

Prisoner of

Key West

How Peter Halmos's \$16 million yacht ended up marooned on Key West tidal flats makes for a gripping tale. Why both *Legacy* and its rifle-wielding owner are still there—more than a year, one pirate attack, and several legal skirmishes later—is an even better one. Accompanying Halmos from his new aquatic compound to the shipwreck itself, **BRYAN BURROUGH** learns about the eccentric Palm Beach tycoon, the vicious hurricane that nearly killed him and his crew, and his battle to salvage a 158-foot gem of the ocean

FLOAT MY BOAT

Peter Halmos's yacht, *Legacy*, on the muddy shelf of the Great White Heron National Wildlife Refuge, a few miles off the coast of Key West, Florida, where it has been stranded since October 2005.

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rom the docks on the north side of Key West, a few blocks from the honky-tonks of Duval Street, Man of War Harbor sparkles blue and pale green, its deep channels etched in navy, the flats a shimmering swath of turquoise and aquamarine. Step onto a boat and within minutes you are in another world, out on the silky water, passing catamarans packed with tourists from Ohio and Illinois, as well as a fishing boat or two with sunburned captains hunched over their outboards.

Two miles north you cross an invisible boundary and pass into the Great White Heron National Wildlife Refuge, one of three federally protected parks in the immediate area. The refuge, established in 1938 as a haven for herons, ospreys, and bald eagles, stretches east toward Miami, 200,000 acres of pristine open-water tidal flats, much of it knee- or even ankle-deep at low tide. Everywhere you look, game fish are leaping, gulls diving, pelicans gliding effortlessly over sea grass waving in the current. Dozens of wooded islands dot the horizon, and at first glance the largest of them resembles nothing so much as the Rock of Gibraltar, a great shadow in the distance.

As you approach, though, it's clear this

is no island: it's some kind of ship, a big one. From a mile away you can see the taut white mooring lines that keep it upright. Get close enough and you realize it is a vast sailing yacht, 158 feet long, its masts missing. Beached and sitting high on the flats, its beautiful, midnight-blue hull is hideously scraped and scarred, as if it had done battle with a sea monster. The yacht's name is *Legacy*, and when it was launched, in 1995, it was one of the 10 largest sailing yachts in the world, the sister ship to Rupert Murdoch's fabled *Morning Glory*, on which Murdoch married his third wife, Wendi Deng, in a 1999 Hudson River ceremony. (Later that year, *Morning Glory* was sold to Italy's two-time prime minister Silvio Berlusconi.)

Legacy has been stuck here on the tidal flats north of Key West for well over a year. Most folks around town have no idea how it got here, much less all that's happened since. The curious don't get too close, and neither should you. Because right now, up there on the aft deck stands the shadowy multi-millionaire who owns it. His name is Peter Halmos, and he is holding a rifle with a banana clip jutting ominously from its gut. If you come any closer, Halmos swears, he will shoot you.

Straight off the Boat

Like the guy, he's a nice guy, but he's a little . . ." Robert Siegfried lets the sentence die. On the flight down to Key West, Siegfried, the elfin Madison Avenue public-relations man who has kept Halmos out of the headlines for a decade, is trying to explain his client. "I mean, some people think he's nuts. He's not. But I guess he's kind of the next-best thing to Howard Hughes." How so?, I ask. Well, Siegfried says, Halmos is so afraid of listening devices that, before relocating to *Legacy*, several years ago he moved his entire office into a huge marble bathroom—complete with copy

RIDERS ON THE STORM

The *Legacy* owner and crew, from left: Peter Halmos, Captain Ed Collins, Robert Siegfried, Jennifer Richey, Brian Longo, and Tatum Boswell; left, *Legacy* amid the flats of the refuge.



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Halmos picked up the gun and pointed it. "Don't you come any closer!" he hollered. "I swear, I'll blow your heads off!"



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PORTRAIT BY NINA BRAMHALL

machines and computers—of his Palm Beach home, because he figured all the echoes and running water would foil any bugs.

