

**PORT<sub>of</sub>  
SAN DIEGO**  
Waterfront of Opportunity

# **Fiscal Year 2020 Annual Budget**

Workshop

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# Overview

The San Diego Unified Port District's (District) budget document establishes a one-year financial plan to fulfill the District's statutory mission, support the District's role as trustee of State tidelands, and achieve the strategic goals of the District. The budget is also a disclosure document intended to provide transparency on District operations.

The District's budget is divided into five primary sections as presented below:

## Section 1 – Introduction

This section identifies the Board of Port Commissioners, Executive Leadership Group, Vision, Mission, and Core Values, Strategic Plan, Strategy Map, Map of Tidelands, District Overview, and Branding.

This section also contains the Message from the Chief Financial Officer/Treasurer (CFO), Budget in Brief, and the U.S. Economic Forecast. The CFO Message discusses the current state and future plans of the District, which will be included in the final Adopted Budget. The CFO Message also highlights the major provisions that have been included in the FY 2020 Budget and discusses changes from the prior year's budget and budget assumptions used to prepare the budget.

## Section 2 – Reader's Guide

This section is designed to help familiarize the reader with the District and its budget by providing an overview of the District organization, the District's fund and budget document structure, budget process, the budget timetable, and general information.

## Section 3 – Highlights

This section provides an overview of staffing, revenue and expenses, debt management, equipment outlay and other capital projects, Capital Improvement Program (CIP), Major Maintenance Program (MM), Technology Management Program (TMP), and other fund highlights.

## Section 4 – Departments/Cost Centers

This section organizes departments and cost centers alphabetically. Departments include the department operating plan followed by a detailed list of positions, summary of departmental expense, equipment outlay and other capital projects, and expense budget breakdown. The cost centers include a summary of departmental expenses and expense budget breakdown.

## Section 5 – Appendix

This section contains a variety of other budget-related information including a glossary of terms used in the budget, and Board of Port Commissioners (Board) policies affecting the budget.

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# Board of Port Commissioners

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## CHAIRMAN

Garry J. Bonelli  
City of Coronado

## VICE CHAIRMAN

Ann Moore  
City of Chula Vista

## SECRETARY

Michael Zucchet  
City of San Diego

## COMMISSIONERS

Rafael Castellanos  
City of San Diego

Dan Malcolm  
City of Imperial Beach

Marshall Merrifield  
City of San Diego

Robert "Dukie" Valderrama  
City of National City

# Executive Leadership Group

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## PRESIDENT/CEO

Randa J. Coniglio

## GENERAL COUNSEL

Thomas A. Russell

## PORT AUDITOR

Robert Monson

## ASSISTANT GENERAL COUNSEL

Ellen F. Gross

## CHIEF ADMINISTRATIVE OFFICER

### VICE PRESIDENT

Karen G. Porteous

## SENIOR DEPUTY GENERAL COUNSEL

Rebecca Harrington

## CHIEF FINANCIAL OFFICER/TREASURER

### VICE PRESIDENT

Robert DeAngelis

## CHIEF OF HARBOR POLICE

### VICE PRESIDENT

Mark Stainbrook

## PLANNING, ENVIRONMENTAL PROTECTION AND CONSERVATION, AND GOVERNMENT RELATIONS

### VICE PRESIDENT

Vacant

## REAL ESTATE, ENGINEERING, AND FACILITIES

### VICE PRESIDENT

Vacant

## MARITIME VICE PRESIDENT

Vacant

## MARKETING AND COMMUNICATIONS VICE PRESIDENT

Vacant

## ASSISTANT VICE PRESIDENT

Jason Giffen

## ASSISTANT VICE PRESIDENT

Job Nelson

## ASSISTANT VICE PRESIDENT

Shaun D. Sumner

## ASSISTANT VICE PRESIDENT

Cid Tesoro

## CHIEF TECHNOLOGY OFFICER

Keith Coffey



# Vision, Mission, and Core Values

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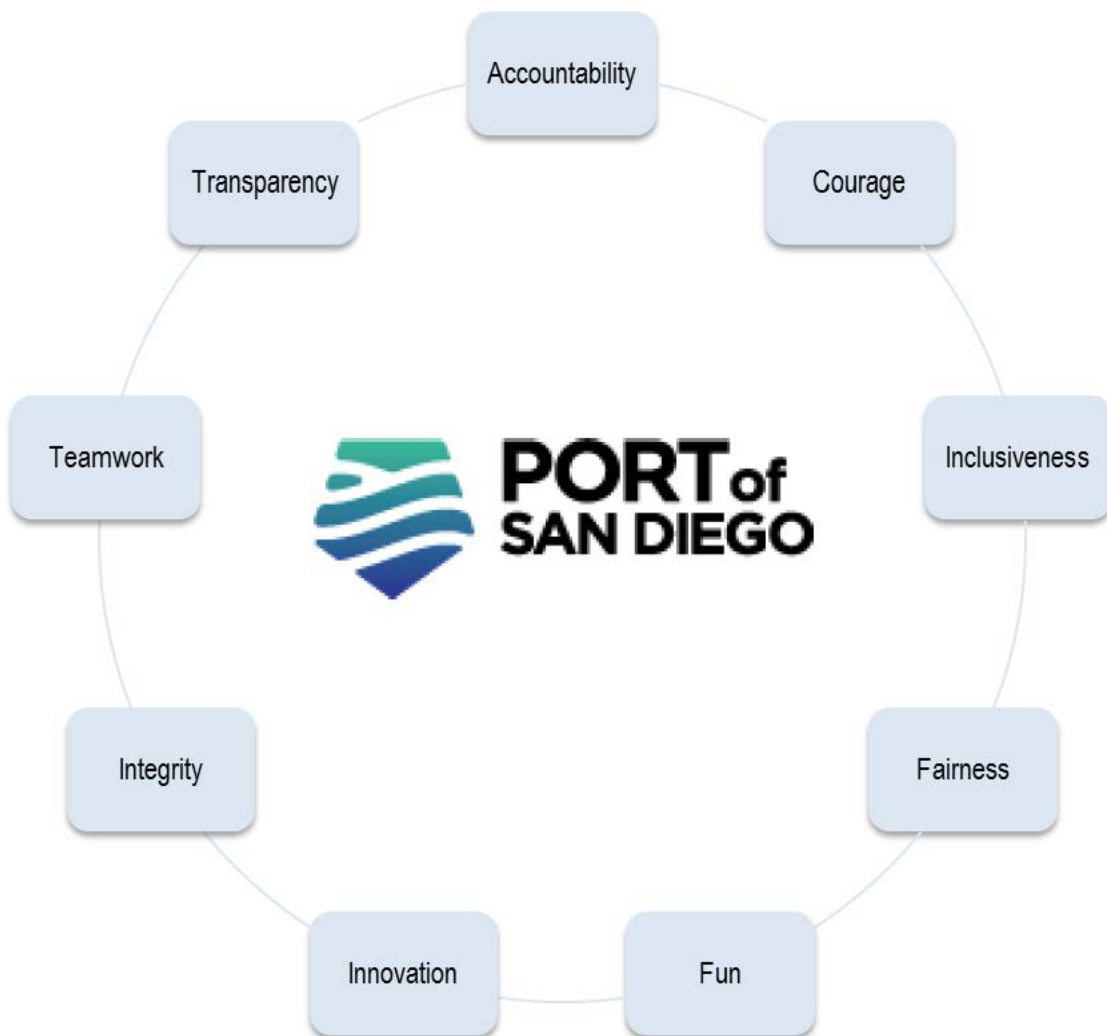
## VISION

21st Century Port - We are an innovative, global seaport courageously supporting commerce, community, and the environment.

## MISSION

The Port of San Diego will protect the Tidelands Trust resources by providing economic vitality and community benefit through a balanced approach to maritime industry, tourism, water and land recreation, environmental stewardship, and public safety.

## CORE VALUES



# Strategic Plan

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## Strategic Planning and the District's Annual Budget

Each year, the San Diego Unified Port District's (District) top priorities have been guided by and reflected in an 18-month strategy map. To continuously improve both strategy development and execution at the District, preparation of the strategy map is closely aligned with the annual budget process. At the January 2019 Board retreat, the Board was presented with a preliminary 18-month strategy map consisting of the four main strategies of Culture, Operations, Business, and Brand (COBB) as well as several strategic goals. The Board provided feedback on the strategies, goals, and gave staff early guidance on the budget. Based in part on this early consultation and planning, staff prepared the budget for FY 2020.

## Purpose and Scope of the 18-Month Strategy Map

Annual strategic planning helps the District to clearly develop, refine, and highlight projects and key services, which advance the District's strategies and achieve the goals identified for each strategy. The strategy map covers 18 months from the beginning of each calendar year through the end of the following fiscal year to allow continuity between Board chairs. The District's 18-month strategy map is governed by and supports the following:

**Guiding Principle:** We do the greatest good by doing remarkably well.

**Vision:** 21st Century Port - We are an innovative, global seaport courageously supporting commerce, community, and the environment.

**Values:** Accountability, Courage, Inclusiveness, Fairness, Fun, Innovation, Integrity, Teamwork, and Transparency.

The strategic planning process for FY 2020 began shortly after adoption of the FY 2019 budget last year. District staff embarked on a forward-looking approach. Dynamic planning characterized this year's strategic planning process and, in an effort to continuously improve, staff developed operating plans for each department to better explain the services they provide.

In building the current 18-month strategy map, we sourced some of the best thinking from employees at all levels in the organization through a cross-functional and collaborative process. Through others-focused leadership, we are relying on each and every employee - and our partners in the community - to be sure that the best insights and ideas propel us forward to realize our vision of becoming a 21st Century Port.

## Operating Plans & Supporting Resources in the FY 2020 Budget

The FY 2020 budget reflects the resources allocated to operationally support the 18-month strategy map through the execution of projects and key services aligned with the four main COBB strategies:

- **Culture:** Focus on our employees and their professional development and well-being (i.e., the organizational culture)
- **Operations:** Operate efficiently and effectively - identifying cost savings and other efficiencies while providing better, faster service
- **Business:** Grow revenue in order to keep up with rising operational costs, increasing regulation, and unknown liabilities
- **Brand:** Elevate the profile of the Port in the broader community (i.e., have more people know who we are and what we do)

The operating plans prepared by each department identify Strategic, Capital Improvement, Major Maintenance, and Technology Management Program projects and highlights the key services they provide in support of COBB. The operating plans are integrated into the expense budget breakdown in Section 4 Departments/Cost Centers for each department. The operating plans have also been interlocked to ensure that each department considered the impacts of their resource needs, key services, and priorities on other departments. As a result, needs and priorities with corresponding impacts to other departments have been accounted for in the operating plans prepared by those departments.

# Strategy Map



## FISCAL YEAR 2020 PORT STRATEGIC PLAN

GUIDING PRINCIPLE   We do the greatest good by doing remarkably well			
VISION   21st Century Port: We are an innovative, global seaport courageously supporting commerce, community and the environment			
VALUES   Courage, Integrity, Accountability, Teamwork, Transparency, Innovation, Fairness, Inclusiveness, and Fun			
21st CENTURY CULTURE	21st CENTURY OPERATIONS	21st CENTURY BUSINESS	21st CENTURY BRAND
GOALS			
Be a Culture that is a Competitive Advantage Achieving a Level of "Preferred Employer"	Identify Critical Internal and External Processes, and Systems to Enhanced Service and Support*	Realize Year Over Year Growth in the Operating Budget*	Drive Short Term Experiences While Building Long Term Reputation
Hire to Meet an Ideal Constructive Culture	Educate staff to use Technology, Process, and Data to Assist in Smart Decision Making and to Create Better Outcomes*	Prioritize Investments that Begin to Deliver New Revenues or Reduce Recurring Expenses within 10 years	Activate the Tidelands
Engage and Retain Employees to Assist in Achieving Our Strategic Goals	Develop and Build Relationships Based on Collaboration and Interlocking to Accomplish Organization, Department, Team and Individual Goals*	Identify New Sources of Funding for Internal and External Services*	Enhance the 21st Century Port User Experience*
Intentionally Use Our Port Values and Competencies, Integrate and tie to Performance Management and Decision Making	Reduce Project and Operating Costs through Improved Efficiency and Performance*	Achieve Market Returns for Revenue-Producing Assets*	

\*Changes for 2020

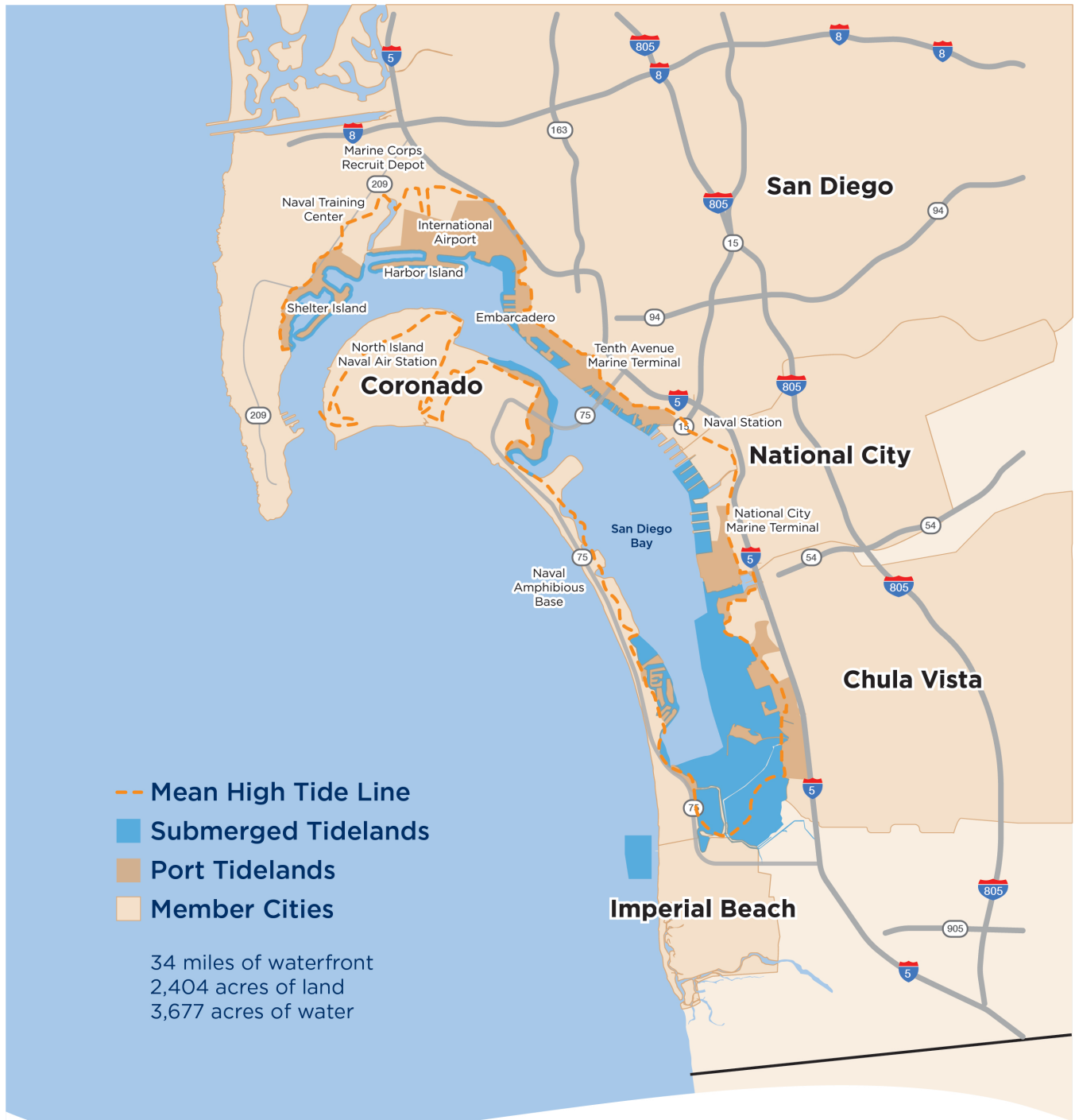
PROJECTS - January 1, 2019 - June 30, 2020			
<ul style="list-style-type: none"> <li>• <b>UID17</b> - Develop Plan to Improve Workplace Environment</li> <li>• <b>UID1</b> - Implement Leadership Development Program</li> <li>• <b>UID2</b> - Execute Internal Communications (IC) Strategy</li> <li>• <b>UID3</b> - Redesign Talent Selection</li> </ul>	<ul style="list-style-type: none"> <li>• <b>UID21</b> - Recommendation to the Board on Building Permits</li> <li>• <b>UID5</b> - Workforce Planning</li> <li>• <b>UID6</b> - Implement Geographical Information System (GIS) Management</li> <li>• <b>UID8</b> - Develop a Project Management and Governance Approach (PMO)</li> <li>• <b>UID9</b> - Implement Stormwater Pollution Prevention Strategy</li> <li>• <b>UID19</b> - Process Port Master Plan Update (PMPU)</li> <li>• <b>UID20</b> - Develop a Port Mobility Strategy</li> <li>• <b>UID23</b> - Update Climate Action Plan (CAP) to Align with State of California</li> <li>• <b>UID38</b> - Commence Legal Document Retention Project</li> <li>• <b>UID42</b> - Update Survey Monuments and Port Boundaries</li> <li>• <b>UID46</b> - Develop a Smart Port Administrative Procedure</li> <li>• <b>UID355</b> - Execute Maritime Domain Awareness - Phase II</li> </ul>	<ul style="list-style-type: none"> <li>• <b>UID14</b> - Define Port as a Developer Business Plan</li> <li>• <b>UID24</b> - Circulate National City Balanced Land Use Plan Environmental Impact Report (EIR)</li> <li>• <b>UID25</b> - Identify Concept for Redevelopment of Harbor Island</li> <li>• <b>UID27</b> - Enter into a Term Sheet for a Disposition and Development Agreement (DDA) for the Central Embarcadero</li> <li>• <b>UID32</b> - Execute Disposition and Development Agreement (DDA) w/RIDA and Commence Construction of Chula Vista Bayfront</li> <li>• <b>UID52</b> - Identify Comprehensive Approach to Remnant Tideland Parcels</li> <li>• <b>UID77</b> - Advance Mitigation Banking, Including Pond 20</li> <li>• <b>UID92</b> - Use Good Faith Efforts to Acquire the 1220 Pacific Highway Lease Hold from the US Navy</li> <li>• <b>UID94</b> - Implement Lower Cost Visitor Serving and Recreational Facilities Overnight Accommodations</li> <li>• <b>UID324</b> - Execute Cruise &amp; Infrastructure Optimization</li> <li>• <b>UID356</b> - Implement Tenth Avenue Marine Terminal (TAMT) Growth Strategy</li> </ul>	<ul style="list-style-type: none"> <li>• <b>UID33</b> - Advance Coronado Bridge Lighting Project</li> <li>• <b>UID54</b> - Develop Baywide Signage Plan</li> </ul>

