PORT CAPITAL BUDGET
FISCAL YEARS 2020-21 AND 2021-22

Capital Planning Committee Presentation
March 9, 2020

Presented By: Katie Petrucione,
Deputy Director, Finance & Administration
Agenda

• Budget overview
• Capital need versus investment
• CIP Process
• Facility Inspection Repair Program Assessment (FIRPA)
• Funded projects
• Key Investments
Budget Overview

• Proposed capital budget:
  • FY 2020-21: **$54.7 million**
  • FY 2021-22: **$29.6 million**

• Proposed capital budget is 14.9% higher than prior two-year budget

• FY 2020-21 capital budget includes:
  • $25.0 million Port capital loan for Mission Bay Ferry Landing
  • $5 million General Fund request for Mission Bay Ferry Landing

Biennial Capital Budget Comparison

<table>
<thead>
<tr>
<th></th>
<th>FY 18/19</th>
<th>FY 19/20</th>
<th>FY 20/21</th>
<th>FY 21/22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior Biennial</td>
<td>$54,107,946</td>
<td>$19,318,096</td>
<td>$54,689,652</td>
<td>$29,589,225</td>
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<tr>
<td>Proposed Biennial</td>
<td>$73.4M total</td>
<td>$84.3M total</td>
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</table>
Capital Need Versus Investment

Ten-Year Capital Plan (FY 2020-2029)
- Identified $1.7 billion total state of good repair (SOGR) need
- Approximately $500.0 million in funding sources for SOGR
- $1.2 billion funding gap over next 10 years

Five-Year Capital Improvement Program (FY 2020-21 through FY 2024-25)
- $160.5 million total
- 5-year Capital Improvement Program strives to establish capital priorities and funding plan
- Port Capital Policy secures funding for investment

Two-Year Capital Budget (FY 2020-21 and FY 2021-22)
- Two-year budget funds initial CIP projects
CIP Process

**Project categories**
- Addresses priority life safety needs
- Facility Inspection Repair Program Assessment
- Strategic Plan

**Project prioritization**
- continued capital commitments
- honor prior commitments
- new capital investments

49 projects submitted, 38 funded in CIP, including 27 funded in biennial capital budget
Facility Inspection Repair Program Assessment (FIRPA)

• Goals
  • Holistic facility capital improvements
  • More accurate data to inform trade-offs
  • Identify full scope and cost to bring facility to SOGR
  • Repeatable facility condition assessment process

• Outcome
  • FIRPA identified $514.0 million in state of good repair need for the 10 facilities assessed
  • Elements assessed: pier substructure, building structural systems, building envelope, utilities, egress and accessibility

Pier 54 substructure condition map:
Sources and Uses

**Sources in Proposed Biennial Capital Budget**
- **Port fund balance**: $60.2M (71%)
- **Private Gift**: $4.0M (5%)
- **South Beach Harbor**: $3.1M (4%)
- **Defunding and de-appropriations**: $17.0M (20%)

**Uses in Proposed Biennial Capital Budget**
- **Port Projects**: $49.8M (59%)
- **Mission Bay Ferry Landing**: $29.0M (34%)
- **Waterfront Resilience Program (Non-Bond Eligible)**: $2.4M (3%)
- **South Beach Harbor**: $3.1M (4%)

All Sources and Uses
- **FY 2020-21**: $54.7M
- **FY 2021-22**: $29.6M
# Funded Projects