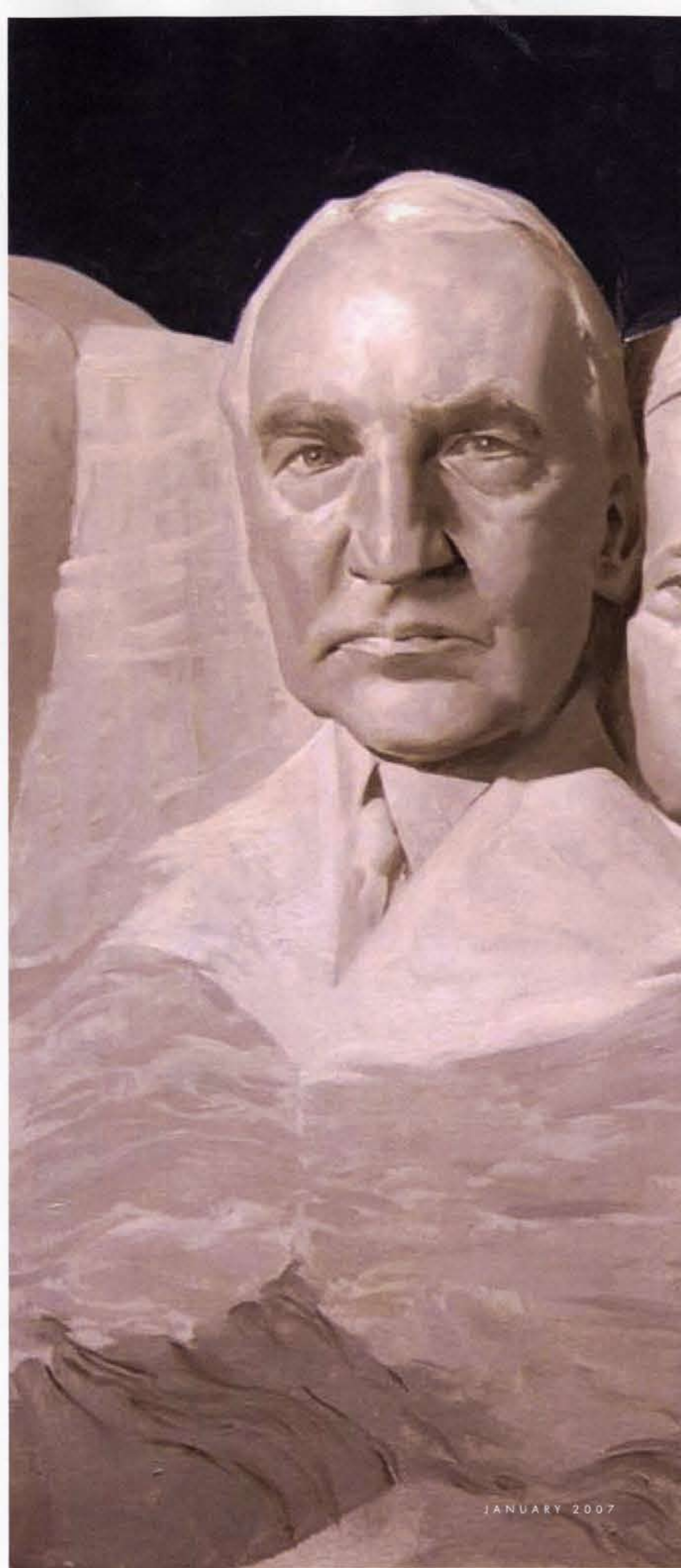
Idiosyncratic as he may be, Peter Halmos, in his early 60s, turns out to be a classic immigrant success story. He is the son of a lawyer who smuggled his family out of Hungary in 1951, a journey on which young Peter hid in a hay wagon, dodging pitchforks thrust by Communist soldiers, before wiggling beneath a border fence to freedom. The family settled in Oakland, California, where the elder Halmos started an equipment-leasing company. When Peter was a teenager, his father relocated to South Florida to work for the Ryder truck-rental company. By his own lighthearted estimation, he was a lazy student, drinking his way through seven years of college before earning an M.B.A. at the University of Florida and, eventually, a starter job on Wall Street in 1970.

He quit inside a year, after an early mentor told him his headstrong ways were suited more for entrepreneurship. On a lark, Halmos and his younger brother, Steven, founded a company they called SafeCard, which sold credit-card insurance; for a few dollars a month, anyone who held any kind of credit card could buy insurance from Halmos in case the card was lost or stolen. SafeCard grew like wildfire during the 1970s and 80s, went public, and by 1987 had reached a market capitalization of just under \$2 billion. When *Barron's* questioned SafeCard's accounting practices in 1981, Halmos sued for libel. The suit was thrown out, but over the next few years, he became famously litigious.

In 1987, Halmos stepped down from day-to-day supervision of SafeCard—he remained chairman for several more years—to start new companies. Barely a year later, however, Internal Revenue Service agents barged into SafeCard's Fort Lauderdale headquarters in a tax-fraud investigation. The raid initiated a decade-long fight between Halmos and the I.R.S., the Securities and Exchange Commission, an army of attorneys brandishing class-action lawsuits, and, eventually, SafeCard's new management. Halmos sued almost everyone. In time his life became a never-ending battleground, his soldiers a succession of law firms and detective agencies he hired and fired at will.