**Bold text** denotes rollover from previous fiscal year.

Note: Capital Improvement Projects (C.I.P.), Major Maintenance (M.M.) and Technology Management Plan (T.M.P.) can be found in the FY19 Budget Book or the F18/19 Quarterly Project Status Reports.



# Map of Tidelands



# District Overview

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## THE SAN DIEGO UNIFIED PORT DISTRICT

The San Diego Unified Port District (District) is a regional public agency established in 1962 by an act of the California State Legislature to consolidate management responsibilities for the San Diego Bay. This consolidation provides ongoing efficiencies and centralized planning for the tidelands along the San Diego Bay.

- The District is an economic engine, creating jobs and dollars for the regional economy through the promotion of maritime trade, tourism, and other commercial activities.
- The District is an environmental steward, preserving and enhancing the natural resources of the San Diego Bay and surrounding tidelands.
- The District is a provider of community services, providing public access, public safety, recreation, and community activities along the waterfront for visitors and residents of the region.

A seven-member Board of Port Commissioners governs the District. Board members are appointed to four-year terms by the city councils of Chula Vista, Coronado, Imperial Beach, National City, and San Diego. The San Diego City Council appoints three commissioners and each of the other member city councils appoints one commissioner. Port Commissioners establish policies that the District staff, under the direction of the Executive Director, uses to conduct daily operations.

The District's maritime, real estate, and parking generate billions of dollars for the region's economy and allow the District to operate without the benefit of tax dollars. The District has the authority to levy a tax, but has not done so since 1970.

## PUBLIC TRUST DOCTRINE

The District is also a trustee of state lands subject to the Public Trust Doctrine, which mandates how California's sovereign lands should be managed. Also known as public trust lands, they include areas that used to be or are still under the bay and other waters. These lands cannot be bought and sold because they are held in the public trust and belong to the people of the State of California. As the trustee of these lands, the District is responsible for carrying out the principles of the Public Trust Doctrine. This includes protecting the environment, promoting the public's enjoyment of these lands, and enhancing economic development for the public's benefit.

# Branding






## Brand Promise

Enrich the relationship people and businesses have with the dynamic waterfront of San Diego Bay, providing prosperity and a more remarkable way of life.

## Brand Foundation

The District, commonly known as the Port of San Diego (Port) is where San Diego greets the world. On behalf of the State of California, the Port is an innovative champion for the 34 miles of San Diego Bay waterfront along Chula Vista, Coronado, Imperial Beach, National City, and San Diego.

The Port is a protector of the environment and our communities, an innovator for businesses and a host to visitors and residents. Self-funded, the Port reinvests the revenues from hundreds of businesses on our dynamic waterfront, creating prosperity, and a remarkable way of life for all.

SUB-BRANDS	PURPOSE
	<p>Port Maritime moves goods and people around the world.</p> <p>Home to a successful working waterfront, we work with our maritime partners to provide well-paying jobs and billions of dollars for our community.</p>
	<p>Port Waterfront Development brings vision to reality.</p> <p>As the innovative champion for businesses in our region, we ensure our partners have the opportunity to stay competitive in the global marketplace.</p>
	<p>Port Public Safety protects and oversees the safety of the San Diego Bay waterfront.</p> <p>Our Harbor Police Department is at the front line of security and service, with specialized expertise on land and sea.</p>
	<p>Port Experiences provides unique opportunities to explore and enjoy our vibrant waterfront.</p> <p>As a treasured destination, the Port is the heart and soul of our collective pride, welcoming visitors from around the world to be inspired by San Diego Bay.</p>
	<p>Port Environment champions the safekeeping and environmental care of our dynamic waterfront.</p> <p>The Port is a leader in protecting our land, air and water, ensuring it remains a vital resource for generations to come.</p>

# Message from the Chief Financial Officer / Treasurer

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## RENAISSANCE ON THE BAY

*"Coming Soon"*

## Message from the Chief Financial Officer / Treasurer

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# Budget in Brief

OVERVIEW OF REVENUES, EXPENSES, CAPITAL REQUIREMENTS & FUND ACTIVITIES					
	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
<b>Operating Revenue</b>					
Real Estate	\$ 97,568,049	\$ 107,958,500	\$ 116,274,700	\$ 8,316,200	7.7 %
Port as a Service - Parking	16,243,944	16,166,500	16,279,700	113,200	0.7 %
Attractions & Advertising	334,441	—	—	—	N/A
Maritime	39,202,380	40,848,300	40,175,700	(672,600)	(1.6)%
Harbor Police Department	16,192,019	15,971,000	16,619,600	648,600	4.1 %
Aquaculture & Blue Technology	—	83,200	—	(83,200)	(100.0)%
Miscellaneous (G&A for HPD services to SDCRAA, Cost Recovery, etc.)	3,352,427	4,042,600	3,430,800	(611,800)	(15.1)%
<b>Total Operating Revenue</b>	<b>\$172,893,260</b>	<b>\$185,070,100</b>	<b>\$192,780,500</b>	<b>\$ 7,710,400</b>	<b>4.2 %</b>
<b>Non-Operating Revenue</b>					
Grants - Capital Project Reimbursement	\$ 8,405,216	\$ 8,804,600	\$ 14,715,700	\$ 5,911,100	67.1 %
Grant Revenue - Other	951,888	1,069,300	1,213,300	144,000	13.5 %
Investment Revenue	1,739,201	1,000,000	1,700,000	700,000	70.0 %
Other (Legal Settlements, Car Rental Fees, Donated Revenue, etc.)	8,202,407	473,000	4,200,000	3,727,000	787.9 %
<b>Total Non-Operating Revenue</b>	<b>\$ 19,298,712</b>	<b>\$ 11,346,900</b>	<b>\$ 21,829,000</b>	<b>\$ 10,482,100</b>	<b>92.4 %</b>
<b>Total Revenue</b>	<b>\$192,191,972</b>	<b>\$196,417,000</b>	<b>\$214,609,500</b>	<b>\$ 18,192,500</b>	<b>9.3 %</b>
<b>Expenses</b>					
Personnel	\$ 91,948,226	\$ 99,600,200	\$ 103,381,100	\$ 3,780,900	3.8 %
Non-Personnel Expense (NPE)	53,358,941	62,019,200	62,822,000	802,800	1.3 %
Municipal Service Agreements (MSA) with Member Cities	7,777,781	7,995,600	8,143,400	147,800	1.8 %
Major Maintenance - Expense	629,612	150,000	900,000	750,000	500.0 %
Non-Operating NPE	3,339,053	3,213,100	3,582,400	369,300	11.5 %
Capitalized Labor	(2,902,209)	(3,915,000)	(3,989,500)	(74,500)	1.9 %
<b>Total Expenses</b>	<b>\$154,151,404</b>	<b>\$169,063,100</b>	<b>\$174,839,400</b>	<b>\$ 5,776,300</b>	<b>3.4 %</b>
<b>Earnings Before Depreciation and GASB 68, 73, and 75 Accounting Adjustments</b>	<b>\$ 38,040,568</b>	<b>\$ 27,353,900</b>	<b>\$ 39,770,100</b>	<b>\$ 12,416,200</b>	<b>45.4 %</b>
<b>Sources &amp; Uses of Funds and Reserves</b> (see detail on following page)	<b>\$ (22,936,380)</b>	<b>\$ (23,745,500)</b>	<b>\$ (37,735,100)</b>	<b>\$ (13,989,600)</b>	<b>58.9 %</b>
<b>Unrestricted Sources Over Uses of Funds</b>	<b>\$ 15,104,188</b>	<b>\$ 3,608,400</b>	<b>\$ 2,035,000</b>	<b>\$ (1,573,400)</b>	<b>(43.6)%</b>

**Note:**

See Section 3, Page 3 for Revenue Highlights explanations and Section 3, Page 17 for Expense Highlights explanations.



## Budget in Brief

OTHER SOURCES & USES OF FUNDS AND RESERVES DETAIL					
	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
<b>SOURCES OF FUNDS</b>					
<b>Other Sources of Funds and Reserves</b>					
Grant Funded TMP, CIP, and Equipment Outlay and Other Capital Projects	\$ 8,405,216	\$ 8,804,600	\$ 14,715,700	\$ 5,911,100	67.1 %
Public Art, Environmental, Asset Forfeiture, NEVP, and Maritime Industrial Impact Fund	3,272,672	5,941,200	4,156,900	(1,784,300)	(30.0)%
Capital Improvement Program Reserve	14,731,800	23,540,400	16,075,000	(7,465,400)	(31.7)%
Non-Cash Adjustment	(539,448)	—	—	—	N/A
Investment Fund	38,292	175,000	50,000	(125,000)	(71.4)%
Funds From Prior Year Surplus	2,437,593	6,120,000	4,200,000	(1,920,000)	(31.4)%
<b>Total Other Sources of Funds and Reserves</b>	<b>\$ 28,346,125</b>	<b>\$ 44,581,200</b>	<b>\$ 39,197,600</b>	<b>\$ (5,383,600)</b>	<b>(12.1)%</b>
<b>USES OF FUNDS</b>					
<b>Other Uses of Funds and Reserves</b>					
Capital Improvement Program	\$ 21,907,936	\$ 33,321,000	\$ 30,500,000	\$ (2,821,000)	(8.5)%
Technology Capital Projects	2,137,161	4,270,000	5,623,400	1,353,400	31.7 %
Capital Major Maintenance (MM) Projects	6,566,784	10,100,000	8,900,000	(1,200,000)	(11.9)%
Capital Labor (Major Maintenance and Technology Capital)	1,344,335	—	—	—	N/A
Equipment Outlay and Other Capital Projects	2,159,042	4,938,500	4,548,500	(390,000)	(7.9)%
Debt Service (Principal Only)	4,399,765	4,698,000	4,855,800	157,800	3.4 %
Coronado Bridge Lighting Project	114,220	—	820,000	820,000	N/A
Environmental Fund Set-Aside	784,100	830,500	844,800	14,300	1.7 %
Maritime Industrial Impact Fund Set-Aside	165,500	165,500	157,900	(7,600)	(4.6)%
NEVP Maintenance Fund Set-Aside	947,700	976,100	1,005,400	29,300	3.0 %
Capital Grants	8,405,216	8,804,600	14,715,700	5,911,100	67.1 %
Asset Forfeiture and Wellness Fund Set-Aside	110,690	—	—	—	N/A
Legal Settlement for South Campus Demolition Set-Aside	1,689,800	—	—	—	N/A
RIDA Set-Aside	—	—	1,738,700	1,738,700	N/A
Car Rental Transaction Fees	327,754	—	3,000,000	3,000,000	N/A
ACH Parking Facility Fund Set-Aside	222,502	222,500	222,500	—	0.0 %
<b>Total Other Uses of Funds and Reserves</b>	<b>\$ 51,282,505</b>	<b>\$ 68,326,700</b>	<b>\$ 76,932,700</b>	<b>\$ 8,606,000</b>	<b>12.6 %</b>
<b>Total Other Sources &amp; Uses of Funds and Reserves</b>	<b>\$ (22,936,380)</b>	<b>\$ (23,745,500)</b>	<b>\$ (37,735,100)</b>	<b>\$ (13,989,600)</b>	<b>58.9 %</b>

# U.S. Economic Forecast

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According to Bloomberg L.P. and various economic reports<sup>(1)</sup>, the national economy, as measured by gross domestic product (GDP), grew at an annual average rate of 2.9% in calendar year 2018 marking ten years of economic expansion. The economy experienced continued growth in various sectors including industrial production, strong employment, and overall consumer spending. Additionally, a principal economic contributor was a generally positive business environment resulting from the early 2018 fiscal stimulus. Economic forecasts anticipate that the primary drivers for growth will be attributed to personal consumption and government spending and project the growth rate to moderate somewhat to a 2.4% growth rate for calendar year 2019 and 1.9% for year 2020. The labor market continues its strong hold with the unemployment rate at 3.9% in calendar year 2018 and projected at 3.7% for year 2019 and 3.6% for year 2020. Inflation forecast is lower than the 2.5% experienced in calendar year 2018 with a projected rate of 1.9% for 2019 and 2.2% for 2020. The Federal Open Market Committee is projected to have a more pronounced pause in its pace of interest rate increases in calendar years 2019 and 2020.

The U.S. economy's underlying fundamentals are still solid relative to 2018 despite a more tepid economic outlook for calendar years 2019 and 2020. The projected creation of almost 3 million additional jobs by 2020 is anticipated to augment the U.S. economy. There is some weakness in the housing market and a decrease in nonresidential construction; however, gradual improvements are anticipated. Recently, the United States, Canada, and Mexico successfully negotiated the United States Mexico Canada Agreement (USMCA), a new trade agreement named in place of the North American Free Trade Agreement (NAFTA). Global economic forecasts indicate slower growth with stagnant core inflation going forward. Despite a decline in overall business sentiment and heightened global economic and political uncertainty, ongoing U.S. trade negotiations with China remain in progress.

