



# FISCAL YEAR 2015-16 \$25.7 MILLION CAPITAL BUDGET SUPPLEMENTAL

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Capital Planning Committee, September 28, 2015

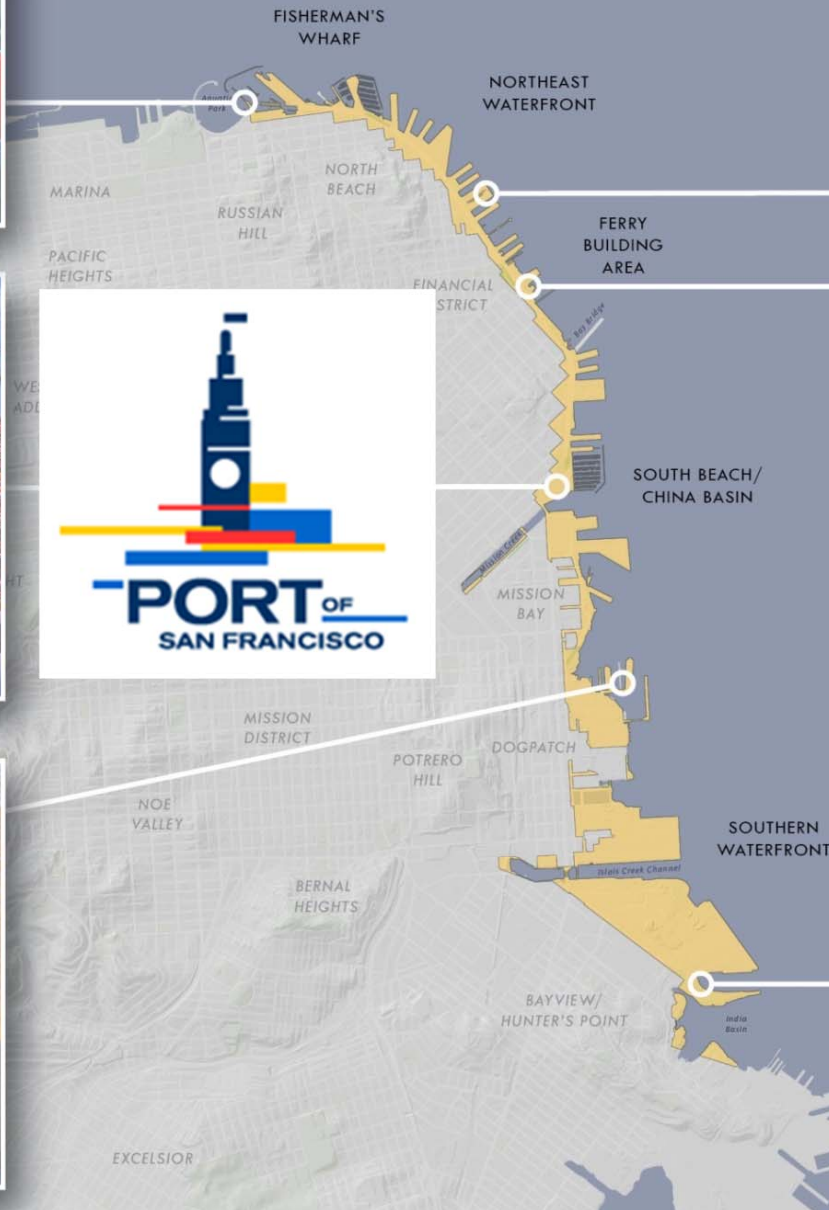


# Introduction, *Action Item*

Request to increase the Port's Fiscal Year 2015-16 Capital Budget by **\$25.7 million**, from \$12.8 million to a historic total of **\$38.5 million**.