Ultimately, Halmos emerged victorious, actually prying a public apology out of the I.R.S., but the long years of warfare left him with a new identity, that of an independently wealthy investor who lends his combat skills to companies, and in some cases countries, that find themselves wrongly embroiled in complicated litigation. Sometimes working with

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tings, a Republican from Washington, was that he thought Hastert "has done an excellent job as Speaker."

President Bush, who called Foley's behavior "disgusting," agreed. "Denny is very credible, as far as I'm concerned. And he's done a fine job as Speaker."

"My desire, which I don't think will take place," says Florida representative Debbie Wasserman Schultz, an outspoken Democrat, "is that there's an independent investigation so we can make sure this doesn't happen again, so that the callous are held accountable." But there'll be no independence on the Republican side, she feels. "I think they'll try to leave this Foley matter in the ethics committee," the congresswoman adds bitterly. California Democrat Howard Berman, who sits on the ethics committee, is also concerned. Hill sources say that Pelosi had to strong-arm him to join the committee, and it's clear he isn't thrilled to be there. Although there had been early promises the

committee would release its findings before the midterm elections, this did not happen. "I said when I took the committee job that if things go back to the way they were, with issues going partisan or stuff being swept under the rug, I would quit," Berman says. "For me, this is a huge test for us."

In mid-October, Fordham says, he learned that the Speaker's office was trying "to throw me under a bus." There were leaks to the press, he says, suggesting that he had tried to block a page-board investigation of Foley. As there never was an investigation to block, he found this accusation unsettling. "I was trying to be the loyal Republican and do this behind closed doors with the F.B.I. and the ethics committee in a way that probably wouldn't have hurt them—until after the election," says Fordham. His shoulders sag. He is very pale, clearly tired—of everything. "It's a pretty significant move for a staffer to go behind his boss's back," he says. "You know, it's not like we had a tip line to the courts, where

you can call about congressmen who behave inappropriately to staffers," he says wearily.

After he resigned, Mark Foley was treated for sexual compulsion along with alcoholism at the Sierra Tucson treatment center, in Arizona. A full criminal investigation into his behavior was opened in Florida, where the age of consent is 18. Dennis Hastert, after the Democrats won the House, decided not to run for minority leader. Foley's House seat, despite a valiant defense by Palm Beach Republicans, fell to Democrat Tim Mahoney.

Will the Foley scandal prompt significant reform of the page program that failed to prevent these abuses? "As of this point, there are not any proposed changes for the program," says Salley Collins, a spokesperson for the Committee on House Administration. (The committee oversees the Office of the Clerk, which runs the page program.) "However, there are still multiple ongoing investigations, so I think we're still in a wait-and-see pattern," she adds. "We're always looking to improve the program." □

Marooned Yacht



CONTINUED FROM PAGE 122 Robert Siegfried's clients, he has hopped into a dizzying array of complex legal fights, including a drawn-out struggle between the Federal Reserve and Mexican billionaire Carlos Hank Rhon. He now owns an insurance company, real estate in several states, and a venture-capital business, but I gathered from Siegfried's stories that Halmos styles himself a sort of corporate crime-fighter, a Superman with subpoenas, riding to the rescue of besieged parties from his floating headquarters aboard *Legacy*. His latest crusade, the result of an ongoing arbitration squabble with his younger brother over the division of family assets, is designed to show that federal and state arbitrators are corrupt. Seemingly surrounded by enemies, Halmos is a tad preoccupied with security, once firing a *Legacy* crew woman he accused of being a spy. I worried he might be some kind of nut job.

The person who meets us at the Key West dock, however, is a smiling, freckled, roly-poly man in a white polo shirt, large round sunglasses, and an enormous straw hat. He

has a soft southern drawl and a ready laugh that often rises into a strange cackle. "This is Captain Ed," he says, introducing *Legacy's* skipper, Ed Collins, a tall, stoic Englishman. "He's the one who got us into this mess."

"It wasn't my decision, it was yours," Collins says with a toothy grin. It's clear the two have an easy, joshing relationship.

Halmos pilots the tender out into the bay, and 10 minutes later we coast to a stop beside his new aquatic compound: four houseboats lashed together at the entrance to Man of War Harbor and surrounded by the small fleet of tenders, flatboats, and inflatables that Halmos uses to maintain *Legacy*. We are met by the rest of his crew, a young sailor named Brian and two attractive brunette assistants named Jen and Tatum, recent graduates of the University of Pittsburgh. Off on the horizon two miles north, *Legacy* itself is merely a bulky shadow.