California's is the world's fifth-largest economy in the world, with a gross domestic product surpassing \$2.7 trillion. The State's economic rebound since the great recession is reflected across most industries. California's economy continues to prosper at a steady pace with areas of strength in Health Care, Leisure & Hospitality, Government, and Technology sectors. Some sectors were adversely impacted by the wildfires that spread through parts of Northern and Southern California during 2018, primarily in construction and retail trade. Housing supply and affordability are challenges for the State and are priorities for the new Governor along with health care and disaster preparedness. California experienced strong economic performance with a GDP of 3.4% in calendar year 2018, which outpaced the nation's, and is forecasted to grow at a 3.0% rate both for years 2019 and 2020. Despite its challenges, overall, California's economic outlook remains positive.

The San Diego region's \$220 billion economy continues to thrive with its diverse economic base that includes a vigorous innovation and technology cluster, established biotech and healthcare sector, a substantial military and defense industry, and strong tourism industry. Notable contributions to the local economy also include education and trade sectors. San Diego region's economy grew by a robust 3% rate in calendar year 2018 with the unemployment rate at 3.3%, below the state and national average. Despite signs of slowing local economic growth in the horizon, emulating the pattern of the national and state economic forecasts, local government is prioritizing and moving forward with plans to address barriers to housing construction shortages and increasing prices. In the last few years, the compound annual home prices appreciated by 6.7% with a median home price of \$650,000.

The San Diego County regional economy is forecasted to moderate in the next couple of years; however, its diverse and dynamic economy is a strong factor for incentivizing business to increase investment in the region. The mayor recently announced that Apple will be adding 1,200 employees in San Diego within the next three years. Gross domestic product for San Diego is forecast at a 2.9% growth rate for year 2019 and 2.8% for year and 2020 and the unemployment rate is forecasted at 2.8% for year 2019 and 2.4% for year 2020. Additionally, San Diego continues research and development of emerging maritime activities within its Blue Economy.

# U.S. Economic Forecast

Below is a table with key economic indicators:

U.S. Economic Forecast <sup>(1)</sup>							
Economic Indicator	1Q.2019	2Q.2019	3Q.2019	4Q.2019	Avg.2019	Avg.2020	Avg.2021
Gross Domestic Product (GDP) -YOY %	2.9%	2.5%	2.2%	2.1%	2.4%	1.9%	1.8%
Consumer Spending	2%	2.6%	2.4%	2.3%	2.6%	2.2%	2.0%
Unemployment Rate	3.8%	3.7%	3.7%	3.6%	3.7%	3.6%	4%
Consumer Price Index - YOY %	1.6%	1.8%	1.9%	2.1%	1.9%	2.2%	2.2%
Benchmark Interest Rates	1Q.2019	2Q.2019	3Q.2019	4Q.2019	1Q.2020	2Q.2020	3Q.2020
Federal Funds Rate - Target	2.5%	2.6%	2.7%	2.8%	2.8%	2.8%	2.8%
Ten-year Treasury Note	2.8%	2.9%	2.9%	3.0%	3.0%	3.1%	3.1%
<sup>(1)</sup> Sources: Bloomberg -Median economists' forecasts for U.S. economic indicators (77 economists surveyed March 8 to March 13, 2019); Los Angeles County Economic Development Corporation-Institute for Applied Economics, Economic Forecast & Industry Outlook January 2019; Wells Fargo Securities, LLC Economics Group, Economic & Financial Commentary February and March 2019; Hilltop Securities Asset Management, Market Commentary, March 11, 2019; Los Angeles Times, Business, May, 2018; Economic development-what's next for the San Diego region, <a href="http://www.bisnow.com">www.bisnow.com</a> , January 31, 2019; San Diego Regional Economic Development Corporation, Economic Snapshot, December 2018; San Diego Regional Chamber Business Forecast February 2019.							

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# Organization

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Ever mindful of the desire to achieve a sustainable future, the District strives to increase revenues while pursuing its mission and trust obligation. With this in mind, the organization is focused on a set of goals in the following areas:

- Culture
- Operations
- Business
- Brand

The Executive Leadership Group (ELG) has identified 29 major initiatives to accomplish its goals by the departments described below. The budget is the financial plan of record to fund these initiatives.

Lastly, the District will renew focus on “People Strategy” to sustain its staff, its most important asset because executing these initiatives will require a motivated and engaged workforce.

The Board establishes policy to realize the District’s mission, vision and goals. Three positions reporting directly to the Board are responsible for execution of policy directives: the President/Chief Executive Officer (President/CEO), General Counsel, and Port Auditor. A Personnel Advisory Board also reports directly to the Board.

## HARBOR POLICE

Led by the Chief of Harbor Police/Vice President, the Harbor Police Department is responsible for initiatives and programs that provide safety, protection, and law enforcement. The Department also provides police and fire protection to San Diego Bay, as well as police services to San Diego International Airport. Under direction of the Chief of Harbor Police, homeland security, facility security, and law enforcement combine to protect and serve those who work, play, and visit the Port of San Diego.

## MARKETING

Led by the Vice President of Marketing and Communications, this Division raises awareness of the District, its business lines, activities, and regional value through accurate and transparent communications while building and maintaining partnerships with external stakeholders and other government agencies. Additionally, this Division is responsible for creating a vibrant waterfront experience through extraordinary art and event planning.

Departments in the Marketing Division include:

- Marketing & Communications
- Waterfront Arts & Activation

## ADMINISTRATION

Led by the Chief Administrative Officer/Vice President, this Division manages, directs, and integrates the functions, programs, and activities of District-wide Human Resources, People Strategies, Office of the District Clerk, Information Technology, and the Project Management Office. The Chief Administrative Officer/Vice President is the District’s lead negotiator for labor negotiations and provides strategic leadership in the delivery of centralized corporate, administrative, technology implementation, and support services.

Departments in the Administration Division include:

- Human Resources
- Information Technology
- Office of the District Clerk
- People Strategies
- Project Management Office



# Organization

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## OPERATIONS

Led by the Vice President of Real Estate, Engineering, and Facilities, this Division's responsibilities include: commercial leasing and management of over 600 tenancies, the progress of over \$3.5 billion of projects in the pipeline, development and management of parking assets, design and construction engineering, capital improvement and major maintenance programs, facilities maintenance and services for several roadways, 22 parks, and several administrative buildings. The growth of revenue, both through core lines of business and new revenue streams, is a key responsibility for the Operations Division.

Departments and teams in the Operations Division include:

- Engineering - Construction
- General Services
- Real Estate
- Port as a Service - Parking

## FINANCIAL SERVICES

Led by the Chief Financial Officer/Treasurer Vice President, this Division oversees the District's Financial Services and Procurement Services. The CFO/Treasurer provides professional assistance and support to the President/CEO on the District's financial planning, accounting, investing, and procurement services. Financial Services includes financial planning and reporting, budgeting, treasury services, risk management, accounting, and payroll services.

Departments in the Financial Services Division include:

- Financial Services
- Procurement Services

## MARITIME

Led by the Vice President of Maritime, this Division is responsible for the import and export business of automobiles, produce, and bulk maritime cargo at two terminals, and an international cruise business at two terminals. The District is the primary port of entry for Honda, Fiat, Audi, Mazda, Acura, Volkswagen, and Nissan among others.

## PLANNING, ENVIRONMENTAL PROTECTION AND CONSERVATION, AND GOVERNMENT RELATIONS

Led by the Vice President of Planning, Environmental Protection and Conservation, and Governmental Relations, this Division is responsible for the District's land use planning functions, including the creation of a Port Master Plan, issuance and application for permits for the 34 miles of waterfront around San Diego Bay; development and regulatory enforcement of air, land, and water quality improvement, protection, and conservation; development of an incubator business line focused on aquaculture and bluetech investments; compliance oversight of CEQA and California Coastal Act practices within the District's jurisdiction; communications and relationships with federal, state, and local elective and administrative bodies.

Departments in the Planning, Environmental Services Protection, Conservation, and Government Relations Division include:

- Aquaculture & Blue Technology (team)
- Development Services
- Energy
- Environmental Conservation
- Environmental Protection
- Government & Civic Relations
- Planning

## Organization Chart

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*"Coming Soon"*

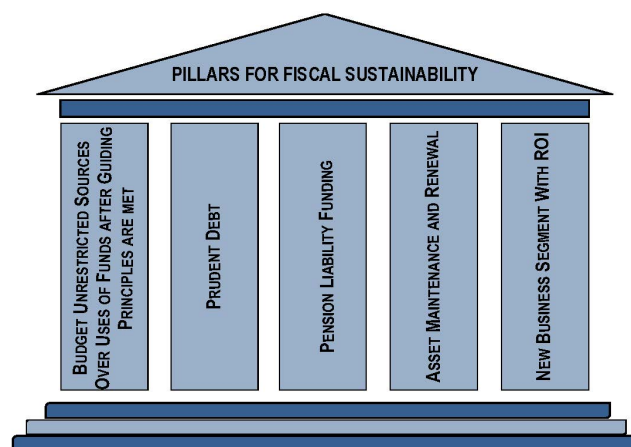
# Overview of Financial Policies and Guidelines

The District operates as an enterprise fund and prepares its budget on the accrual basis of accounting. The District's annual audited financial statements are also prepared on the accrual basis. Under this method, revenues are recorded when earned and expenses are recorded when incurred. The San Diego Unified Port District Act directs the creation of only one fund with many revenue sources and operates as a separate, independent, and local government entity. Accordingly, unless specifically stated, all income and expenses flow through one fund.

The District's budget process actively incorporates various financial policies and guidelines articulated by the Board and Executive Staff. The budget process and outcome are performance-based and focused on strategies, initiatives, and key operating and financial indicators. The adopted budget gives the District the legal basis for which to expend funds.

## Financial Strategy and Long-Range Policies

The District continues to proactively manage and grow its financial resources with the objective to balance its service requirements, its responsibility to make long-term investments in infrastructure, the environment, and public service. As such, the District outlined a framework to develop a long-term financial strategy which seeks to establish an overarching set of guiding principles that aligns financial best practices into the District's strategic plan. The framework consists of five key pillars as depicted below:



The annual operating budget is intended to establish efficient and effective methods for managing the District's financial resources. Accordingly, this section outlines the long-range and financial policies that guide the preparation of the budget:

- Revenues and other sources of funds exceed expenses before depreciation and amortization and before capital expenditure and other uses of funds.
- The District activities authorized in the budget will help stimulate the economy in the San Diego region.
- Capital investment in the tidelands will provide significant, long-term economic benefits to the region and will provide public improvements and infrastructure that will stimulate private investment in the tidelands bringing new revenues to the District and creating new jobs and opportunities for the region. Financial policies will enable the District to maintain its sound financial condition, so that capital investment in the tidelands may continue.
- Cash investments made by the District will conform to its Guidelines for Prudent Investments (see Section 5 Appendix). It is the policy of the District to invest public funds in a manner that will provide the highest rate of return with the maximum security while meeting the daily cash flow demands of the District. The investment policies and practices of

# Overview of Financial Policies and Guidelines

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the District are based upon prudent money management and conform to all state and local statutes governing the investment of public funds. In order of priority, investment objectives are:

- Safety of principal
  - Liquidity
  - Return on investment
- The budget will be prepared in a manner that facilitates its understanding by the public as well as District officials. Presenting a clear, readable budget will communicate effectively overall District goals and plans, and contribute to the public's knowledge and appreciation of the District's positive impact on the region.
  - The Five-Year Capital Improvement Program (CIP) FY 2019-2023 has been previously approved and adopted by the Board in accordance with BPC Policy No. 120 - Capital Improvement Program (see Section 5 Appendix). The projects are funded from the CIP reserve (pre-approved/designated funding) and from other sources such as grants and contributions for specific projects. The remaining CIP FY 2019-2023 is reviewed and approved by the Board and is coordinated with the preparation of the operating budget.

## Budget Development and Cost Management

The District will prepare a budget on an annual basis. The District's definition of a balanced budget is one in which revenues and other sources of funds equal or exceed expenditures and other uses of funds.

One of the key pillars for fiscal sustainability that the District adopted is budgeting for unrestricted sources of funds exceeding uses of funds or, a structural surplus now referred to as unrestricted resources. In support of this principle, the District has developed its annual budget with approximately \$2.0M of unrestricted resources. Staff deployed multiple strategies to attain this including revenue growth, project portfolio diversification, and cost management.

The budget is a result of a collaborative effort that includes extensive deliberations by the ELG on strategies and initiatives. The Board is briefed to solicit input and directions. As appropriate, throughout the year, presentations are provided by staff and Board directions are given on multi-year strategies such as Integrated Planning, Climate Action Plan, Major Maintenance/Asset Management Program, Capital Improvement Program, Parking, etc.

The FY 2020 budget reflects the resources allocated to provide key services as described in each department's operating plan and to support the 18-month strategy map through the execution of projects aligned with these four strategies:

- **Culture:** Focus on our employees and their professional development and well-being (i.e., the organizational culture)
- **Operations:** Operate efficiently and effectively - identifying cost savings and other efficiencies while providing better, faster service
- **Business:** Grow revenue in order to keep up with rising operational costs, increasing regulation, and unknown liabilities
- **Brand:** Elevate the profile of the Port in the broader community (i.e., have more people know who we are and what we do)

Staff prepared operating plans by department describing key services they provide, and highlighted opportunities for process improvement and innovation. The operating plans are integrated into the expense budget breakdown in Section 4 Departments/ Cost Centers for each department. The operating plans have also been interlocked to ensure that each department considered the impacts of their resource needs, key services, and priorities on other departments. As a result, needs and priorities with corresponding impacts to other departments have been accounted for in the operating plans prepared by those departments.

# Overview of Financial Policies and Guidelines

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Additional cost management controls include providing the following reporting to the Board:

- Annually – Year-end projections
- Annually – Finance team prepares a Five-Year Cash Flow Forecast used for long-term financial planning
- Quarterly – Financial Management Reports
  - Staff goes through a rigorous review of all expense items monthly and provides budget variance explanations of not only overages but any significant underruns with an estimate of when those expenses will be incurred.
- Quarterly – Financial Performance Metrics and Parks Report
- Quarterly – MM Update
- Quarterly – CIP Update

The District's prudent practices ensure long-term financial sustainability and the ability to deliver our public service commitment as follows:

- Activation programs that draw visitors and residents alike to the waterfront
- Maintenance of infrastructure, public parks, and open spaces throughout the tidelands
- Ensuring safe and secure tidelands through land and waterside patrolling and response
- Protecting and enhancing our environmental resources – land, water, air, and wildlife
- Ability to generate revenue and to manage costs allows the District to provide excellent public service without the need to tax – the District is a self-sustaining public entity

## Account Structure

The District's account structure is comprised of two main components: profit/cost center and general ledger account code. Budget amounts are entered and tracked at the profit/cost center and general ledger account codes. Within this budget book you will see general ledger account codes used for expenses.

A general ledger account is an account or record used to sort and store balance sheet and income statement transactions. Examples of general ledger accounts include the asset accounts such as Cash, Accounts Receivable, Land, and Equipment. Examples of the general ledger liability accounts include Notes Payable, Accounts Payable, Accrued Expenses Payable, and Tenant Deposits. Examples of income statement accounts found in the general ledger include Concession Revenues, Fixed Rents, Salaries Expense, Services – Professional & Other Expense, Insurance Expense, etc.

The District uses six digit general ledger account codes divided into four major categories as follows:

100100-399999	Balance Sheet
500100-599999	Revenue
600100-600330	Personnel
610100-680999	Non-Personnel Expense



# Budget Timetable

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The budget development process is integrated closely with strategic and project planning, where the entire management team conducts the review and the individual departments are given the control and accountability.