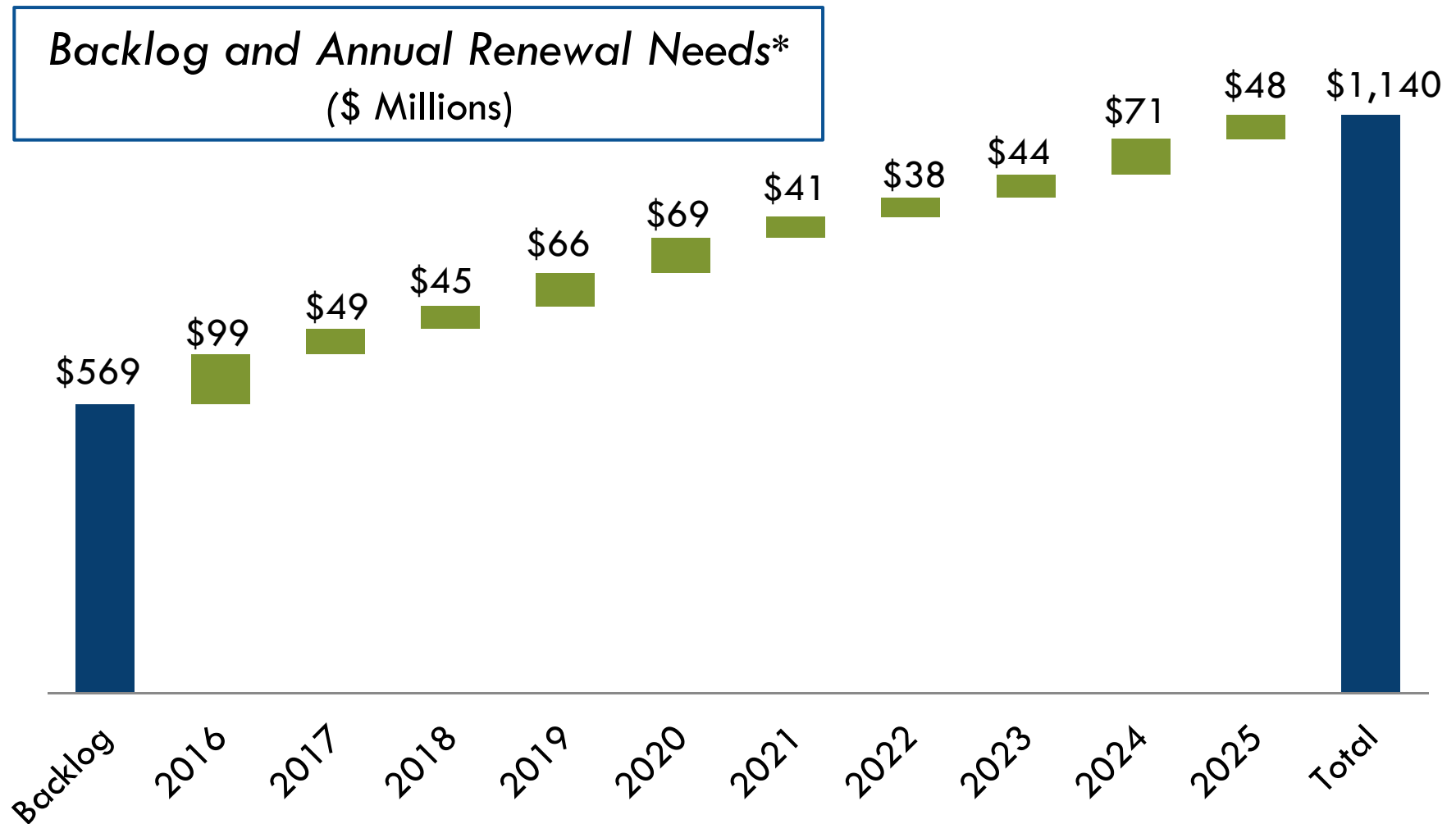


## 7 1/2 Miles of Waterfront with Diverse Infrastructure and Uses





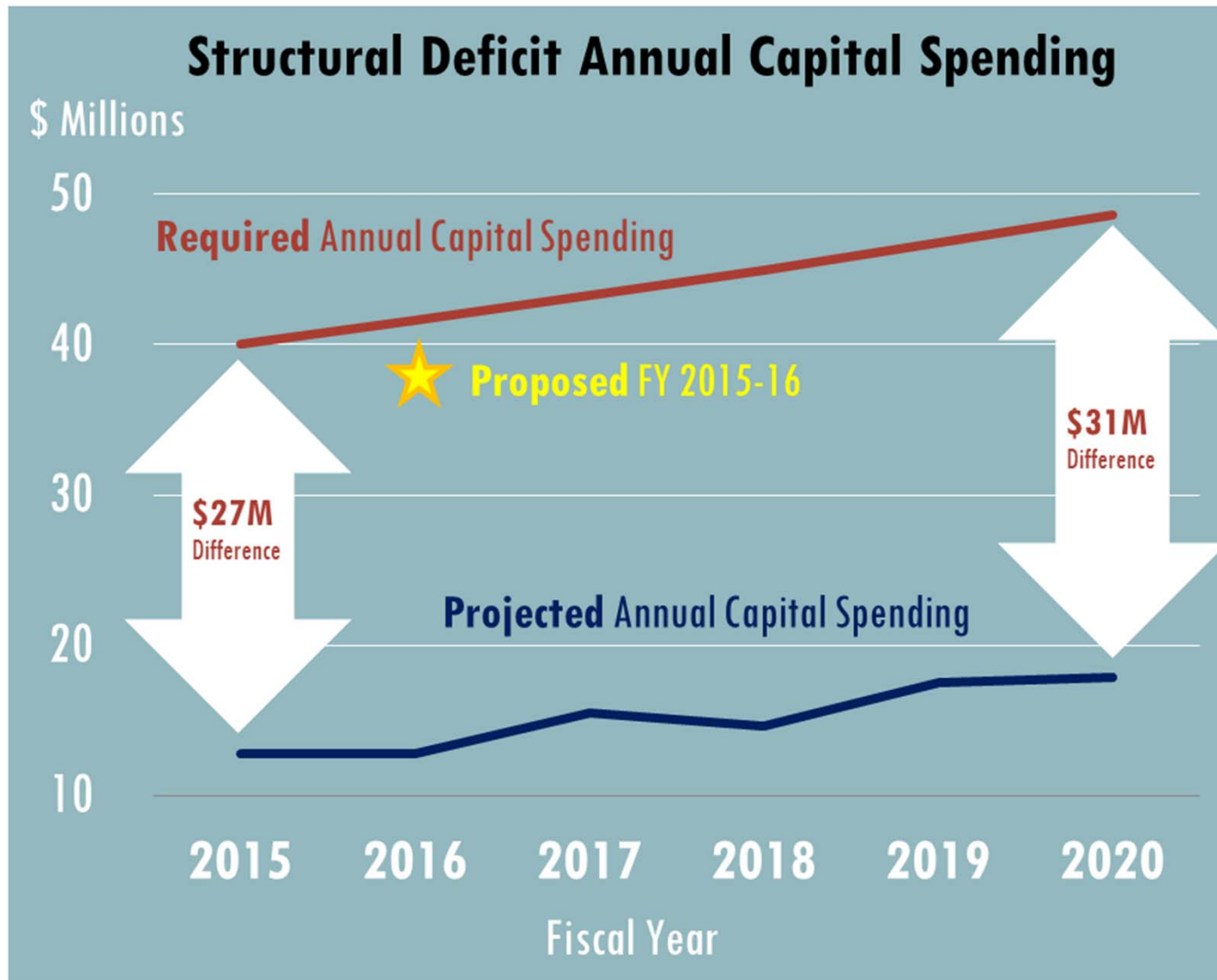
# Port Capital Program, 10-Year Outlook



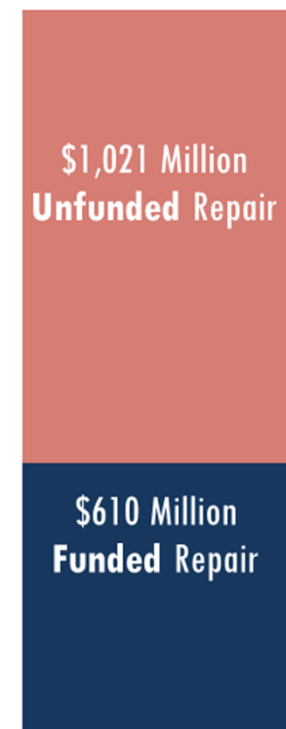
*\*Does not include Seismic, One-Time Code & Safety or Seawall*