"Not a bad way to live, not bad at all," Halmos says as we clamber to the top of his personal houseboat, taking seats before a luncheon buffet the women have prepared. As he launches into one of his frequent soliloquies, I realize Halmos stutters a bit. "We swim. We fish. We scuba-dive. We look for shells," he says. Halmos turns in his chair and looks out toward *Legacy*. "N-now you can see her out there, all alone... All alone." He laughs. "But, all in all, it's not a bad way to live!"

A boat cruises by, its wake lapping at our hull. Halmos scowls. "One of yours?" I ask.

"No, he's an interloper," Halmos says. "There's supposed to be rules about how close you can get, but no one enforces them. I don't know whether I'll mess with this guy.

But out at *Legacy*, I've had to run some of them off. At gunpoint."

"What's to stop someone from stealing things from it?"

Halmos squints in the noontime sun. "Me," he says. "If you abandon it, anyone can claim it. That's why we've been living out here—what?—nine months? Ten months?" Halmos, in fact, lived aboard *Legacy* until August, when hurricane season persuaded him it might be safer to relocate to the houseboats.

Smooth Sailing

Just how Peter Halmos got to this point is a long story. As we dig into pasta salad and smoked clams, he begins to tell it. Growing up in Florida, Halmos says, he always owned boats. At the time he left SafeCard, he had a top-of-the-line 46-foot Merritt fishing boat. It was his son Nick, now at Vanderbilt's law school, who was the true sailing aficionado. (Halmos has one other son, Greg, now a college senior.) One day in 1993, Nick telephoned his father and told him of a hull nearing completion at the Perini Navi yacht works in Viareggio, Italy. Halmos reluctantly agreed to have a look. He was underwhelmed, at least until he spied a photo of Murdoch's *Morning Glory*. "Now, that looks O.K.," Halmos remarked. "If we could find something like that, that would be pretty cool."

Two years and \$16 million later, Halmos took delivery of what was probably the third- or fourth-largest sailing yacht in the world. The difference between sailing yachts and motor yachts is the gigantic sails. *Legacy's* seven sails spanned 11,000 feet. Sailing yachts, their adherents will tell you, are for sailors. Motor yachts, in Halmos's view, "spend most

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of their time tied up at a dock, people throwing parties on them. It's just a very different experience."

Halmos immediately fell in love with *Legacy*. Everything aboard was state-of-the-art; the decks and flooring were teak, the cabin walls mahogany. But it was how *Legacy* rode the waves that enthralled Halmos. "It's almost magical, just a magical experience," he says, smiling wide. "It just floats over the water. It's hard to describe. It's not pretentious, not over the top. You just, you know, when you're aboard, you feel like you're in a cocoon. At sea, you know, no one bothers you. Everything is clean. It's just perfect."

At the time, Halmos and his wife, Vicki, still lived in Palm Beach, and he kept *Legacy* offshore. He raced it a time or two, winning the "Nantucket Bucket" race, and sailed it to his vacation home in Maine and twice to the Mediterranean. In time, however, his attentions turned elsewhere. "The truth is, for a few years, I didn't use it all that much," he says.

Then, in 2003, he was at the wheel of his blue Shelby Cobra, driving his friend Richard "Dickie" Scruggs, the renowned tort attorney, to the Palm Beach airport, when his vision suddenly clouded. He asked Scruggs, one of the lawyers who had forged Mississippi's historic 1997 settlement with American tobacco companies, whether a fog was rolling in. No, Scruggs said, maybe he should have his eyes checked. Halmos did, and the doctor delivered stunning news: he was slowly going blind, the result of a rare confluence of cataracts and retinal damage. The cataracts couldn't be removed, doctors said, until the retinal damage healed, if ever.

By mid-2004, Halmos was practically blind. It was then that he moved onto *Legacy*, taking comfort in its smooth confines. In time the damage to his retina healed, and he anchored *Legacy* off Miami, where doctors operated to remove the cataracts, from his right eye in late 2004 and from his left eye in early 2005. By the time he could see again, Halmos was a changed man. He realized he was tiring of business. He longed for adventure. "I'm going to start me a new life," he told Siegfried one night aboard *Legacy*. "and I'm going to do it on this here boat."

Halmos wasn't talking about some vague idea; he had something specific in mind. While he was still talking to Scruggs and Siegfried about the possibility of various tort lawsuits against the American hospital industry—earlier talks about suing a onetime Ecuadoran president to recover allegedly plundered state savings had foundered—Hal-

mos was ready to begin pursuing a dream he had shelved for 30 years:

Sunken treasure.