The Financial Analyst Team works with the Strategic Planning Team, all department Directors and the Executive Leadership Group to ensure that budget proposals support the District's Strategic Plan and that appropriate funding is available.

**A Board workshop to discuss the preliminary budget is held in April.** The workshop is an opportunity for the Board and the public to ask questions and discuss alternatives to the proposed goals, objectives, programs, and activities included in the budget.

**Preliminary budget adoption starts the public comment period.** Adoption of the preliminary budget occurs at the May Board meeting. Under the provisions of the District Act, the preliminary budget must be adopted by June 15<sup>th</sup> each year which begins the public comment period. Not less than 30 days later, the Board considers the final budget for adoption.

**Final budget adoption follows the public comment period.** At its first meeting following the comment period, but no later than August 1<sup>st</sup>, the Board adopts the final budget, along with amendments to the Salary Ordinance for personnel changes included in the final budget. Ideally, this happens in June, prior to the start of the new fiscal year.

Once the budget is adopted, it is input into the *SAP Funds Management Accounting System (SAP-FM)* and the funds availability control, which tracks expenses against the budget, is activated.

**An appropriating ordinance may be required.** If no final budget is adopted by July 1<sup>st</sup>, a special ordinance is required to appropriate funds for continuing operations.

The budget is based on estimates made by Departments four to five months before the end of the current fiscal year, and 16 to 17 months before the end of the budget year. Many events could occur after adoption that would make the actual results significantly different from the budget estimates.

Once adopted, the budget is not fixed. The budget can be amended at any time during the fiscal year by Board ordinance. Staff monitors budget results and programs throughout the fiscal year. Changes in plans, fluctuations in estimates, new programs for which no estimate was available, and other unexpected events may require a budget amendment.

Board of Port Commissioners (BPC) Policy No. 090 (see Section 5 Appendix) shall govern transfers between appropriated budget items.

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## 3 Highlights



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# Revenue Highlights

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Total operating and non-operating revenues for the District are budgeted at \$214.6M, an increase of \$18.2M, or 9.3%, from the prior fiscal year.

Trends affecting revenue are described below by profit center.

## Revenue by Profit Center

Revenues were projected by benchmarking major tenants, conducting tenant interviews, and using industry analysis to predict trends in revenue. Assumptions concerning prospective revenues from new and renegotiated leases were included. Revenues for leases scheduled to terminate are reduced by the probability that they will not be renewed. For leases with an option to expand facilities, revenues are reduced by the probability that the option will not be exercised.

Since concession revenue varies with economic conditions, the revenue team performed a detailed analysis using recent data from multiple sources, published hotel industry forecasts, cruise ship activity projections, and convention bookings for 2019 and 2020. Actual year-to-date revenue, published hotel industry forecasts, cruise ship activity projections, and convention bookings were all reviewed and considered in developing the FY 2020 forecast.

## Real Estate

Real Estate is budgeted at \$116.3M, an increase of \$8.3M, or 7.7%. Of this increase, hotel concessions provided approximately \$4.2M, while Seaport village revenue provided \$2.1M as a result of a full year of operations compared to nine months of operations in the prior fiscal year. In addition, revenues from restaurants, marinas, sportfishing, and other concession-generating tenants increased by \$1.9M.

In FY 2019, all Seaport Village revenues were budgeted in the concession revenue account, while in FY 2020 revenues were budgeted in various accounts which resulted in variances as discussed below:

- **Seaport Village Common Area Maintenance** is budgeted at \$3.0M due to reimbursements for tenant common area maintenance expense being budgeted in concession revenue in FY 2019.
- **Concession Revenue** is budgeted at \$90.1M, an increase of \$2.5M, or 2.9%. This is mainly attributable to higher revenue projections of approximately \$6.1M in hotel revenue, revenue from restaurants, sportfishing landings, and other concession tenants. This projected increase was partially offset by Seaport Village revenue of approximately \$3.6M, which will now be reported under separate revenue categories for common area maintenance fees, marketing fees, and parking revenues. Hotel percentage rent is over two-thirds of all concession rent, followed by retail centers, marinas, and restaurants.
- **Parking Revenue** for Seaport Village is budgeted at \$2.0M due to parking fees being budgeted in concession revenue in FY 2019.
- **Seaport Village Marketing Fee** is budgeted at \$732k due to reimbursements for marketing fees being budgeted in concession revenue in FY 2019.
- **Fixed Rent** is budgeted at \$19.6M, an increase of \$197k, or 1.0%, primarily due to an increase in car rental lease revenue.



# Revenue Highlights

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## Port as a Service – Parking

Port as a Service - Parking is budgeted at \$16.3M, an increase of \$113k, or 0.7%. Differences from the FY 2019 revenue budget are projected in the following areas:

- **Parking Meters** is budgeted at \$3.7M, an increase of \$436k, or 13.4%, mainly due to expected high demand at Tuna Harbor parking meters.
- **Citations** is budgeted at \$852k, a decrease of \$72k, or 7.8%, due to an observed increase in compliance with parking regulations, which results in fewer citations being issued.
- **Parking** is budgeted at \$10.2M, a decrease of \$148k, or 1.4%, mainly due to a decrease in budgeted revenue at Navy Pier as a result of construction on the west end of the pier, as well as less turnover in the parking lot.

## Maritime

Maritime is budgeted at \$40.2M, a decrease of approximately \$673k, or 1.6%. Differences from the FY 2019 revenue budget are projected in the following areas:

- **Storage Space Rental** is budgeted at \$2.4M, a decrease of \$2.0M, or 45.0%, mainly due to a projected decrease in automobile storage at the National City Marine Terminal (NCMT). Certain original equipment manufacturers are fine tuning on manufacturing and shipping timing that is resulting in decreased storage requirements. Additionally, automobile units requiring extended storage are being transferred to off-site facilities in Otay Mesa and Chula Vista.
- **Wharfage** is budgeted at \$11.8M, a decrease of \$1.2M, or 9.3%, primarily due to a lower projection in waterborne automobile units. Additionally, a shift in proportion towards non-waterborne units versus waterborne units has negatively affected wharfage revenue (non-waterborne unit rates are lower than waterborne).
- **Concession Revenue** is budgeted at \$2.4M, an increase of \$119k, or 5.3%, based on recent revenue trends.
- **Cruise Ship Passenger Security Charges** is budgeted at \$1.3M, an increase of \$203k, or 18.8%, due to a projected increase in cruise activity.
- **Cruise Ship Passenger Fees** is budgeted at \$2.3M, an increase of \$309k, or 15.3%, due to a projected increase in cruise calls.
- **Fixed Rent** is budgeted at \$16.6M, an increase of \$1.7M, or 11.4%, due to new leases at the National Distribution Center (NDC) in National City as well as rent increases from various lease agreements.

## Harbor Police

Harbor Police is budgeted at \$17.8M, an increase of \$837k, or 4.9% from the FY 2019 revenue budget.

The Harbor Police Department, in addition to serving the District tidelands, is the primary law enforcement agency at the San Diego County Regional Airport Authority (SDCRAA). The cost reimbursement for the police services provided to the SDCRAA is \$16.3M while the General and Administrative cost (G&A) reimbursement reported under the Miscellaneous profit center below is \$2.6M, bringing the total reimbursement to \$18.9M, an increase of \$514k, or 2.8%. The FY 2020 Public Services Provided revenue budget includes labor and burden based on actual individual officer's rate per pay period and department overhead.

# Revenue Highlights

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Additionally, federal, state, and local grant reimbursements is budgeted at \$1.1M, an increase of \$188k, or 19.6%, mainly due to the Department of Homeland Security funding for Operation Stone Garden and the development of an emergency management plan.

## Miscellaneous

Projected other changes in revenue will occur primarily in the following areas:

- **Grants – Capital Projects Reimbursement** is budgeted at \$14.7M, an increase of \$5.9M, or 67.1%, primarily due to a grant for the TAMT Microgrid Infrastructure project from California Energy Commission for the demonstration of business case for advance microgrids in support of California's energy and greenhouse gas reduction program, and also an increase in Port Security awards.
- **Interest - Investments** is budgeted at \$1.7M, an increase of \$700k, or 70.0% due to the full impact from the Federal Open Market Committee's four rate increases during 2018.
- **Partnership/Cost Sharing Reimbursement** is budgeted at \$704k, a decrease of \$481k, or 40.6% mainly due to the schedule of cost sharing in the Regional Harbor Monitoring Program. The program provides \$1.0M every five years, which was received FY 2019.
- **Public Services Provided**, which represents reimbursements for G&A costs associated with the SDCRAA agreement for Harbor Police services, is budgeted at \$2.6M, a decrease of \$131k, or 4.8%.
- **Donated Revenue**, is budgeted at \$840k, an increase of \$827k. This revenue represents commercial and private donations, as well as tenant percent for art donations. In January 2018, The Tenant Percent for Art Program was established in BPC Policy No. 608 (see Section 5 Appendix) and requires tenants undertaking improvements to their leaseholds to provide a tenant percent for art allocation no less than 1% of the tenant improvement's total project cost. The revenue generated here primarily funds art projects, the largest of which is the Coronado Bridge Lighting Project.
- **Car Rental Transaction Fee** is budgeted at \$3.0M an increase of \$3.0M, due to the implementation of the fee at the end of FY 2018. This fee, while being recognized as revenue, represents funds that will be set-aside for the purpose of constructing a parking structure that will be part of the Chula Vista Bayfront project.

## Revenue by Operating Center

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
<b>REAL ESTATE</b>					
Fixed Rent	\$ 19,806,815	\$ 19,451,200	\$ 19,648,200	\$ 197,000	1.0 %
Concession Revenue	77,111,674	87,559,325	90,070,100	2,510,775	2.9 %
ACH Parking Facility Funding	222,502	222,500	222,500	—	0.0 %
Other Rental Revenue	114,000	—	—	—	N/A
Rents	\$ 97,254,991	\$ 107,233,025	\$ 109,940,800	\$ 2,707,775	2.5 %
Advertising	\$ —	\$ 255,475	\$ 170,000	\$ (85,475)	(33.5)%
Parking	—	—	1,950,300	1,950,300	N/A
Park Usage Fees	1,120,858	1,084,300	1,043,400	(40,900)	(3.8)%
Reimbursed Cost/Cost Recovery	—	120,000	120,000	—	0.0 %
Seaport Village Common Area Maintenance	—	—	3,000,900	3,000,900	N/A
Seaport Village Marketing Fee	—	—	732,200	732,200	N/A
Waived Fees	(18,565)	—	—	—	N/A
Waived Fees-Tidelands Activation Program	(789,235)	(734,300)	(682,900)	51,400	(7.0)%
Fees & Service Charges	\$ 313,058	\$ 725,475	\$ 6,333,900	\$ 5,608,425	773.1 %
Damages Recovered	\$ 6,341	\$ —	\$ —	\$ —	N/A
Non-Operating Revenue	\$ 6,341	\$ —	\$ —	\$ —	N/A
<b>TOTAL REAL ESTATE</b>	<b>\$ 97,574,390</b>	<b>\$ 107,958,500</b>	<b>\$ 116,274,700</b>	<b>\$ 8,316,200</b>	<b>7.7 %</b>
<b>PORT AS A SERVICE - PARKING</b>					
Fixed Rent	\$ 418,697	\$ 444,600	\$ 457,200	\$ 12,600	2.8 %
Rents	\$ 418,697	\$ 444,600	\$ 457,200	\$ 12,600	2.8 %
Citations	891,949	924,100	851,700	(72,400)	(7.8)%
Parking	9,889,364	10,357,800	10,209,500	(148,300)	(1.4)%
Parking Meters	3,612,515	3,257,800	3,693,900	436,100	13.4 %
Parking-Concession	1,585,365	1,262,200	1,225,900	(36,300)	(2.9)%
Waived Fees	(5,960)	—	—	—	N/A
Waived Fees-Tidelands Activation Program	(147,986)	(80,000)	(158,500)	(78,500)	98.1 %
Fees & Service Charges	\$ 15,825,247	\$ 15,721,900	\$ 15,822,500	\$ 100,600	0.6 %
Car Rental Transaction Fees	\$ 327,754	\$ —	\$ —	\$ —	N/A
Non-Operating Revenue	\$ 327,754	\$ —	\$ —	\$ —	N/A
<b>TOTAL PORT AS A SERVICE - PARKING</b>	<b>\$ 16,571,698</b>	<b>\$ 16,166,500</b>	<b>\$ 16,279,700</b>	<b>\$ 113,200</b>	<b>0.7 %</b>
<b>ATTRACTIONS &amp; ADVERTISING</b>					
Advertising	\$ 334,441	\$ —	\$ —	\$ —	N/A
Fees & Service Charges	\$ 334,441	\$ —	\$ —	\$ —	N/A

## Revenue by Operating Center

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
<b>TOTAL ATTRACTIONS &amp; ADVERTISING</b>	<b>\$ 334,441</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>N/A</b>
<b>MARITIME</b>					
Fixed Rent	\$ 15,023,052	\$ 14,872,500	\$ 16,564,800	\$ 1,692,300	11.4 %
Concession Revenue	2,326,165	2,245,700	2,364,600	118,900	5.3 %
Storage Space Rental	3,961,595	4,444,800	2,442,500	(2,002,300)	(45.0)%
Other Rental Revenue	661,723	805,700	856,100	50,400	6.3 %
Rents	\$ 21,972,535	\$ 22,368,700	\$ 22,228,000	\$ (140,700)	(0.6)%
Bunkering	\$ 48,467	\$ 56,500	\$ 39,300	\$ (17,200)	(30.4)%
Cruise Ship Passenger Fees	1,702,178	2,021,200	2,330,200	309,000	15.3 %
Cruise Ship Passenger Security Charges	998,671	1,079,300	1,281,800	202,500	18.8 %
Dockage	2,459,565	2,211,800	2,305,600	93,800	4.2 %
Environmental Surcharge	5,746	6,600	9,700	3,100	47.0 %
Permit & License Fees	1,168	1,000	1,000	—	0.0 %
Parking	27,401	31,000	28,000	(3,000)	(9.7)%
Wharfage	11,856,353	13,023,200	11,809,700	(1,213,500)	(9.3)%
Miscellaneous Other Operating Revenue	237,016	201,300	270,000	68,700	34.1 %
Waived Fees	(6,225)	(35,000)	(22,000)	13,000	(37.1)%
Waived Fees-Tidelands Activation Program	(198,581)	(333,800)	(252,500)	81,300	(24.4)%
Fees & Service Charges	\$ 17,131,759	\$ 18,263,100	\$ 17,800,800	\$ (462,300)	(2.5)%
Utilities Furnished	\$ 98,086	\$ 116,400	\$ 88,900	\$ (27,500)	(23.6)%
Reimbursed Cost/Cost Recovery	—	100,100	58,000	(42,100)	(42.1)%
Services	\$ 98,086	\$ 216,500	\$ 146,900	\$ (69,600)	(32.1)%
Damages Recovered	\$ 10,018	\$ —	\$ —	\$ —	N/A
Grant Revenue-Other	11,246	10,000	10,000	—	0.0 %
Insurance Proceeds	829	—	—	—	N/A
Non-Operating Revenue	\$ 22,093	\$ 10,000	\$ 10,000	\$ —	0.0 %
<b>TOTAL MARITIME</b>	<b>\$ 39,224,473</b>	<b>\$ 40,858,300</b>	<b>\$ 40,185,700</b>	<b>\$ (672,600)</b>	<b>(1.6)%</b>
<b>HARBOR POLICE</b>					
Fixed Rent	\$ 7,641	\$ 7,300	\$ 7,600	\$ 300	4.1 %
Rents	\$ 7,641	\$ 7,300	\$ 7,600	\$ 300	4.1 %
Citations	\$ 137,029	\$ 130,000	\$ 115,000	\$ (15,000)	(11.5)%
Piers & Floats	213,718	180,000	200,000	20,000	11.1 %
Miscellaneous Other Operating Revenue	5,156	25,000	20,000	(5,000)	(20.0)%
Fees & Service Charges	\$ 355,903	\$ 335,000	\$ 335,000	\$ —	0.0 %