# Port Capital Program, *Funding Plan*



## Capital Plan Funding vs. Need Fiscal Years 2016-2025\*

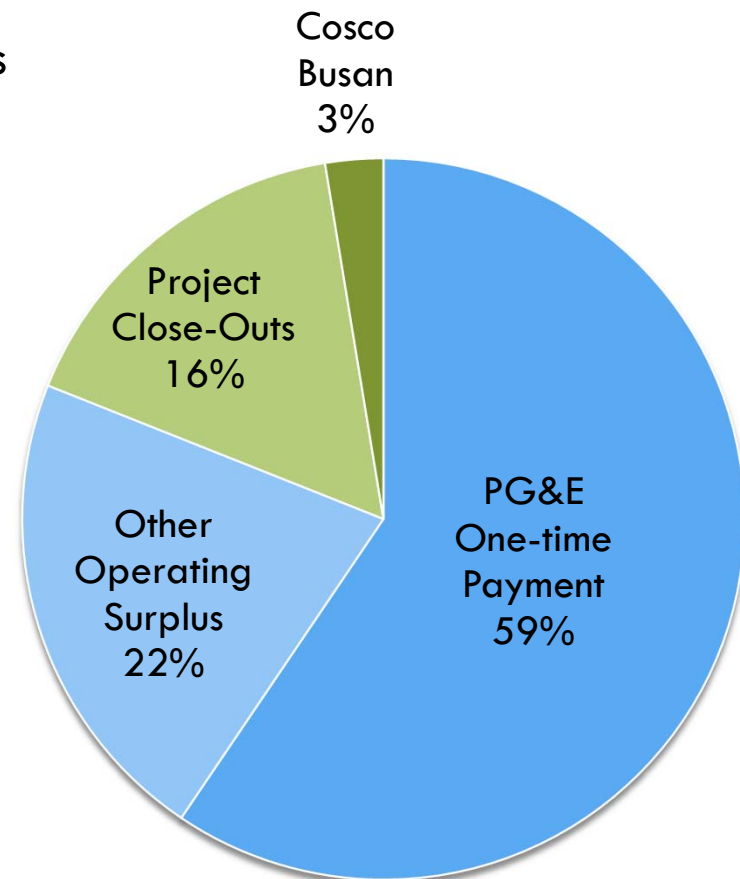




# Proposed Supplemental, Sources

- ❑ **\$12.8 million** capital budget
- ❑ **\$25.7 million** additional funding
  - ❑ \$15.3 million, PG&E Pre-paid Rent
  - ❑ \$5.5 million, FY14-15 Operating Surplus
  - ❑ \$4.2 million, Project Savings
  - ❑ \$0.7 million, Cosco Busan Settlement

