging permit in hand. There are actually three permits involved. We did have the permit from DNREC in hand. A permit from USACE (Army Corps of Engineers) did not arrive until late October. The third permit is also from the USACE and is for use of the spoils site where the dredged material will go. That permit comes from a separate USACE office and we have assurances from that office that it will be issued shortly.
- The delay in obtaining the permits, which we and Evelyn Muarmeyer did not understand, kept us from being able to get a firm commitment from our preferred dredger. As a result, he committed to another job in Virginia and won't be back in Lewes until February. Therefore, we began an urgent search for an alternate dredger where we came up empty handed except for one slim possibility. DNREC has a dredge and we are trying to work an agreement with them but the chances of success seem slim.
- Assuming that all possibilities for dredging in the fall of 2016 fail, the committee has obtained new zinc anodes and will have the divers come and replace all of the ones that they can access with the ship in her slip. If, at the last minute, there is a breakthrough and the ship can go this fall, the zincs will go with the ship for installation while she is in dry dock. Either way, the zincs will be used.
- With their current schedule, the divers could not commit to being here before early December. That works well with our schedule since, if the ship hasn't gone by that time, it will be too late in the year for a 2016 shipyard trip.
- The dredging permits that we have expire in March of 2017. If the ship is not able to go to the shipyard in the fall of 2016, we will immediately enter into a contract to have the dredging done in October of 2017 which will automatically extend the permit expiration date until March of 2018. This will effectively delay the entire project by one year.
- In a Board meeting several months ago, we reported that the cost of the shipyard trip should come in at around \$200,000. We are still holding to that number but, as there can be many variables once the project gets underway, the Board approved a spending limit of \$300,000. Attached is a budget, as we see it now, for the project as defined but, if the project is delayed until 2017, we will have to get new prices and recalculate the budget.
- Eric Van Gilder has applied for, and has received, a New Jersey sales tax exemption. This should result in a saving of well over \$1000 on the paint and possibly more on incidental materials needed in the shipyard.
- Hick Rowland and son Chris, who is gradually assuming control of Wilmington Tug, visited the ship to scope out the details of how to maneuver the ship out of the slip and through the canal.
- As soon as we have clarity on the dredging, we will notify the other parties in the project:
  - Wilmington Tug for towing,
  - The USCG for our Dead Tow Permit,
  - DRBA for the layover berth, and
  - Dorchester Shipyard.

## Lightship Overfalls Projected Shipyard Costs

Item	Costs		
Bottom Cost			
Shipyard	\$45,000		
Paint	7,000		
Zincs	6,000		
NJ Sales tax	0		
Bottom Total		\$58,000	
Topside Cost			
Shipyard	70,000		
Paint	11,000		
NJ Sales Tax	0		
Topside Total		81,000	
Other Costs			
Dredging	50,000		
Permits & Processing	3,000		
Fuel for towing	2,000		
Logistics & Travel	4,000		
Trip Equipment & Prep	2,000		
Other Total		61,000	
Project Total			\$200,000