## Revenue by Operating Center

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Public Services Provided	\$ 15,711,736	\$ 15,616,700	\$ 16,262,000	\$ 645,300	4.1 %
Reimbursed Cost/Cost Recovery	126,320	12,000	15,000	3,000	25.0 %
Waived Fees-Tidelands Activation Program	(9,580)	—	—	—	N/A
Services	\$ 15,828,476	\$ 15,628,700	\$ 16,277,000	\$ 648,300	4.1 %
Damages Recovered	\$ 8,604	\$ —	\$ —	\$ —	N/A
Grant Revenue-Other	634,619	961,300	1,149,600	188,300	19.6 %
Misc Other Non-Operating Revenue	158	—	—	—	N/A
Asset Forfeiture Proceeds-Harbor Police	110,690	—	—	—	N/A
Non-Operating Revenue	\$ 754,070	\$ 961,300	\$ 1,149,600	\$ 188,300	19.6 %
<b>TOTAL HARBOR POLICE</b>	<b>\$ 16,946,090</b>	<b>\$ 16,932,300</b>	<b>\$ 17,769,200</b>	<b>\$ 836,900</b>	<b>4.9 %</b>
<b>AQUACULTURE &amp; BLUE TECHNOLOGY</b>					
Aquaculture	\$ —	\$ 83,200	\$ —	\$ (83,200)	(100.0)%
Rents	\$ —	\$ 83,200	\$ —	\$ (83,200)	(100.0)%
<b>TOTAL AQUACULTURE &amp; BLUE TECHNOLOGY</b>	<b>\$ —</b>	<b>\$ 83,200</b>	<b>\$ —</b>	<b>\$ (83,200)</b>	<b>(100.0)%</b>
<b>MISCELLANEOUS</b>					
Miscellaneous Other Operating Revenue	\$ 42,565	\$ —	\$ —	\$ —	N/A
Miscellaneous Other Operating Revenue	\$ 42,565	\$ —	\$ —	\$ —	N/A
Public Services Provided	\$ 2,380,157	\$ 2,755,200	\$ 2,624,300	\$ (130,900)	(4.8)%
Reimbursed Cost/Cost Recovery	258,191	103,000	103,000	—	0.0 %
Services	\$ 2,638,347	\$ 2,858,200	\$ 2,727,300	\$ (130,900)	(4.6)%
Partnership/Cost Sharing Reimbursement	\$ 667,414	\$ 1,184,400	\$ 703,500	\$ (480,900)	(40.6)%
Partnership/Cost Sharing Reimbursement	\$ 667,414	\$ 1,184,400	\$ 703,500	\$ (480,900)	(40.6)%
Damages Recovered	\$ 284,593	\$ —	\$ —	\$ —	N/A
Grants - Capital Project Reimbursement	8,405,216	8,804,600	14,715,700	5,911,100	67.1 %
Grant Revenue-Other	306,022	98,000	53,700	(44,300)	(45.2)%
Donated Revenue	109,883	13,000	840,000	827,000	6,361.5 %
Reimbursed Legal Fees	488,652	—	—	—	N/A
Legal Settlements	5,927,807	—	—	—	N/A
Misc Other Non-Operating Revenue	684,861	400,000	300,000	(100,000)	(25.0)%
Car Rental Transaction Fees	—	—	3,000,000	3,000,000	N/A
Sale of Surplus Items - Proceeds	72,453	60,000	60,000	—	0.0 %
NEVP Capital Project Contribution	169,765	—	—	—	N/A
Non-Operating Revenue	\$ 16,449,252	\$ 9,375,600	\$ 18,969,400	\$ 9,593,800	102.3 %

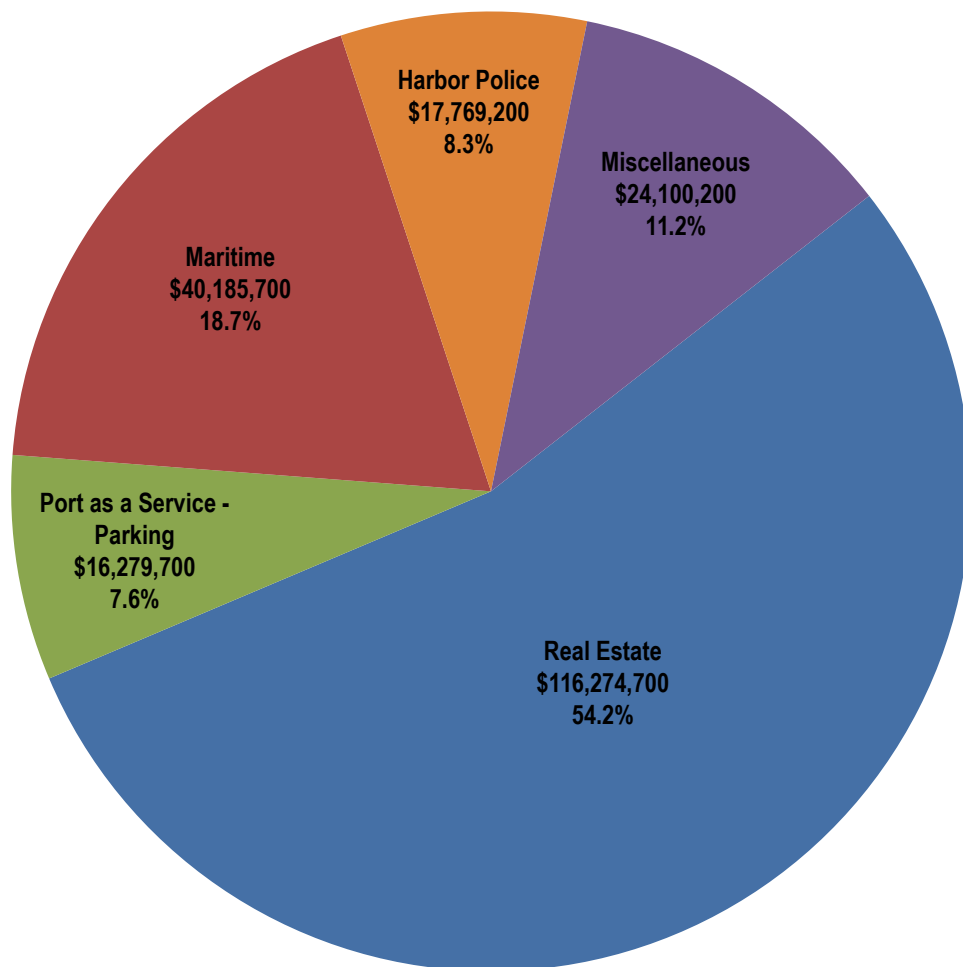
## Revenue by Operating Center

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Interest - Investments	\$ 1,649,276	\$ 1,000,000	\$ 1,700,000	\$ 700,000	70.0 %
Interest - Unamortized Bond Premium	(1,740)	—	—	—	N/A
Unrealized Gain/Loss On Inv. (GASB 31)	(136,290)	—	—	—	N/A
Interest - Miscellaneous	227,955	—	—	—	N/A
Investment Revenue	\$ 1,739,201	\$ 1,000,000	\$ 1,700,000	\$ 700,000	70.0 %
Discounts Earned	\$ 4,100	\$ —	\$ —	\$ —	N/A
Other Revenue	\$ 4,100	\$ —	\$ —	\$ —	N/A
<b>TOTAL MISCELLANEOUS</b>	<b>\$ 21,540,881</b>	<b>\$ 14,418,200</b>	<b>\$ 24,100,200</b>	<b>\$ 9,682,000</b>	<b>67.2 %</b>
<b>TOTAL REVENUE</b>	<b>\$ 192,191,972</b>	<b>\$ 196,417,000</b>	<b>\$ 214,609,500</b>	<b>\$ 18,192,500</b>	<b>9.3 %</b>



## Revenue by Operating Center

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<b>TOTAL REVENUE    \$   214,609,500</b>
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## Revenue by Account

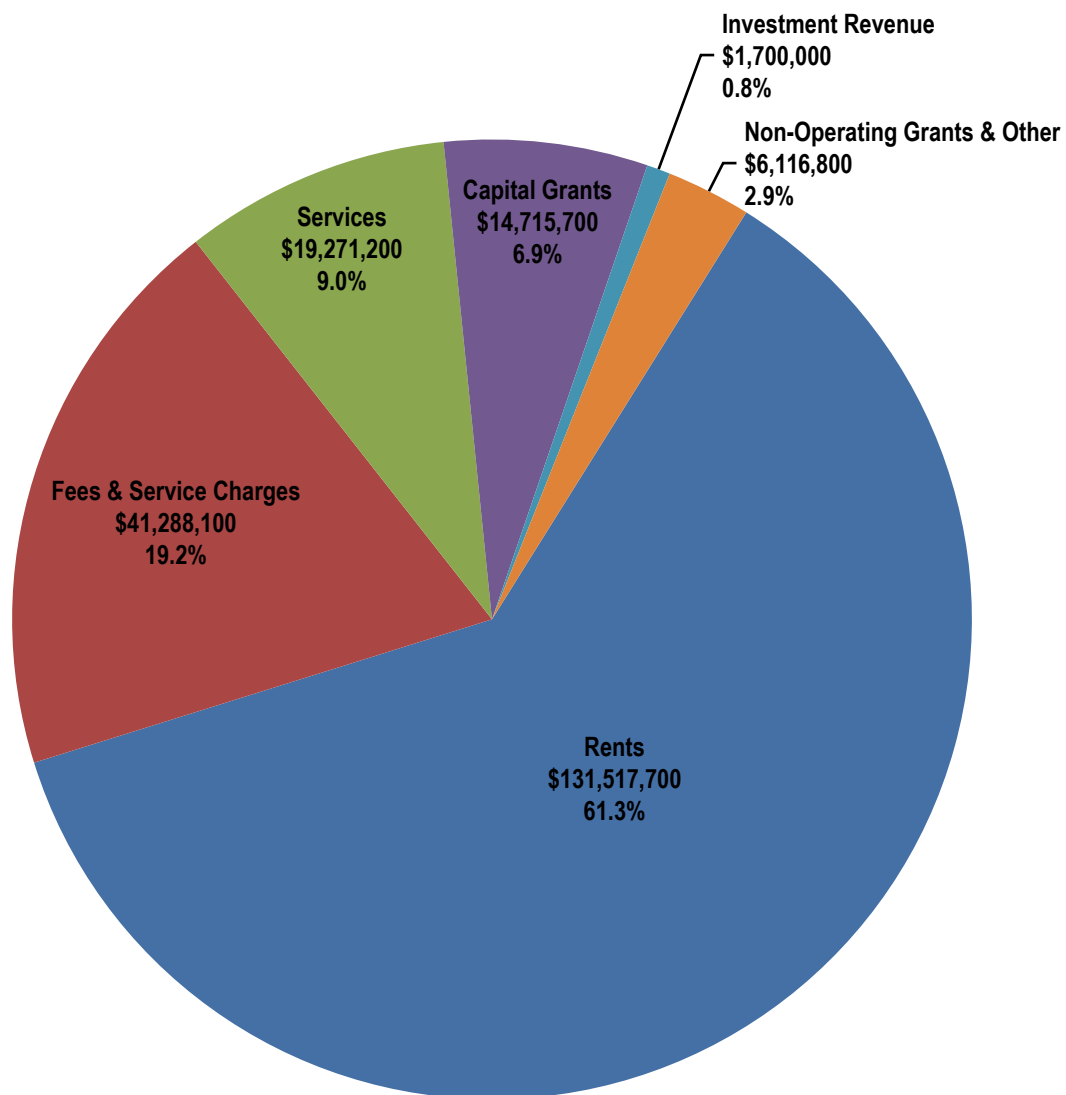
	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Fixed Rent	\$ 35,256,205	\$ 34,775,600	\$ 36,677,800	\$ 1,902,200	5.5 %
Concession Revenue	79,437,840	89,805,025	92,434,700	2,629,675	2.9 %
Storage Space Rental	3,961,595	4,444,800	2,442,500	(2,002,300)	(45.0)%
ACH Parking Facility Funding	222,502	222,500	222,500	—	0.0 %
Aquaculture	—	83,200	—	(83,200)	(100.0)%
Other Rental Revenue	775,723	805,700	856,100	50,400	6.3 %
RE Revenue from Rent Reduction	(1)	—	—	—	N/A
Waived Fees	(30,750)	(35,000)	(22,000)	13,000	(37.1)%
Waived Fees-Tidelands Activation Program	(1,145,382)	(1,148,100)	(1,093,900)	54,200	(4.7)%
<b>RENTS</b>	<b>\$ 118,477,731</b>	<b>\$ 128,953,725</b>	<b>\$ 131,517,700</b>	<b>\$ 2,563,975</b>	<b>2.0 %</b>
Bunkering	\$ 48,467	\$ 56,500	\$ 39,300	\$ (17,200)	(30.4)%
Advertising	334,441	255,475	170,000	(85,475)	(33.5)%
Citations	1,028,978	1,054,100	966,700	(87,400)	(8.3)%
Cruise Ship Passenger Fees	1,702,178	2,021,200	2,330,200	309,000	15.3 %
Cruise Ship Passenger Security Charges	998,671	1,079,300	1,281,800	202,500	18.8 %
Dockage	2,459,565	2,211,800	2,305,600	93,800	4.2 %
Environmental Surcharge	5,746	6,600	9,700	3,100	47.0 %
Permit & License Fees	1,168	1,000	1,000	—	0.0 %
Parking	9,916,765	10,388,800	12,187,800	1,799,000	17.3 %
Parking Meters	3,612,515	3,257,800	3,693,900	436,100	13.4 %
Parking-Concession	1,585,365	1,262,200	1,225,900	(36,300)	(2.9)%
Park Usage Fees	1,120,858	1,084,300	1,043,400	(40,900)	(3.8)%
Piers & Floats	213,718	180,000	200,000	20,000	11.1 %
Seaport Village Common Area Maintenance	—	—	3,000,900	3,000,900	N/A
Seaport Village Marketing Fee	—	—	732,200	732,200	N/A
Wharfage	11,856,353	13,023,200	11,809,700	(1,213,500)	(9.3)%
Miscellaneous Other Operating Revenue	284,737	226,300	290,000	63,700	28.1 %
<b>FEES &amp; SERVICE CHARGES</b>	<b>\$ 35,169,525</b>	<b>\$ 36,108,575</b>	<b>\$ 41,288,100</b>	<b>\$ 5,179,525</b>	<b>14.3 %</b>
Public Services Provided	\$ 18,091,892	\$ 18,371,900	\$ 18,886,300	\$ 514,400	2.8 %
Utilities Furnished	98,086	116,400	88,900	(27,500)	(23.6)%
Reimbursed Cost/Cost Recovery	384,511	335,100	296,000	(39,100)	(11.7)%
<b>SERVICES</b>	<b>\$ 18,574,489</b>	<b>\$ 18,823,400</b>	<b>\$ 19,271,200</b>	<b>\$ 447,800</b>	<b>2.4 %</b>
Partnership/Cost Sharing Reimbursement	\$ 667,414	\$ 1,184,400	\$ 703,500	\$ (480,900)	(40.6)%
<b>OTHER</b>	<b>\$ 667,414</b>	<b>\$ 1,184,400</b>	<b>\$ 703,500</b>	<b>\$ (480,900)</b>	<b>(40.6)%</b>
Damages Recovered	\$ 309,556	\$ —	\$ —	\$ —	N/A
Grants - Capital Project Reimbursement	8,405,216	8,804,600	14,715,700	5,911,100	67.1 %