**\$38.5 Million Total**





# Proposed Supplemental, *Uses*

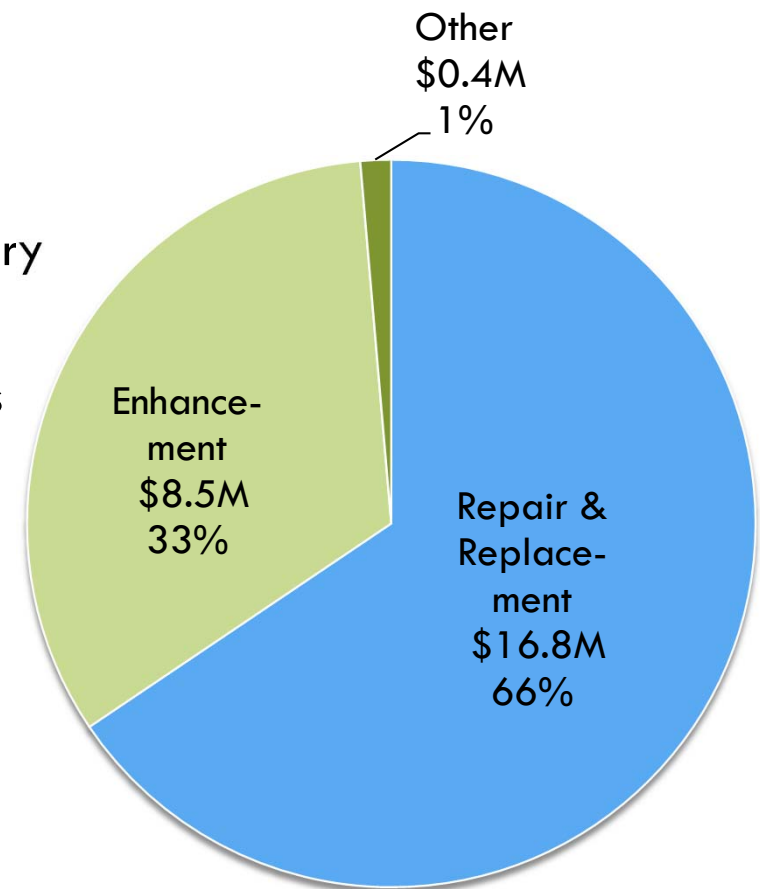
## ❑ 16 Projects Proposed

- ❑ Majority (62%) Repair & Replacement
- ❑ Enhancement project generates significant new revenue

## ❑ Meet Key Strategic Objectives

- ❑ Health/safety, environment, code, regulatory
- ❑ Reduces potential liability to the Port
- ❑ Promotes commerce, navigation or fisheries
- ❑ Attracts people to the waterfront
- ❑ Promotes natural and cultural resources
- ❑ Preserves existing Port revenues
- ❑ Generates and/or leverages revenues

## Investment Type \$25.7 Million





# Proposed Projects, *Improved Safety/Reduced Risk*

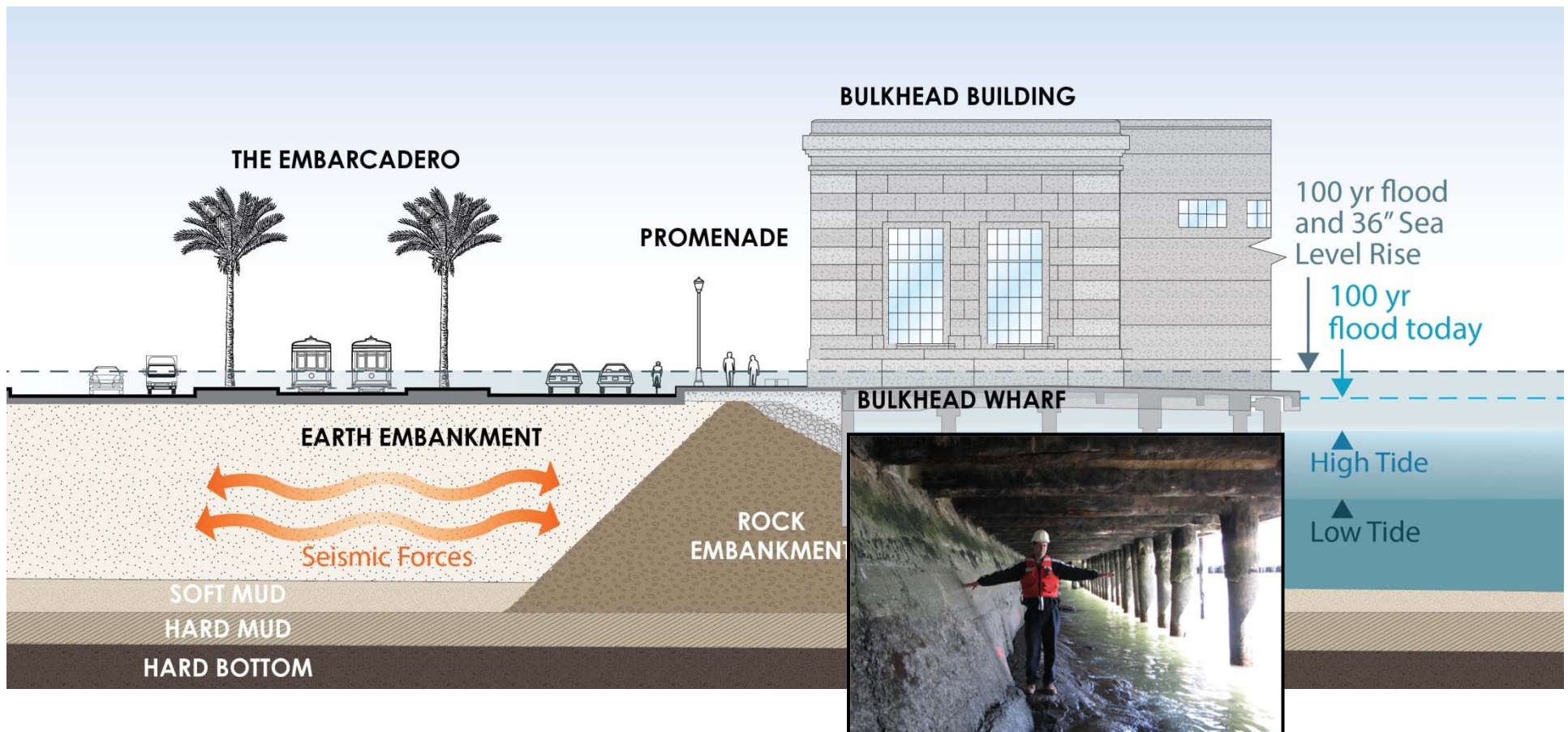
- ❑ **Ferry Terminal Float Repairs, \$520,000**
  - ❑ Dry dock and completely refurbish the China Basin ferry floats, installed 1999
  - ❑ Ensure ongoing safe performance for high-volume Giants ballpark
- ❑ **Ladders & Skylights, \$500,000**
  - ❑ Initial investment in OSHA-compliant ladders for roof access and guards for unprotected skylights
- ❑ **Pier 39 Investigation, \$300,000**
  - ❑ Sediment investigation to determine extent and depth of polycyclic aromatic hydrocarbon (PAH)
- ❑ **Emergency Capital Funding, \$100,000**
  - ❑ Provides funding for any unforeseen urgent/emergency projects