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>SOGR Critical Life Safety Improvements</td>
<td>$8,722,731</td>
</tr>
<tr>
<td>Pier 24 and 26 Water Pipe Leak</td>
<td>$100,000</td>
</tr>
<tr>
<td>Pier 7.5 Sewer Re-Routing project</td>
<td>$194,000</td>
</tr>
<tr>
<td>Roundhouse 2 -- Life Safety</td>
<td>$200,000</td>
</tr>
<tr>
<td>Pier 29.5 Parking Exhaust System</td>
<td>$454,000</td>
</tr>
<tr>
<td>Pier 50 Shed D Fire Sprinkler System</td>
<td>$493,000</td>
</tr>
<tr>
<td>Pier 26 Deluge System Replacement</td>
<td>$500,000</td>
</tr>
<tr>
<td>Pier 1 Generator</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Portwide Ladder and Skylight Retrofit For OSHA Compliance</td>
<td>$1,281,731</td>
</tr>
<tr>
<td>Pier 70 Undeveloped Upland Soil Cap</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Pier 70 Contaminated Sediment Cap</td>
<td>$2,500,000</td>
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</table>
# Funded Projects

## SOGR FIRPA Investments

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pier 45 B, D, Substructure -- Life Safety</td>
<td>$1,162,500</td>
</tr>
<tr>
<td>FIRPA Facility Assessments</td>
<td>$1,600,000</td>
</tr>
<tr>
<td>Pier 33 -- Life Safety</td>
<td>$2,925,000</td>
</tr>
<tr>
<td>Pier 35 -- Life Safety</td>
<td>$7,335,724</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$13,023,224</strong></td>
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## SOGR

<table>
<thead>
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<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Cement Mason Crew</td>
<td>$598,008</td>
</tr>
<tr>
<td>South Beach Harbor (dredging and N. Guest Dock repairs)</td>
<td>$3,114,727</td>
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<tr>
<td>Pile Crew</td>
<td>$3,233,404</td>
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<tr>
<td>Capital Project Delivery (PMO)</td>
<td>$3,339,576</td>
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<tr>
<td>Contingency</td>
<td>$4,368,056</td>
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<tr>
<td>Pier 80 Grading</td>
<td>$5,000,000</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$19,653,771</strong></td>
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## Funded Projects

### Enhancements

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Pier 29 Pump Station and Force Main</td>
<td>$250,000</td>
</tr>
<tr>
<td>Public Art</td>
<td>$360,000</td>
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<tr>
<td>Earthquake Mitigation Project for Marine Structures Piles</td>
<td>$565,000</td>
</tr>
<tr>
<td>Pier 80 Berth-C Fendering Upgrade</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>Waterfront Resilience Non-Bond Eligible</td>
<td>$2,369,151</td>
</tr>
<tr>
<td>Southern Waterfront Beautification Fund</td>
<td>$8,835,000</td>
</tr>
<tr>
<td>Mission Bay Ferry Landing</td>
<td>$29,000,000</td>
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Total Enhancements: $42,879,151
Key Investments:

Mission Bay Ferry Landing (MBFL)

- $25.0 million from Regional Measure 3 (RM3) under litigation
- Port proposes to loan project $25.0 million
- Anticipate award of MBFL construction contract in early 2021
- At time of contract award, Port staff will request Port Commission approval to expend $25.0 million in Port capital
- Private gift of $4.0 million
- General Fund request of $5.0 million
Key Investments:
Facility Inspection Repair Program Assessment

• Pier 33, 35, and 45 Shed B & D: $11.4 million
• Facility condition assessments: $1.6 million
Key Investments:

Waterfront Resilience Program

- $2.4 million Port capital for non-bond eligible Waterfront Resilience Program costs including consulting services for the Envision process and support to identify additional funding sources for the program
- Funding for a grant match to support an Earthquake Mitigation Project for Marine Structure Piles
Waterfront Resilience Program Update

SCOPING

RISK ASSESSMENT

WE ARE HERE

EVALUATION & DECISION MAKING

RESILIENCE IMPLEMENTATION

MONITOR

Projects
Policies
Partners
Funding
• Sale of GO Bond
  • April sale
  • May funding

• Current work underway will assess:
  • 3+ miles of Embarcadero Seawall through Multi Hazard Risk Assessment (MHRA) – results early summer
  • 7.5 miles of waterfront for USACE/Port Flood Study – Alternative Formulation underway
  • Adaption measures for historic piers - Report released
  • Seismic vulnerabilities in southern waterfront
Questions?
Thank you.