## Revenue by Account

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Grant Revenue-Other	951,888	1,069,300	1,213,300	144,000	13.5 %
Donated Revenue	109,883	13,000	840,000	827,000	6,361.5 %
Insurance Proceeds	829	—	—	—	N/A
Reimbursed Legal Fees	488,652	—	—	—	N/A
Legal Settlements	5,927,807	—	—	—	N/A
Misc Other Non-Operating Revenue	685,019	400,000	300,000	(100,000)	(25.0) %
Car Rental Transaction Fees	327,754	—	3,000,000	3,000,000	N/A
Sale of Surplus Items - Proceeds	72,453	60,000	60,000	—	0.0 %
NEVP Capital Project Contribution	169,765	—	—	—	N/A
Asset Forfeiture Proceeds-Harbor Police	110,690	—	—	—	N/A
Interest - Investments	1,649,276	1,000,000	1,700,000	700,000	70.0 %
Interest - Unamortized Bond Premium	(1,740)	—	—	—	N/A
Unrealized Gain/Loss On Inv. (GASB 31)	(136,290)	—	—	—	N/A
Interest - Miscellaneous	227,955	—	—	—	N/A
Discounts Earned	4,100	—	—	—	N/A
<b>NON-OPERATING REVENUE</b>	<b>\$ 19,302,813</b>	<b>\$ 11,346,900</b>	<b>\$ 21,829,000</b>	<b>\$ 10,482,100</b>	<b>92.4 %</b>
<b>TOTAL REVENUE</b>	<b>\$ 192,191,972</b>	<b>\$ 196,417,000</b>	<b>\$ 214,609,500</b>	<b>\$ 18,192,500</b>	<b>9.3 %</b>

## Revenue by Account

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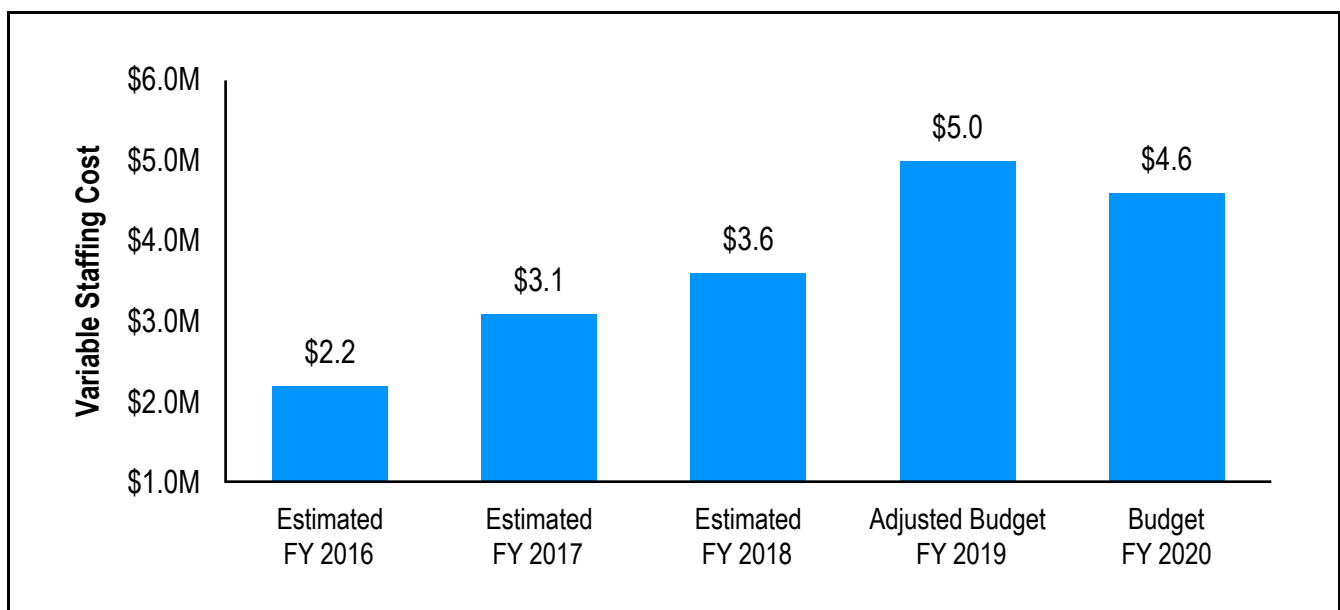
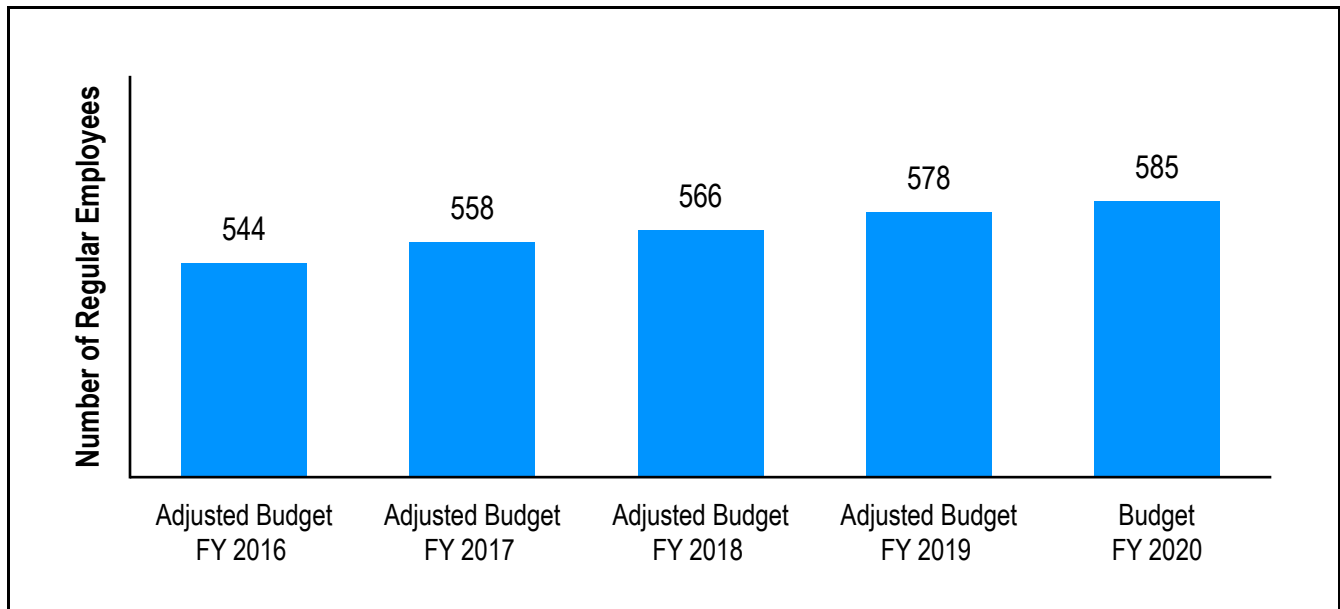
<b>TOTAL REVENUE</b>	<b>\$ 214,609,500</b>
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## Staffing Overview

The District personnel expenses consist of limited, temporary, interns, and student workers, along with regular employees. The District continues to manage the increasing demands for resources along with executing the strategic goals presented herein by relying more on the flexibility of having variable staff. Services of limited, temporary, intern, and student workers may be reduced at any time as the nature of the services are limited in duration. For instance, by Board Policy, in the event of an economic downturn in finances, reductions would first occur in this variable subset of staffing that is budgeted in the Variable Staffing cost center (see Section 4 Variable Staffing).

The variable personnel expense will still be included as part of the Total Personnel Expense Appropriation, consistent with prior years budget.





## Staffing Overview

REGULAR POSITIONS	ADJUSTED		CHANGE
DEPARTMENT	BUDGET FY 2019	BUDGET FY 2020	FY 2020-2019 BUDGET
Aquaculture & Blue Technology	1	1	0
Development Services	13	13	0
Energy	6	6	0
Engineering - Construction	36	36	0
Environmental Conservation	3	3	0
Environmental Protection	12	12	0
Executive Offices	16	18	2
Financial Services	25	25	0
General Services	99	99	0
Government & Civic Relations	6	6	0
Harbor Police Department	176	176	0
Human Resources	11	11	0
Information Technology	31	36	5
Maritime	23	23	0
Marketing & Communications	12	12	0
Office of the District Clerk	14	14	0
Office of the General Counsel	14	14	0
Office of the Port Auditor	7	7	0
People Strategies	5	5	0
Planning	11	11	0
Port as a Service - Parking	2	2	0
Procurement Services	18	18	0
Real Estate	24	24	0
Real Estate Development - Performance & Reporting	4	4	0
Waterfront Arts & Activation	9	9	0
<b>TOTAL</b>	<b>578</b>	<b>585</b>	<b>7</b>

Headcount in above table only includes regular employees. Limited, interns, and student workers are budgeted in a cost center called Variable Staffing to maintain flexibility in spending for variable staffing needs.

## Expense Highlights

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Total operating and non-operating expenses for the District are budgeted at \$174.8M, an increase of \$5.8M, or 3.4%, from the prior fiscal year. The expenses include strategic projects which fulfill the District's mission and trust obligations. Significant budget-to-budget variances are projected in the following areas:

### Personnel Expense

Fiscal Year 2020 Personnel Expense is budgeted at \$103.4M, a \$3.8M increase or 3.8% from the previous year's adjusted budget. This increase is primarily due to the addition of seven regular positions in the FY 2020 budget and incremental annual budget (seven months of personnel budget was included in the FY 2019 Adjusted Budget) for the 22 full-time positions that were approved mid-year and added to FY 2019. The increase also includes negotiated increases, step increases, reclassifications, and increases to maintain a competitive wage structure. Additionally, pension contribution increased by \$1.4M. Budgeted Personnel Expense consists of Salaries & Wages, Overtime, Temporary Personnel, and Burden.

**Salaries & Wages** (not including Overtime or Temporary Personnel) is budgeted at \$59.8M, an increase of \$2.2M, or 3.7%.

**Burden** is budgeted at \$39.9M, an increase of \$1.6M, or 4.2%.

### Non-Personnel Expense

Overall, Non-Personnel Expense (NPE) is budgeted at \$75.4M, an increase of \$2.1M, or 2.8%, from the prior fiscal year.

**Common Area Maintenance** is a newly created expense account budgeted at \$3.2M, for operating expenses of Seaport Village.

**Tenant Improvements** is budgeted at \$1.5M, for tenant improvements at Seaport Village.

**Major Maintenance Expense** is budgeted at \$900k, an increase of \$750k, or 500.0%, due to sand replenishment at Kellogg Beach.

**Marketing Fees** is a newly created expense account budgeted at \$789k, for operating expenses of Seaport Village.

**Services - Security** is budgeted at \$2.3M, an increase of \$481k, or 27.2%, due to higher security expenses as a result of a projected increase in cruise calls.

**Facilities Management Services** is budgeted at \$3.1M, a decrease of \$2.5M, or 44.6%, primarily due to operating expenses of Seaport Village was budgeted in prior fiscal year and is now budgeted at Common Area Maintenance of \$3.2M and Marketing Fees of \$789k.

**Eligible Environmental Fund Expenditures** is budgeted at \$1.3M, a decrease of \$1.3M, or 49.3%, primarily due to fewer environmental efforts identified to be funded from the Environmental Fund such as the regional harbor monitoring program and equipment and other capital.

**Services - Operator Retention** is budgeted at \$2.8M, a decrease of \$805k, or 22.4%, due to lower projection in Maritime auto cargo revenues. Services - Operator Retention is based on a percentage of revenues.

**Equipment Maintenance - Outside Services** is budgeted at \$2.1M, a decrease of \$377k, or 15.1%, primarily due to reductions in CCTV and comprehensive marine vessel maintenance.

### Capitalized Labor

Capitalized labor is budgeted at \$4.0M, an increase of \$75k, or 1.9%, from the prior fiscal year. Capitalized labor is internal labor costs (personnel and overhead) that are directly incurred in the development and construction of approved capital projects.

## Expense Highlights

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Generally Accepted Accounting Principles (GAAP) requires capitalization of these costs and since these costs are already included in the Salaries & Wages and the associated NPE for overhead, capital labor is considered a reduction in expense when capitalized. Capitalized labor for FY 2020 is included in the CIP, MM, Other Capital Projects, and TMP project budgets.

## Expense by Account

LINE ITEM	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries & Wages	\$ 52,178,979	\$ 57,689,400	\$ 59,844,300	\$ 2,154,900	3.7 %
Overtime	3,346,147	3,276,700	3,276,700	—	0.0 %
Temporary Personnel	1,583,741	342,300	342,300	—	0.0 %
<b>SALARIES &amp; WAGES</b>	<b>\$ 57,108,866</b>	<b>\$ 61,308,400</b>	<b>\$ 63,463,300</b>	<b>\$ 2,154,900</b>	<b>3.5 %</b>
Burden Expense	\$ 34,839,359	\$ 38,291,800	\$ 39,917,800	\$ 1,626,000	4.2 %
<b>SUBTOTAL PERSONNEL</b>	<b>\$ 91,948,226</b>	<b>\$ 99,600,200</b>	<b>\$ 103,381,100</b>	<b>\$ 3,780,900</b>	<b>3.8 %</b>
Awards - Service	\$ 3,497	\$ 4,100	\$ 5,200	\$ 1,100	26.8 %
Books & Periodicals	77,250	70,000	66,400	(3,600)	(5.1)%
Employee Recognition	32,516	67,100	46,700	(20,400)	(30.4)%
Memberships & Dues	293,471	306,500	309,300	2,800	0.9 %
Health & Wellness	69,926	1,500	1,500	—	0.0 %
Recruiting	26,240	76,800	36,000	(40,800)	(53.1)%
Seminars & Training	568,082	854,100	742,100	(112,000)	(13.1)%
Tuition Reimbursement Program	49,497	60,000	55,000	(5,000)	(8.3)%
<b>STAFF DEVELOPMENT</b>	<b>\$ 1,120,479</b>	<b>\$ 1,440,100</b>	<b>\$ 1,262,200</b>	<b>\$ (177,900)</b>	<b>(12.4)%</b>
Mileage Reimbursement	\$ 207,878	\$ 236,000	\$ 227,800	\$ (8,200)	(3.5)%
Travel	530,289	731,800	666,900	(64,900)	(8.9)%
<b>TRAVEL</b>	<b>\$ 738,167</b>	<b>\$ 967,800</b>	<b>\$ 894,700</b>	<b>\$ (73,100)</b>	<b>(7.6)%</b>
Services - Professional & Other	\$ 10,591,043	\$ 11,644,100	\$ 11,459,800	\$ (184,300)	(1.6)%
Services - Legal - Port Attorney	3,578,137	2,881,400	2,931,400	50,000	1.7 %
Services - Security	1,840,213	1,771,000	2,252,200	481,200	27.2 %
Services - Operator Retention	3,070,644	3,585,400	2,780,500	(804,900)	(22.4)%
Climate Action Plan	224,897	—	—	—	N/A
Aquaculture & Blue Technology	—	500,000	450,000	(50,000)	(10.0)%
Blue Technology	136,318	—	—	—	N/A
<b>CONTRACTUAL SERVICES</b>	<b>\$ 19,441,252</b>	<b>\$ 20,381,900</b>	<b>\$ 19,873,900</b>	<b>\$ (508,000)</b>	<b>(2.5)%</b>
Breakage & Obsolescence	\$ (9)	\$ —	\$ —	\$ —	N/A
Equipment & Systems	1,769,491	2,324,300	2,342,700	18,400	0.8 %
Equipment Rental/Leasing	202,942	343,400	337,900	(5,500)	(1.6)%
Office & Operating Supplies	356,247	337,300	319,400	(17,900)	(5.3)%
Postage & Shipping	38,926	39,900	37,600	(2,300)	(5.8)%
Safety Equipment & Supplies	233,806	207,100	438,500	231,400	111.7 %
Small Tools	80,614	67,000	34,000	(33,000)	(49.3)%
Fuel & Lubricants	551,534	576,500	638,500	62,000	10.8 %
Parking Meter Supplies	41,692	—	12,000	12,000	N/A