Seriously. In the early 1970s, Halmos had met with a Florida man who was seeking investors to fund his search for a sunken Spanish galleon. Halmos laughed him off and had almost forgotten about the meeting when, in 1985, he read in the newspapers that the man, whose name was Mel Fisher, had found a lost galleon, the *Atocha*, on the ocean bottom off Key West. Its treasure of gold bullion and other artifacts was valued at between \$200 and \$400 million.

Halmos remembered that Fisher had described several other possible galleon sites. In the spring of 2005, Halmos anchored *Legacy*, with its crew of seven, off Key West to begin his own search for one. He decided to focus his quest on one especially promising site, which he calls, in jest, "Halmosia." He won't say exactly where it is. Still recovering from the eye surgeries, he spent most of the summer of 2005 assembling the equipment he would need to initiate a lengthy examination of the Halmosia site.

Key West sits in the heart of what meteorologists call Hurricane Alley, but storms rarely worried Halmos. When Katrina struck the Keys with 80-mile-an-hour winds, at the end of August, *Legacy*, anchored in shallow water beside Marker 15, a mile northwest of the Key West docks, weathered it with ease. "The shallow water kills the waves," Halmos says. "And we can handle the wind. Inside *Legacy*, you can't even hear a hurricane. Then you open a door and it's like the sound of a freight train, and you realize what's going on."

Halmos felt so safe aboard *Legacy*, in fact, that he all but ignored a Category Three hurricane named Wilma that, after scrambling itself along the Yucatán Peninsula, suddenly turned and veered toward Key West on October 23. It was a bad mistake. When it comes time to discuss what happened, Halmos rises from his chair and stares toward *Legacy*. "Come on," he says. "Let's go see her."

Taken for a Ride

"The storm came in around midnight. I guess, and I went to bed," Halmos is saying. It's low tide, and he is sprawled in waist-deep water 20 feet from *Legacy's* battered hull. The ship looms over us like a stricken giant, its mass as big as an apartment building. All around us, barracuda, stingrays, and an array of other fish scoot across the flats. Off to one side, Jen and Tatum frolic in their bikinis.

"That right, Captain Ed?" Halmos asks.

"Between midnight and one, yes, that's about right," says Collins, sitting beside me on an inflatable. The two men have just led a tour of the yacht, which one enters now by climbing a 12-foot aluminum ladder to an

aft rail. Inside, it's sweltering. The furniture and electronics have been covered in navy-blue cloth; neon-blue tarps shroud almost everything else. Collins and other crew visit daily to check on the massive dehumidifiers they keep running around the clock, powered by generators mounted on flatboats beside the hull.

"So, I'm in bed," Halmos goes on, "and I feel this kind of a lurch, nothing really wrong, but something's not right. I start to walk up the stairs and there's a second lurch, really strong. It threw me down the stairs."

"Fortunately he landed on his head," says Captain Ed.

"Another fine mess you got us into," Halmos fires back.

"Wasn't my fault," says Collins.

Recovering from his fall, Halmos righted himself and found Collins in the wheelhouse—"white as a sheet," Halmos says. They could feel *Legacy* was now floating free. From all appearances, their two anchors had lost contact with the sea bottom. Only later would they learn that the anchors had inexplicably come apart. Halmos, citing concerns about his insurance, won't say any more about the failure.

This was bad—very bad. Wilma was passing through the Gulf of Mexico north of Key West, heading northeast toward Naples, and without anchors *Legacy* would be sucked out into it. Worse, the storm was far stronger than had initially been predicted; peak sustained winds would be recorded at 120 miles an hour. Collins turned on the engines, attempting to remain in place while he tried to reattach the anchors to the seafloor. But it was no use, and Collins realized, to his horror, that *Legacy* was being dragged backward, into the storm, at a speed of 10 knots.

"So we're calling the Coast Guard to come and get us," Halmos says. "We're right in the channel—I mean, right at Marker 15. The Coast Guard station is right there! But there's no answer."

Captain Collins telephoned his wife in West Palm Beach, who then telephoned the Coast Guard in Miami. She relayed the dispiriting information that most Coast Guard personnel in Key West had evacuated to Orlando. "They went to fucking Disney World!" Halmos exclaims.

"They basically said we were on our own," recalls Collins. "They did say they would be happy to notify our next of kin."

Amid their frantic telephone calls, *Legacy* was losing its battle with Wilma. Winds rocked it violently from side to side. Waves were cascading across the decks. Water began seeping into the lower cabins through the air vents. The crew yanked comforters off the beds and began pressing them against the vents, but soon seawater was sloshing through the corridors. Then the galley began

filling with smoke. "Salt water and electronic circuitry," explains Collins. "Not a good mix."