# Seawall Assessment, \$1.0 million

- ☐ Add funding to \$500k initial study of seawalls and marginal wharfs
- ☐ Assess general condition and capacity to withstand seismic events
- ☐ Identify improvements needed to address sea level rise





## Pier 29 Substructure, \$0.7 million

- ☐ Former AC34 venue is ready for conversion to retail space
- ☐ Funding supplements \$2.0 million available funds; \$2.7 million total
- ☐ Substructure improvements extending leasable life 10-20 years
- ☐ Increase Port annual revenues: **\$0.6 million**



## Beltline Building (Phase II), \$0.7 million

- ☐ Phase I, public restroom on the pier-side of facility
- ☐ Phase II, Ground-floor retail and top-level office
- ☐ Increase Port annual revenues: **\$0.1 million**





# Northern Structures Contingency, \$1.0 million

- ☐ High-cost construction climate, puts projects at risk
- ☐ Pier 29 substructure and Beltline Building improvements as well as previously funded (FY 2013-14) Pier 31 project





# Pier 23 Roof Replacement, \$2.8 million

- ☐ Former 34<sup>th</sup> America's Cup venue
- ☐ Protect historic resource in the Embarcadero Historic District
- ☐ Increase Port revenues: **\$0.7 million** net in 10 years



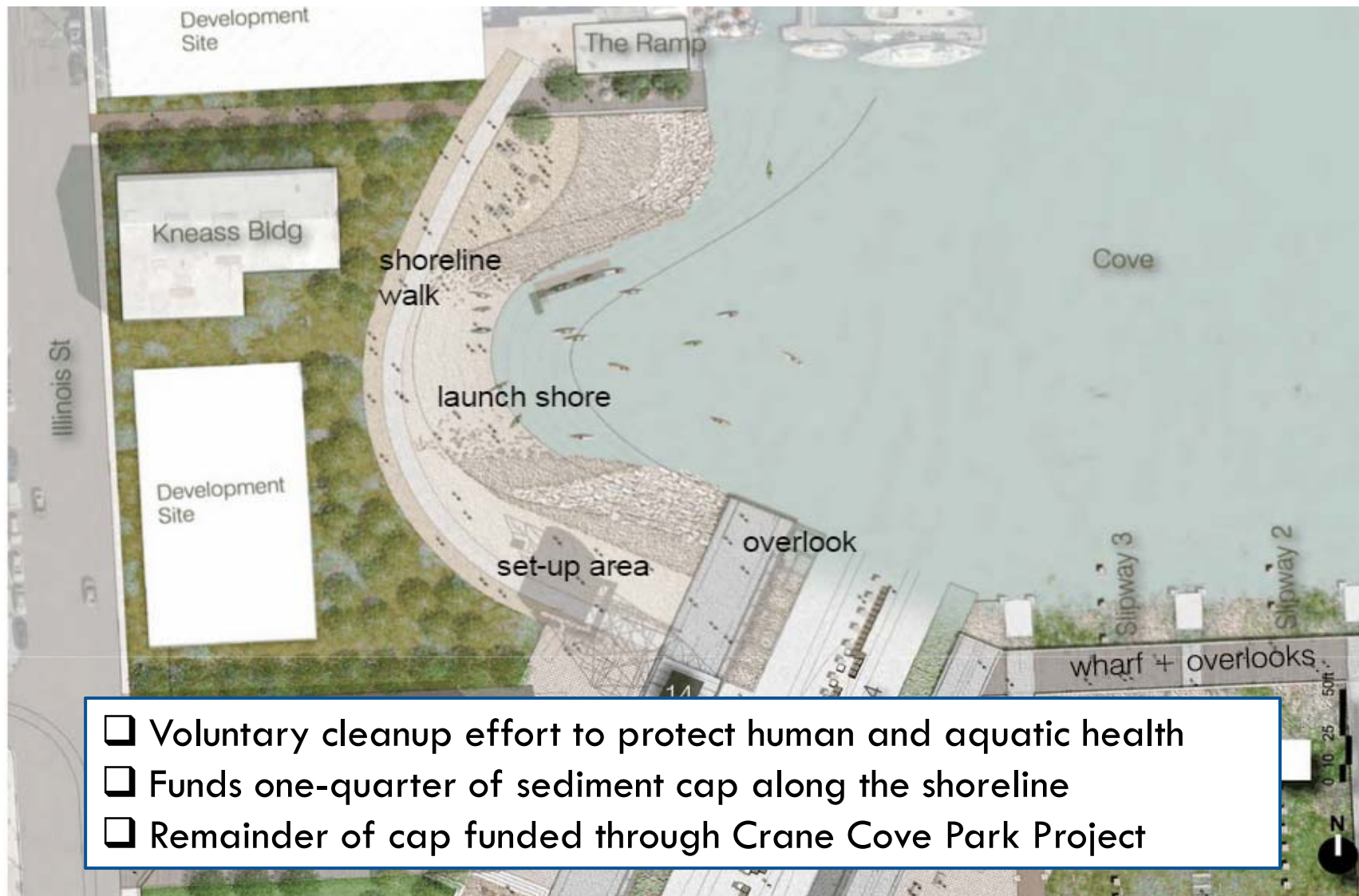
# Central Basin Dredging, \$2.0 million

- ❑ Leverage \$10.0 million one-time federal funding – ongoing benefit
- ❑ Ensure ongoing use of BAE shipyard – economic driver, maritime use





## Pier 70 Sediment Cap, \$0.3 million



- ☐ Voluntary cleanup effort to protect human and aquatic health
- ☐ Funds one-quarter of sediment cap along the shoreline
- ☐ Remainder of cap funded through Crane Cove Park Project