## Expense by Account

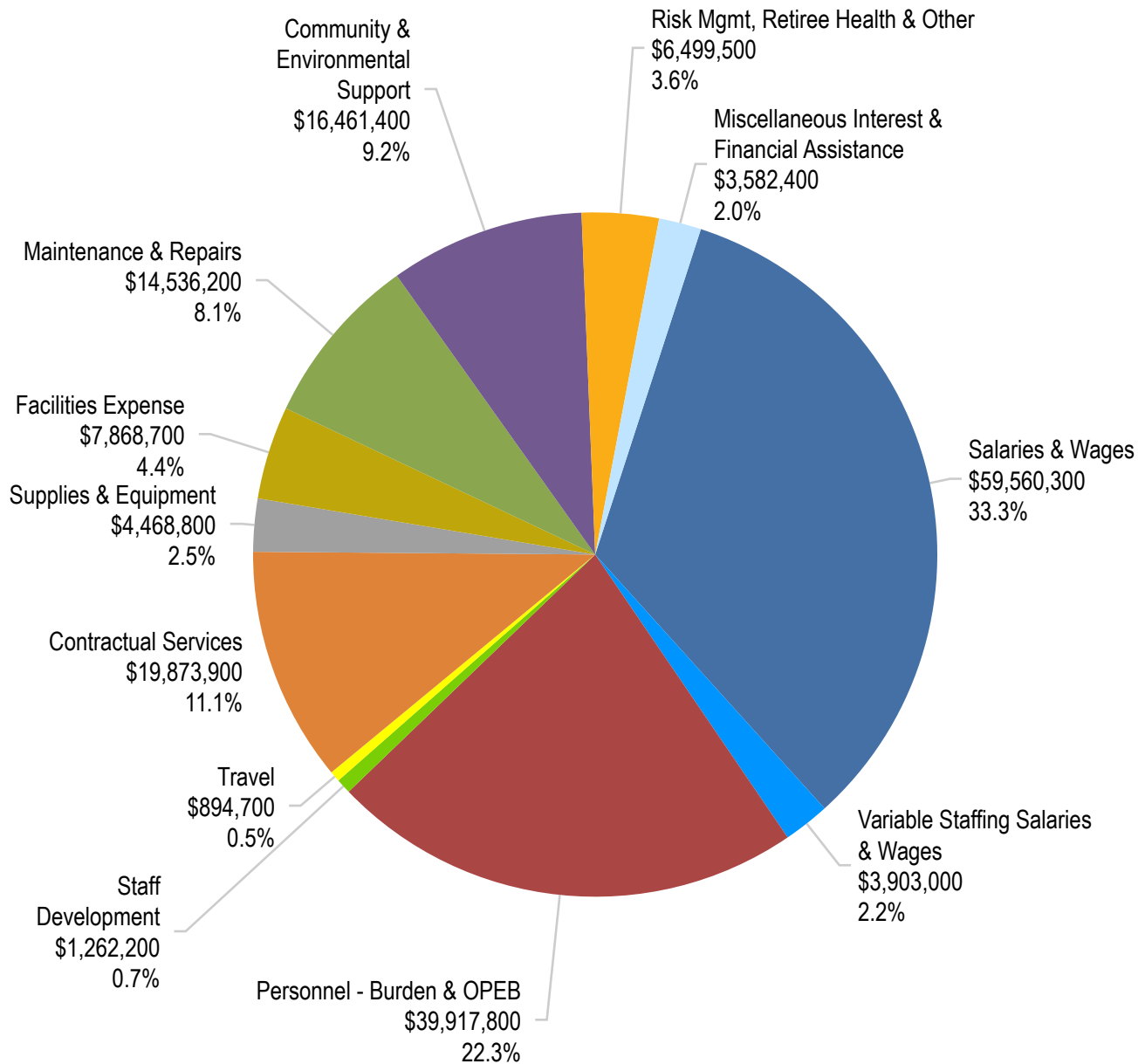
LINE ITEM	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Blueprints	—	500	500	—	0.0 %
Uniforms	301,269	302,200	307,700	5,500	1.8 %
<b>SUPPLIES &amp; EQUIPMENT</b>	<b>\$ 3,576,513</b>	<b>\$ 4,198,200</b>	<b>\$ 4,468,800</b>	<b>\$ 270,600</b>	<b>6.4 %</b>
Space Rental	\$ 428,565	\$ 443,300	\$ 436,000	\$ (7,300)	(1.6)%
Telephone & Communications	1,532,301	1,398,800	1,254,400	(144,400)	(10.3)%
Utilities - Gas & Electric	1,658,156	1,600,000	1,696,300	96,300	6.0 %
Utilities - Water	1,393,936	1,266,700	1,427,800	161,100	12.7 %
Facility Management Services	2,752,882	5,510,400	3,054,200	(2,456,200)	(44.6)%
<b>FACILITIES EXPENSE</b>	<b>\$ 7,765,840</b>	<b>\$ 10,219,200</b>	<b>\$ 7,868,700</b>	<b>\$ (2,350,500)</b>	<b>(23.0)%</b>
Common Area Maintenance	\$ —	\$ —	\$ 3,187,500	\$ 3,187,500	N/A
Facilities Maintenance - Supplies	1,218,962	838,800	807,000	(31,800)	(3.8)%
Facilities Maintenance - Outside Services	3,346,884	3,528,200	3,748,800	220,600	6.3 %
Major Maintenance Expense	629,612	150,000	900,000	750,000	500.0 %
Equipment Maintenance - Supplies	406,093	281,300	279,500	(1,800)	(0.6)%
Equipment Maintenance - Outside Services	1,670,404	2,490,000	2,113,200	(376,800)	(15.1)%
As - Needed Maintenance	1,964,553	1,126,800	970,600	(156,200)	(13.9)%
Software Maintenance	1,054,315	1,010,100	992,400	(17,700)	(1.8)%
Tenant Improvements	—	—	1,537,200	1,537,200	N/A
<b>MAINTENANCE &amp; REPAIRS</b>	<b>\$ 10,290,823</b>	<b>\$ 9,425,200</b>	<b>\$ 14,536,200</b>	<b>\$ 5,111,000</b>	<b>54.2 %</b>
Advertising	\$ 25,653	\$ 69,200	\$ 55,300	\$ (13,900)	(20.1)%
Marketing Fees	—	—	788,600	788,600	N/A
Marketing/Outreach	2,227,065	2,677,200	2,579,500	(97,700)	(3.6)%
Promotional Services	498,732	443,000	467,600	24,600	5.6 %
Promotional Materials	214,949	162,900	172,000	9,100	5.6 %
Svcs - Fire, Police, Rescue, Emergency	7,777,781	7,995,600	8,143,400	147,800	1.8 %
Eligible Environmental Fund Expenditures	1,748,116	2,604,700	1,321,800	(1,282,900)	(49.3)%
Grant Funded Expenditures	112,259	396,200	456,800	60,600	15.3 %
Public Art Fund Expenditures	—	1,310,500	820,000	(490,500)	(37.4)%
Remediation	31,667	100,000	50,000	(50,000)	(50.0)%
Refuse & Hazardous Waste Disposal	106,287	143,000	159,000	16,000	11.2 %
Joint Programs/Studies Assistance	1,015,859	1,237,300	1,272,400	35,100	2.8 %
Public Art Program	124,951	165,000	175,000	10,000	6.1 %
<b>COMMUNITY &amp; ENVIRONMENTAL SUPPORT</b>	<b>\$ 13,883,320</b>	<b>\$ 17,304,600</b>	<b>\$ 16,461,400</b>	<b>\$ (843,200)</b>	<b>(4.9)%</b>
Bank & Credit Card Fees	\$ 343,606	\$ 360,100	\$ 382,900	\$ 22,800	6.3 %
Insurance	1,171,700	1,426,000	1,401,500	(24,500)	(1.7)%
Insurance Claims	1,000	5,000	5,000	—	0.0 %

## Expense by Account

LINE ITEM	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Permits/Certificates/License	30,106	88,700	62,100	(26,600)	(30.0)%
Legal Settlements	37,071	—	—	—	N/A
Retiree Health Benefits (Paid)	3,356,377	3,272,300	3,322,300	50,000	1.5 %
Preservation of Benefits Plan (POB)	248,000	265,000	265,000	—	0.0 %
Other Miscellaneous Operating Expenses	(237,920)	810,700	1,060,700	250,000	30.8 %
<b>RISK MGMT, RETIREE HEALTH &amp; OTHER</b>	<b>\$ 4,949,940</b>	<b>\$ 6,227,800</b>	<b>\$ 6,499,500</b>	<b>\$ 271,700</b>	<b>4.4 %</b>
<b>SUBTOTAL NON-PERSONNEL</b>	<b>\$ 61,766,334</b>	<b>\$ 70,164,800</b>	<b>\$ 71,865,400</b>	<b>\$ 1,700,600</b>	<b>2.4 %</b>
<b>Capitalized Labor</b>	<b>\$ (2,902,209)</b>	<b>\$ (3,915,000)</b>	<b>\$ (3,989,500)</b>	<b>\$ (74,500)</b>	<b>1.9 %</b>
<b>SUBTOTAL OPERATING</b>	<b>\$ 150,812,351</b>	<b>\$ 165,850,000</b>	<b>\$ 171,257,000</b>	<b>\$ 5,407,000</b>	<b>3.3 %</b>
Financial Assistance/Grants/Contributions	\$ 121,648	\$ 300,000	\$ 890,000	\$ 590,000	196.7 %
<b>FINANCIAL ASSISTANCE</b>	<b>\$ 121,648</b>	<b>\$ 300,000</b>	<b>\$ 890,000</b>	<b>\$ 590,000</b>	<b>196.7 %</b>
Interest-SDCRAA, NEVP, & Other Misc	\$ 1,987,535	\$ 1,851,200	\$ 1,718,700	\$ (132,500)	(7.2)%
Interest Expense - Series A 2004 Bonds	181,570	77,500	9,800	(67,700)	(87.4)%
Interest Expense - Series A 2013 Bonds	992,438	984,400	963,900	(20,500)	(2.1)%
<b>MISCELLANEOUS INTEREST</b>	<b>\$ 3,161,542</b>	<b>\$ 2,913,100</b>	<b>\$ 2,692,400</b>	<b>\$ (220,700)</b>	<b>(7.6)%</b>
Seized Asset/Forfeitures-Harbor Police	\$ 41,084	\$ —	\$ —	\$ —	N/A
Other Misc Non-Operating Expense	14,779	—	—	—	N/A
<b>OTHER MISCELLANEOUS</b>	<b>\$ 55,863</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>N/A</b>
<b>SUBTOTAL NON-OPERATING</b>	<b>\$ 3,339,053</b>	<b>\$ 3,213,100</b>	<b>\$ 3,582,400</b>	<b>\$ 369,300</b>	<b>11.5 %</b>
<b>TOTAL</b>	<b>\$ 154,151,404</b>	<b>\$ 169,063,100</b>	<b>\$ 174,839,400</b>	<b>\$ 5,776,300</b>	<b>3.4 %</b>



## Expense by Account

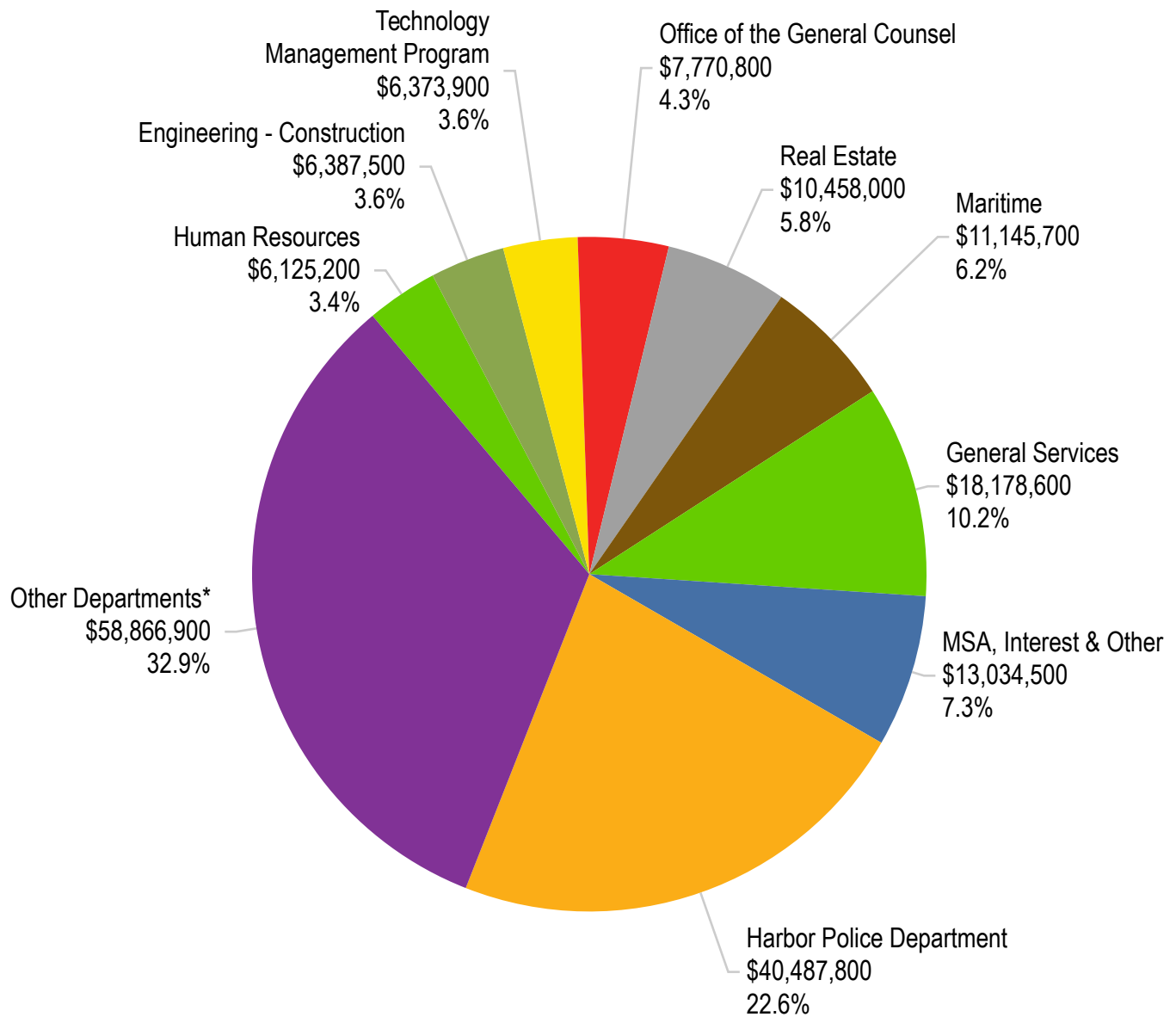


<b>EXPENSE</b>	<b>\$ 178,828,900</b>
<b>CAPITALIZED LABOR</b>	<b>(3,989,500)</b>
<b>TOTAL EXPENSE</b>	<b>\$ 174,839,400</b>