Sometime between two and three A.M. Collins gave the orders to shut off all electricity and electronics, to avoid a fire. At that point *Legacy* went completely dark. The waves, now 20 to 30 feet high, were crashing over the top of the yacht, which was anchorless and without power of any kind. Halmos joined Collins and the crew in the wheelhouse. Two of the crew members were women, and they began to cry. "There were no options—that was the terror of it," Halmos says. "The storm is just beating the hell out of us. There was nothing we could do. We talked about going to the life rafts, but..."

"That would have been suicidal," says Collins.

Legacy's main mast, made of aluminum, stood 160 feet high, directly above the wheelhouse. Around three in the morning it began to twist and crack. When it gave way, Halmos yelled for everyone to hold on. The entire mast, with all its rigging, crashed down onto the wheelhouse, fracturing its windows before tumbling over the side, its top disappearing into the sea. "It was like an explosion," Halmos says. "The whole ship shuddered. I remember the impact was so incredible all the lightbulbs in the wheelhouse popped out of their sockets."

With wind and rain lashing the wheelhouse, Halmos gathered everyone in the salon. There, in the splendor of plush sofas, glass bookcases, and mahogany walls, the women asked everyone to hold hands. "We were all down here, life jackets on, in the pitch dark, the girls were crying," Halmos says, "and I was so scared I couldn't cry."

"Yes, that was rather unpleasant," says Collins. "I can't say I thought we would make it. In fact, standing there in the salon, I remember saying, 'Well, we've still got cell-phone coverage—if you have any relatives to call, best do it now.'" Collins did so himself, telephoning his wife one last time to say good-bye. Their only hope, he knew, was the chance they might run aground. Wilma was moving fast. The fallen mast now lay half in the ocean, and the 140-foot mizzenmast broke and fell as well. The two masts were slowing *Legacy's* path out to sea. If Wilma moved fast enough and *Legacy* slow enough, Collins knew, they had a remote chance of hitting the tidal flats.

Around five, with everyone still in the salon, the yacht was shaken by a tremendous impact. Afterward, Halmos realized this had been the moment when they struck the sea bottom. A minute later came a second massive jolt, followed by a series of shudders as Wilma's winds dragged *Legacy* across the tidal flats of the great-heron refuge.

Then everything went deathly still.

When the sun came up, everyone emerged

and saw they had been pushed east by the storm and had run aground barely four miles north of the Key West docks. Collins taped a hammer to a long pole and dipped it down into the water to see how deep it was. The hammer fell off and Halmos stared in amazement. Its handle protruded from the water. The water was barely a foot deep. "That's when I realized, Holy shit, we're stuck here, in the mud, in the sand. We're not going anywhere."

The first rule of shipwrecks is that any boat that's been abandoned can be claimed—by anyone. So Halmos resolved to stay on board until *Legacy* could be floated—somehow—to safety. He thought it might take a few days. Not until he hired a maritime attorney to deal with his insurance company did he realize they had run aground in a federally protected wildlife refuge. That meant any plan to move *Legacy* had to be approved by the National Oceanic and Atmospheric Administration, known as NOAA. Any damage Halmos inflicted on the sanctuary, any leak, any sewage, any harm caused by getting the yacht out, could leave him open to millions of dollars in fines. Still, when the attorney told Halmos the approval process might take until January, he nearly choked.

"January?" he sputtered. "Are you out of your mind?"

After a few days, however, Halmos began to realize things weren't so bad. Even with its keel buried in seven feet of mud, *Legacy* was a palace. He had telephone service, satellite television, a chef, and all the food the crew could buy in Key West. The only discomfort came after a Coast Guard cutter arrived and, fearing leaks, decreed that the bilges had to remain dry. That meant no toilets. So Halmos improvised. He sent crew members to a Home Depot, where they purchased several hundred re-sealable paint buckets. Halmos scattered the buckets around *Legacy*, inserted garbage bags, and—voilà!—a toilet system. The yacht was not only livable, it was luxurious. Halmos spent his days swimming and fishing, doing a little business, and watching movies.

One gets the sense, in fact, he wasn't in a hurry to leave. It took Halmos months just to hire a salvage company. Finally, in February, after more than three months aboard ship, he agreed to hire a salvor his insurance company had suggested. The man, whom I'll call Duane, proposed to use the 5,000-foot ingress route created when Wilma dragged *Legacy* across the flats, lining it with giant sandbags and using a special foam to slowly float the yacht off the flats and out through the channel. Halmos was elated when government attorneys approved the plan, issuing a permit for the work to begin in late March.

