



U.S. Department of Homeland Security  
Maritime Administration

**MANUAL OF ORDERS**

**MARITIME ADMINISTRATIVE ORDER**

REVOKES

NO. 64-1

EFFECTIVE DATE

January 13, 2009

**SUBJECT**

Office of Ship Disposal

**Section 1. Organization:** The Office of Ship Disposal is supervised by a Director who reports to the Associate Administrator for National Security. The Director shall be assisted by Supervisory Program Managers assigned to two staff components within the Office who shall act for the Director during the absence or preoccupation of the Director and perform such other duties as are assigned by the Director. The Office has no formal organizational components. It has a Ship Disposal Staff and a Savannah Technical Staff.

**Section 2. Delegations of Authority:**

2.01 Subject to such conditions and limitations as the Maritime Administrator may impose in other directives, the Director, Office of Ship Disposal is authorized to exercise all the authorities of the Associate Administrator for National Security required to perform the functions assigned in Department of Transportation (DOT) Order 1100.69A and this order; except authority to:

- 1 Exercise the authorities of the Director, National Shipping Authority which cannot be redelegated as set forth in sections 2.04 and 2.05 of Maritime Administrative Order (MAO) 60-1.
2. Approve any requisition in excess of \$2,000,000, or any requisition which brings the aggregate of all increases to more than \$2,000,000 over the initial cost or over the last contract change approved by a higher authority.
- 3 Make findings and approve actions relating to compensation payable to Agents, General Agents, and Berth Agents pursuant to National Shipping Authority Regulations.

2.02 Except as otherwise provided, the Supervisory Program Managers are authorized to exercise all authorities of the Office Director required to perform the functions assigned to their respective organizational components in this order. These authorities may be further redelegated in accordance with MAO 200-1.

**Section 3. Immediate Office of the Director:** In addition to the usual responsibilities for planning and directing the functions listed in this order, the Director shall:

3.01 Serve as the Maritime Administration's official point of contact for all program activities and issues related to the disposal of non-retention ships within the National Defense Reserve Fleet (NDRF) and custody of the Maritime Administration, and for all program activities and issues related to the NDRF retention vessel N.S. SAVANNAH.

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3.02 Serve as the U.S. Government's disposal agent for merchant-type vessels pursuant to the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 548).

3.03 Serve as the responsible official within the Maritime Administration with respect to the sale, donation, custody transfer, or disposal (by recycling, dismantling, artificial reefing, or otherwise) of any non-retention vessels within the National Defense Reserve Fleet.

3.04 There is herein established within the office a Ship Disposal Staff (SDS) and a Savannah Technical Staff (STS). The SDS and STS shall each report to a Program Manager, who shall be designated by and report to the Director, Office of Ship Disposal.

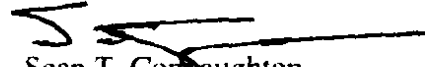
- 1 The Ship Disposal Staff, as authorized by the Director and directed by the Program Manager shall perform the following functions:
  - (1) The Program Manager shall serve as the Contracting Officer within the Maritime Administration with respect to the sale, donation, custody transfer, or disposal (by recycling, dismantling, artificial reefing, or otherwise) of any non-retention vessels within the National Defense Reserve Fleet for vessel disposal actions not involving appropriated funds and fee-for-service contracts initiated by the Office of Acquisition.
  - (2) In coordination with other involved offices, develop and administer the Maritime Administration's program for disposal of obsolete vessels and conduct competitive bid sales of vessels, including but not limited to, the disposal of vessels under 46 U.S.C. Ch. 571 and 573, Public Law 101-595, Public Law 106-398, and Public Law 107-314.
  - (3) Administer the sale and acquisition of vessels under 46 U.S.C. Ch. 571 and 573, including the administration of contracts and amendments and modifications thereto; and performance guarantees, as applicable.
  - (4) For Maritime Administration-owned ships offered for scrapping, non-transportation uses, and donation to non-profit organizations and governmental entities under 46 U.S.C. Ch. 571 and 573: 1) conduct competitive bid sales; 2) review bids and advise the Associate Administrator for National Security of bid results; 3) notify bidders of action; 4) prepare and execute contracts and amendments and modifications thereto and bills of sale; and 5) conduct closings to consummate such transactions.
  - (5) Effect settlement and obtain data required for compliance with Pub. L. 81-147; namely, ballast and special equipment aboard ships which are offered for sale.
  - (6) Research the ownership of and conduct negotiated or competitive bid sales, domestic and foreign, of Government-owned sunken cargo ships and their cargoes, and prepare and execute the necessary contracts and amendments and modifications thereto and bills of sale.
  - (7) Execute contracts for the sale of vessels under 46 U.S.C. Ch. 571 and 573.

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- (8) Perform all functions for the Office of Ship Disposal with respect to the artificial reefing of vessels pursuant to 46 U.S.C. § 1220.
  - (9) Perform all functions for the Office of Ship Disposal with respect to the disposal or other transfer of vessels, in any way, except for those functions performed by the Division of Sealift Operations with respect to the transfer of vessels by the Maritime Administration to the custody of other entities, agencies, or instrumentalities of the Federal Government.
  - (10) Notwithstanding any other provision of this Order, perform such other special projects as may be specifically directed in writing by the Associate Administrator overseeing the Office of Ship Disposal or the Director of the Office of Ship Disposal.
- 2 The Savannah Technical Staff, as authorized by the Director and directed by the Program Manager, shall perform the following functions:
- (1) The Program Manager shall be designated and function as the Maritime Administration's licensee (Senior Technical Advisor, NSS) and administer all activities related to the U.S. Nuclear Regulatory Commission (USNRC)-issued facility license NS-1, including chairing the N.S. SAVANNAH Executive Steering and Review and Audit Committees;
  - (2) Represent the Maritime Administration before the USNRC in all matters pertaining to the NS-1 reactor license,
  - (3) Prepare and distribute all required reports and correspondence to the USNRC,
  - (4) Ensure compliance with all terms, conditions and provisions of the NS-1 facility operating license, including Technical Specifications, Port Operating Plans, and U.S. NRC orders and regulations.
  - (5) In coordination with other involved offices, exercise physical custody and control, and maintain facility security of the N.S. SAVANNAH.
  - (6) Execute oversight and accountability for all radiologically controlled material remaining onboard the ship, and generated in the course of routine and decommissioning activities.
  - (7) Provide and maintain appropriate radiological health physics and radiation protection services, including radiological emergency response capability
  - (8) Develop and administer the program for radiological decommissioning of the NS-1 facility.
  - (9) Administer the program activities related to the routine maintenance, monitoring, and preservation of the N.S. SAVANNAH.

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- (10) Notwithstanding any other provision of this Order perform such other special projects as may be specifically directed in writing by the Associate Administrator overseeing the Office of Ship Disposal or the Director of the Office of Ship Disposal.



Sean T. Connaughton  
Maritime Administrator