## BAE Electrical, \$3.0 million

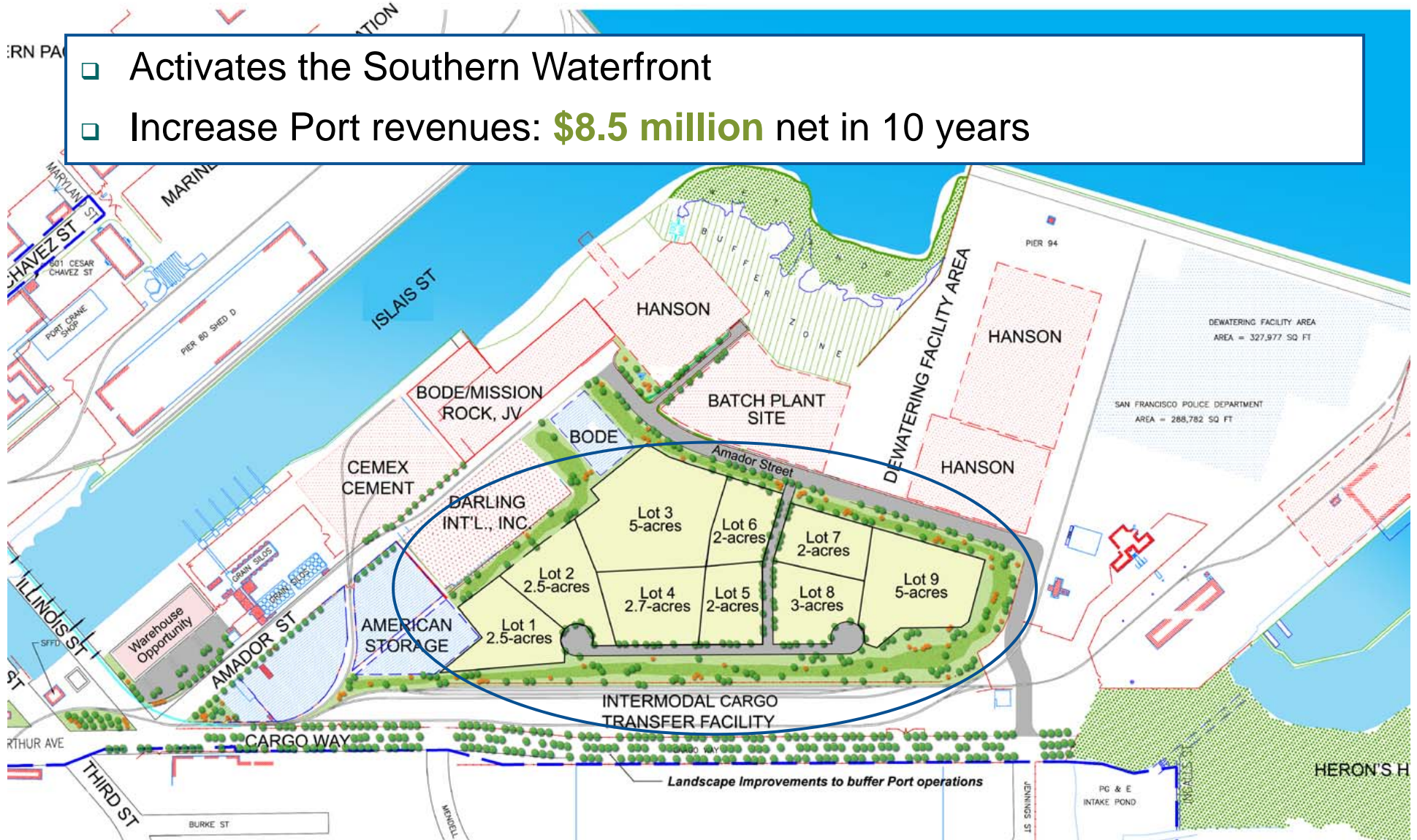
- ❑ Mitigate existing PCB transformer environmental hazard
- ❑ Secure new power supply for BAE – economic driver, jobs
- ❑ Support supports development efforts at Pier 70





# Backlands, \$8.5 million

- Activates the Southern Waterfront
- Increase Port revenues: **\$8.5 million** net in 10 years



## Quint Street Lead, \$1.5 million

- ☐ Additional funding for \$3.3 million Quint Street Lead railroad project
- ☐ Repave 2/3 of street not included in base bid





## Pile Removal Strategy, \$2.2 million

- ☐ Remove dilapidated piles and wharves from the Southern Waterfront
  - ☐ Piers 82-84 (Islais Creek), grant-funded
  - ☐ Pier 90 Wharves (Islais Creek), \$2.0 million
  - ☐ Pier 98 Lash Terminal (Heron's Head Park), \$0.2 million
- ☐ Reduces environmental and health risks from creosote-treated piles
- ☐ Improves the look and feel of the area for the surrounding community



# Heron's Head Park Stabilization, \$0.7 million

- ☐ Utilize Cosco Busan settlement funding
- ☐ Address ongoing erosion issues that risk physical integrity of space
- ☐ Erosion could become an enforcement risk due to sediment discharge







## Conclusion, *Request for Approval*

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- ❑ The Proposed **\$25.7 million** supplemental appropriation will increase the FY 2015-16 Capital Budget from \$12.8 million to **\$38.5 million**
- ❑ These capital investments will:
  - ❑ Address renewal needs identified in the 10-Year Capital Plan
  - ❑ Improve the Southern Waterfront
  - ❑ Support Human and Environmental Safety
  - ❑ Prepare Facilities for Commercial Leasing
  - ❑ Improve the Port's Financial Position