Everything was looking rosy, in fact, until the pirates came.

A Sea of Troubles

Halmos was sitting out on the aft deck, talking on his cell phone, when he heard the sound, a strange lapping of the waves against *Legacy's* hull. Looking around, he saw nothing. He stood and then, to his dismay, saw two inflatable rafts about a hundred feet away, speeding across the flats directly toward him. The rafts were thronged with eight or nine tough-looking men in wet suits, bristling with cameras and all manner of strange-looking electronics. "You guys are too close!" Halmos hollered. "You can get hurt! Move away, please!"

But the rafts didn't stop; the men aboard ignored him. "It was the strangest thing," Halmos recalls. "It was like I was Casper the Ghost. They simply didn't acknowledge I existed." A minute later the rafts came to a stop 50 feet away. The men began jumping into the waist-deep water. "Hey, guys!" Halmos yelled. "Don't come so close!"

The men continued to ignore him and, to his amazement, began wading toward *Legacy*. Now Halmos got a good look at them, and he didn't like what he saw. "They looked like modern thugs," he says. "One had real long hair. They were moving purposefully—you know, they were here for a reason." In no time the long-haired man reached *Legacy* and, barely 10 feet below where Halmos stood, dumbfounded, placed his hand on the hull. "Get your hands off my boat!" Halmos screamed.

Long Hair looked up at Halmos in silence. Behind him, another man raised his voice. "I don't remember the exact words," Halmos says, "but it was something like 'Don't get in our way—we're FEMA salvors. We can get you arrested!'" He meant to suggest the men were salvage experts hired by the Federal Emergency Management Agency. "How the hell can you do that?" Halmos yelled. "This is my boat!"

They shouted at each other for a minute. "The guy in the boat was so obnoxious, he pissed me off," says Halmos. "I said, 'I don't give a flying fuck who you're with, get your hands off my boat.'"

"If you interfere with us," Boat Man yelled, "you're interfering with the U.S. government!"

Halmos didn't believe him and didn't care anyway. "I'm getting my gun," he shouted. "You've had fair warning." With that Halmos stepped into the salon and grabbed a long leather case. From it he pulled a rifle, a civilian version of the army's M1 Garand, complete with its nasty-looking banana clip. He stepped back to the rail, attached the clip, and watched as Long Hair took out a tape measure and began making measurements of the ship's hull. "Get your fucking hands off my boat!" Halmos yelled down. Long Hair and Boat Man began arguing. Other men, meanwhile, had fanned out around the

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hull. Halmos picked up the gun and pointed it at them. "I'm ready to goddamn shoot!" he yelled.

Below, the men in the water began arguing among themselves. After five minutes or so, they piled back into the boats. As they turned to retreat, someone yelled, "We'll have you arrested!"

"Get the fuck out of here!" Halmos yelled.

Three of the men returned the next day. Halmos saw them coming and met them at the rail with his rifle. This time Collins and another crew member stood beside him, cradling rifles of their own. "Don't you come any closer!" Halmos hollered. "I swear, I'll blow your fucking heads off!" The men left without getting out of their raft.

On the third day a single figure, the obnoxious Boat Man, returned alone. From a safe distance, he began photographing *Legacy*. By then Halmos had had enough. "I'm going to count to 10!" he shouted. "If you're not out of here by then, I'm going to shoot you!"

The last of the "pirates" disappeared and didn't return. The incident had an unusual coda. Impressed by the speedy inflatable rafts the men had used, Halmos resolved to buy some for his own use. When he contacted the shipmaker's office in a midwestern state, he was told the president of the company was visiting South Florida. Halmos telephoned the man, and over the course of several subsequent conversations came to realize he was none other than the long-haired "pirate." Confronting him, Halmos threatened to sue unless the man named all his compatriots, who turned out to be an ad hoc collection of salvagers hoping to claim *Legacy*.

"Guy ratted everyone out," Halmos recalls with pride. "I may sue them. But first I got to get my boat free."

Exit Strategy

When Duane the salvager finally appeared in late March to begin extricating *Legacy*, Halmos sensed something was wrong. The man brought no equipment, no giant sandbags—nothing. He spent a solid week surveying the area before Halmos asked him when he expected to begin. Duane said he wasn't sure. "Conditions" had changed, he said, and they would need a new plan. Halmos simmered for a few days, until Duane came back with the revised plan, which could have cost several million dollars more than the original. Halmos went ballistic. He exploded a second time when his attorney advised that the new scheme would require a second government approval process, which could take weeks.

The revised plan involved building a thousand-foot metal sleeve around *Legacy* that could be flooded with seawater to float the yacht toward a neighboring channel. Halmos realized with irritation that it was one of the many plans which he had explored months earlier, and which Duane had bad-mouthed at the time. When he received the revised contract, he was enraged to discover that Duane proposed to subcontract the work to a firm he had earlier criticized as unworthy. Halmos fired him on the spot, then hired the subcontractor, a Missouri company named Fas-Dam, which got to work seeking NOAA's approval. This took another two months. Finally, on June 22, the new permit was issued. Almost immediately, however, Fas-Dam's president, Herb Wiseman, told Halmos that the permit didn't look right. It advised them to take special care not to damage the walls of the neighboring channel, which if breached could send millions of gallons of seawater coursing into the flats, destroying them.

Any damage could cost Halmos millions in fines. Furiously, he and Wiseman formulated a new plan that would see *Legacy* removed through its original, 5,000-foot channel. It would be five times more expensive, but it avoided the chance of damaging the shorter channel. To Halmos's dismay, a NOAA administrator then ordered him to go the shorter route. Halmos refused. On July 24, NOAA finally relented, promising a permit that would allow Halmos to remove *Legacy* via the longer route.

During the following week Fas-Dam mobilized, trucking in tons of cranes, tugboats, and barges that soon lined the Key West docks. A separate salvage crew moved in and took away *Legacy*'s fallen masts. Expecting that work would begin any day, Halmos purchased two houseboats—he later added the other two—and moved onto them. Every day counted. Hurricane season had begun, and meteorologists were predicting an active season for storms. Finally, on August 2, Fas-Dam was ready to move. There was just one problem. While NOAA had orally approved their plan, Halmos had received nothing in writing, nothing official.

Once again Halmos sicced his lawyers on NOAA. "On August 2," he recalls, "we have no permit. On August 3, no permit. Finally, at 4:45 P.M. on August 4, we get a permit faxed to us." But instead of a simple set of authorization papers, as they had received before, Halmos says, the new NOAA permit was a four-page contract loaded with procedures and conditions, including a demand that he indemnify NOAA against the costs of any damage. Worse, the permit's terms gave Halmos no right to sue NOAA if something went wrong. He refused to sign. NOAA threatened to refer the matter to the Department of Justice. His

own lawyers urged him to sign. But Halmos wouldn't do it.

"My lawyers, they mean well. They're nice guys, but they don't know what the fuck they're doing," he says with a sigh.

Halmos reluctantly let the Fas-Dam salvage teams return home. He hired a new lawyer, settled down to life in his new aquatic compound, and, when I came to visit in September, was preparing to sue NOAA in a Florida federal court in an effort to free *Legacy* the way he wants. (As of this writing, they are still working on a settlement.)

"Isn't this paradise?" Halmos is saying. "I mean, look at this place. The water. The air." He takes a deep breath, pulling the sea breeze down into his lungs. "Paradise. I told my wife, 'Sell the house in Palm Beach! I'm never going back!'" (Vicki Halmos invests in Broadway plays and, according to Halmos, "supports my need to bust out of the daily grind.")

As the sun sinks toward the western horizon, Halmos pilots the tender to a stop beside the docks. He has just purchased three motor scooters and wants to cruise the streets of Key West before heading back to the houseboats for dinner. After a passerby shows Halmos how to start the scooters, we spend an hour crisscrossing the downtown area, passing forlorn men hunched over on their barstools, elderly couples in pastel shirts strolling arm in arm down Duval, college kids in cargo shorts hollering at pretty girls. By nightfall we are back at the docks, and Halmos heads the tender north for dinner.

Two hundred feet into the harbor, a police boat emerges from the darkness, lights flashing. Halmos coasts to a stop. The young officer points out that we're running without navigation lights. Halmos apologizes, tries to turn them on, but can't find the switches. When the officer observes that the tender displays no registration numbers, he orders us to pull into a nearby jetty. "See that?" Halmos mutters as the boat comes to a stop. "They just love harassing me."

Halmos slumps in his seat, the spell of a gorgeous Key West evening broken. The officer comes aboard, pokes through the cabinets, and discovers that the tender doesn't have all its life jackets. Halmos bristles, and the officer orders him to sit down and shut up or face a night in jail. Halmos stewes in silence, but he's clearly seething. The officer spends a half-hour inspecting the boat, then scribbles out a fistful of tickets and hands them to Halmos. Finally, we are allowed to leave, and Halmos steers the tender out into the bay, heading toward his compound. "Asshole," he says aloud. "That's the kind of shit I've been putting up with for a whole year."

He heaves a huge sigh. "I just want to get the fuck out of here," he says. "After 10 months, I mean, it's just too much." □