## Expense by Department/Cost Center

DEPARTMENT/COST CENTER	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Aquaculture & Blue Technology	\$ 669,056	\$ 1,167,900	\$ 1,067,400	\$ (100,500)	(8.6)%
Attractions & Advertising	425,401	—	—	—	N/A
Board of Port Commissioners	232,253	264,400	258,900	(5,500)	(2.1)%
Development Services	2,376,202	2,988,700	2,794,400	(194,300)	(6.5)%
Energy	1,450,777	1,478,000	1,526,600	48,600	3.3 %
Engineering - Construction	5,976,338	6,307,500	6,387,500	80,000	1.3 %
Enterprise Strategy & Innovation	616,296	—	—	—	N/A
Environmental Conservation	1,477,777	1,899,900	2,065,300	165,400	8.7 %
Environmental Protection	3,074,813	4,997,200	4,335,300	(661,900)	(13.2)%
Executive Offices	3,377,918	4,015,800	4,359,800	344,000	8.6 %
Financial Assistance	121,648	300,000	890,000	590,000	196.7 %
Financial Services	4,651,377	5,361,300	5,275,200	(86,100)	(1.6)%
General Services	19,255,489	18,099,600	18,178,600	79,000	0.4 %
Government & Civic Relations	1,718,429	1,441,800	1,545,500	103,700	7.2 %
Harbor Police Department	36,642,463	39,091,200	40,487,800	1,396,600	3.6 %
Human Resources	5,996,405	5,885,300	6,125,200	239,900	4.1 %
Information Technology	4,578,239	4,683,000	5,490,300	807,300	17.2 %
Major Maintenance Expense	629,612	150,000	900,000	750,000	500.0 %
Maritime	10,637,970	11,190,000	11,145,700	(44,300)	(0.4)%
Marketing & Communications	3,216,944	3,510,000	3,335,700	(174,300)	(5.0)%
MSA, Interest & Other	11,863,992	12,841,900	13,034,500	192,600	1.5 %
Office of the District Clerk	1,658,077	1,720,500	1,760,800	40,300	2.3 %
Office of the General Counsel	8,268,565	7,281,700	7,770,800	489,100	6.7 %
Office of the Port Auditor	1,193,291	1,310,500	1,284,300	(26,200)	(2.0)%
People Strategies	1,196,932	1,163,600	1,189,100	25,500	2.2 %
Planning	2,622,256	2,974,200	2,971,600	(2,600)	(0.1)%
Port as a Service - Parking	3,456,935	3,352,200	3,419,500	67,300	2.0 %
Procurement Services	1,889,004	2,094,700	2,176,300	81,600	3.9 %
Real Estate	4,223,520	7,745,600	10,458,000	2,712,400	35.0 %
Real Estate & Development Services - Performance & Reporting	590,457	633,900	661,300	27,400	4.3 %
Technology Management Program	6,717,492	6,928,300	6,373,900	(554,400)	(8.0)%
Utilities	3,052,092	2,865,700	3,123,100	257,400	9.0 %
Variable Staffing	—	5,013,300	4,565,700	(447,600)	(8.9)%
Waterfront Arts & Activation	3,195,595	4,220,400	3,870,800	(349,600)	(8.3)%
<b>SUBTOTAL</b>	<b>\$ 157,053,613</b>	<b>\$ 172,978,100</b>	<b>\$ 178,828,900</b>	<b>\$ 5,850,800</b>	<b>3.4 %</b>
<b>Capitalized Labor</b>	<b>\$ (2,902,209)</b>	<b>\$ (3,915,000)</b>	<b>\$ (3,989,500)</b>	<b>\$ (74,500)</b>	<b>1.9 %</b>
<b>TOTAL</b>	<b>\$ 154,151,404</b>	<b>\$ 169,063,100</b>	<b>\$ 174,839,400</b>	<b>\$ 5,776,300</b>	<b>3.4 %</b>

## Expense by Department/Cost Center



<b>EXPENSE</b>	<b>\$ 178,828,900</b>
<b>CAPITALIZED LABOR</b>	<b>(3,989,500)</b>
<b>TOTAL EXPENSE</b>	<b>\$ 174,839,400</b>

\* Includes Department/Cost Center with expenses less than \$6.0M (detail on prior page).

## Debt Management Highlights

**Promissory Note to the SDCRAA.** As part of the January 2003 transfer of the airport, the District issued a \$50.0M promissory note to SDCRAA. In accordance with the May 20, 2004 settlement agreement, the note is being amortized over 25 years beginning in January 2006 at a fixed interest rate of 5.5% per annum.

**Revenue Bonds.** The District issued revenue bonds on October 28, 2004. The debt issuance consisted of \$23.0M Series A and \$26.5M Series B bonds for a total of \$49.5M. The 2004 series A bonds will be fully paid in September 2019. The bonds were issued to reimburse the District for previously incurred expenditures on Capital Improvement Program (CIP) projects approved by the Board of Port Commissioners.

On November 20, 2013, the District refunded its \$26.5M Series B 2004 Bonds which resulted in the issuance of \$25.5M Series A 2013 Revenue Bonds for a term of 16 years with interest rates ranging from 2.0% to 5.0% with maturity dates ranging from September 1, 2014 to September 1, 2029.

**Civic San Diego (formerly, Center City Development Corporation).** In April 2007, the City of San Diego and the Redevelopment Agency of the City of San Diego, acting through Civic San Diego, executed a Joint Exercise of Power Agreement (JPA) to design and implement the NEVP Phase I project.

The first amendment to the JPA was executed on February 28, 2011. Project costs for the first phase are shared equally between the District and Civic San Diego at \$14.3M each. Project costs have subsequently increased to \$15.6M. The District commenced repaying Civic San Diego \$850k annually on July 1, 2013 at an interest rate of 4.77% per annum. After applying certain credits for previous work on Broadway Pier, principal payments, and offsets for future maintenance and security credits of \$7.9M, the loan balance as of June 30, 2018 is \$2.4M.

**Debt Service Payments FY 2020.** Payments are estimated at \$7.8M (see table below).

**Debt Limits.** According to the Port Act, the District may not incur general obligation bonded debt that exceeds 15.0% of the assessed value of its real and personal property. There are also statutory debt limits that further constrain the District borrowing. At this time, the District does not have any general obligation bonds outstanding. The District has never failed to pay its principal and interest payments when due.

### DEBT SERVICE PAYMENTS

	PRINCIPAL	INTEREST	BUDGET FY 2020
SDCRAA Promissory Note	\$ 2,006,000	\$ 1,678,500	\$ 3,684,500
2004 Revenue Bonds (Series A)	2,040,000	17,900	2,057,900
2013 Revenue Bonds (Series A)	—	1,236,900	1,236,900
Civic San Diego	809,800	40,200	850,000
<b>TOTAL</b>	<b>\$ 4,855,800</b>	<b>\$ 2,973,500</b>	<b>\$ 7,829,300</b>

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## Equipment Outlay and Other Capital Projects

DEPARTMENT	DESCRIPTION	QTY	BUDGET FY 2020
Energy	BUILDING AUTOMATION SYSTEM DESIGN <sup>(1) (2)</sup>	1	\$ 75,000
Energy	LIGHTING EFFICIENCY IMPROVEMENTS <sup>(2)</sup>	1	90,000
		<b>2</b>	<b>\$ 165,000</b>
Engineering - Construction	LANDSCAPE IMPROVEMENTS ALONG HARBOR DRIVE <sup>(2)</sup>	1	\$ 200,000
		<b>1</b>	<b>\$ 200,000</b>
Environmental Protection	STORMWATER BMP DESIGN AT NCMT BERTH 24 <sup>(2)</sup>	1	\$ 100,000
Environmental Protection	STORMWATER BMP DESIGN AT TAMT BASIN 1 <sup>(2)</sup>	1	200,000
Environmental Protection	TRASH BMP FOR STORMDRAIN, CORONADO <sup>(2)</sup>	1	25,000
		<b>3</b>	<b>\$ 325,000</b>
General Services	10 YARD DUMP TRUCK	1	\$ 176,000
General Services	3/4 TON CREW CAB PICKUP XL - HYBRID	2	96,000
General Services	3/4 TON CREW CAB STAKEBED XL - HYBRID	1	63,000
General Services	3/4 TON GARDENER UTILITY TRUCKS XL - HYBRID	1	63,000
General Services	CENTER CONSOLE BOAT	1	137,000
General Services	FIREBOAT MARINE 1 REPLACE PARTS	2	170,000
General Services	FIREBOAT MARINE 6 REPLACE ENGINES <sup>(3)</sup>	2	66,000
General Services	FIREBOAT MARINE 7 REPLACE ENGINES <sup>(3)</sup>	2	66,000
General Services	FIREBOAT MARINE 8 REPLACE ENGINES <sup>(3)</sup>	3	99,000
General Services	FLATBED/STAKEBED TRUCK	1	60,000
General Services	GUTTER REPLACEMENT AT GENERAL SERVICES <sup>(2)</sup>	1	150,000
General Services	LIGHT TOWER TRAILERS	3	34,500
General Services	MID SIZE SUV	2	68,000
General Services	REFUSE MINI PACKER/LOADER	1	167,000
General Services	SAFEBOAT SPARE ENGINE <sup>(3)</sup>	1	25,000
		<b>24</b>	<b>\$ 1,440,500</b>
Harbor Police	9-1-1 CALL TAKING SIMULATOR	1	\$ 50,000
Harbor Police	HVAC AND FIRE SYSTEM FOR IT ROOM AT HPD HEADQUARTERS <sup>(2)</sup>	1	40,000
Harbor Police	K9 SUV EQUIPMENT BUILDOUT	1	38,000
Harbor Police	LIFEGUARD STATISTICAL SOFTWARE AND HARDWARE EQUIPMENT <sup>(4)</sup>	1	25,000
Harbor Police	LONG TERM DISPATCH RECORDER UPGRADE	1	115,000
Harbor Police	MOTOROLA RADIO CONSOLES	1	180,000
Harbor Police	PATROL VEHICLE BUILDOUT	1	33,400
Harbor Police	PERSONAL WATER CRAFT, TRAILER, AND RESCUE BOARD <sup>(4)</sup>	1	20,000
Harbor Police	POLICE COMMAND FULL SIZE SUV	1	48,000
Harbor Police	POLICE PATROL VEHICLE SUV	2	76,000
Harbor Police	SECURITY IMPROVEMENTS HPD HEADQUARTERS LOBBY <sup>(2)</sup>	1	10,000
Harbor Police	STORAGE MODIFICATIONS AT HPD HEADQUARTERS <sup>(5)</sup>	1	365,000
Harbor Police	TACTICAL ROBOTS <sup>(3)</sup>	1	8,600
Harbor Police	TRUCK 4X4 AND OUTFITTING <sup>(4)</sup>	1	50,000
Harbor Police	UNMARKED FULL SIZE SUV	1	48,000



## Equipment Outlay and Other Capital Projects

DEPARTMENT	DESCRIPTION	QTY	BUDGET FY 2020
Harbor Police	UNMARKED MID-SIZE SUV	1	38,000
		<b>17</b>	<b>\$ 1,145,000</b>
Maritime	6' X 20' YOKOHAMA FENDERS & HARDWARE	4	\$ 88,000
Maritime	MOBILE RESTROOM AT NDC <sup>(2)</sup>	1	150,000
Maritime	RESTROOM AND OFFICE REFURBISHMENT TAMT <sup>(2)</sup>	1	65,000
Maritime	SHORE POWER JIB	1	100,000
Maritime	TRADE SHOW EXHIBITION BOOTH	2	20,000
		<b>9</b>	<b>\$ 423,000</b>
Marketing & Communications	BAYWIDE WAYFINDING & SIGNAGE <sup>(2)</sup>	1	\$ 300,000
		<b>1</b>	<b>\$ 300,000</b>
Office of the General Counsel	OFFICE MODIFICATIONS <sup>(2)</sup>	1	\$ 45,000
		<b>1</b>	<b>\$ 45,000</b>
Waterfront Arts & Activation	ART WORKS <sup>(6)</sup>	2	\$ 110,000
Waterfront Arts & Activation	BAYWIDE ACTIVATION FIXTURE	1	20,000
Waterfront Arts & Activation	IB PIER NEAR TERM ENHANCEMENTS	1	75,000
		<b>4</b>	<b>\$ 205,000</b>
	CAPITAL LABOR		\$ 300,000
			<b>\$ 300,000</b>
<b>TOTAL</b>		<b>62</b>	<b>\$ 4,548,500</b>

### Notes:

- <sup>(1)</sup> Reimbursable through a local partnership program with SDG&E
- <sup>(2)</sup> Other Capital Projects
- <sup>(3)</sup> Partially or fully grant funded
- <sup>(4)</sup> Per the Municipal Services Agreement with the City of Imperial Beach, the District provides equipment for lifeguard services
- <sup>(5)</sup> Funded from Asset Seizures Fund
- <sup>(6)</sup> Funded from Public Art Fund

## Seaport Village Highlights

Seaport Village is a tourist-oriented specialty retail shopping center consisting of approximately 90,000 square feet of specialty retailers, restaurants, outdoor entertainment, and parking on an approximately 14-acre Bayfront site located at 849 West Harbor Drive in San Diego, California. Seaport Village was managed and operated by Terramar Retail Centers, LLC (Terramar) on behalf of Seaport Village Operating Company, LLC under a long-term ground lease which expired on September 30, 2018. The District assumed ownership of the Seaport Village assets on October 1, 2018 which consists of 32 buildings and one over-water structure. The property has 57 tenants and is currently managed and operated by a property management company on the District's behalf.

For FY 2020, the District is budgeting approximately \$11.7M in revenues which consists of four categories: base rent generated from tenant leases (fixed and concession revenue), common area maintenance (CAM) fee recovery income, marketing fee recovery income, and parking revenue. The District is budgeting approximately \$6.4M in expenses based on the following four categories: The management's operating budget for the day-to-day management and operation of Seaport Village; the District's projected leasing commissions to its commercial broker for leasing vacant spaces at Seaport Village; investment expenditures for deferred maintenance; and investment expenditures for site enhancements and activations. By investing in these expenditures, the District will be taking a proactive approach in order to ensure that Seaport Village operates efficiently and continues to serve as a vibrant and prosperous waterfront destination for residents, visitors and the businesses that operate it until the redevelopment of the Central Embarcadero commences.

### SUMMARY OF SEAPORT VILLAGE REVENUE AND EXPENDITURES

	BUDGET FY 2020
<b>Revenue Sources:</b> <sup>(1)</sup>	
Fixed Rent	\$ 9,100
Concession Revenue	6,050,200
Common Area Maintenance	3,000,900
Marketing Fee	732,200
Parking Revenue	1,950,300
<b>Total Revenue Sources</b>	<b>\$ 11,742,700</b>
<b>Operating Expenses:</b> <sup>(2)</sup>	
Broker Services	\$ 200,000
Common Area Maintenance	3,187,500
Marketing Fee	788,600
<b>Total Operating Expenses</b>	<b>\$ 4,176,100</b>
<b>Operating Income</b>	<b>\$ 7,566,600</b>
<b>Investment Spending:</b>	
Activation and Site Enhancements <sup>(2)</sup>	\$ 1,537,200
Deferred Maintenance <sup>(3)</sup>	700,000
<b>Total Investment Spending</b>	<b>\$ 2,237,200</b>
<b>Total Income After Investment Spending</b>	<b>\$ 5,329,400</b>

**Notes:**

- (1) Revenue sources for Seaport Village are budgeted in the Real Estate profit center (see Section 3, Page 6).
- (2) Operating expenses and activation and site enhancements are budgeted in Real Estate (see Section 4, Pages 181-182).
- (3) Deferred maintenance is budgeted in the Major Maintenance Program (see Section 3, Page 39).

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# Public Art Fund Highlights

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In 1982, the Public Art Fund was established in BPC Policy No. 609: Public Art Programs (see Section 5 Appendix), for the purpose of accumulating funds for the inclusion of public artworks within the tidelands of the District's five member cities to help create a vibrant waterfront destination. Since then, most of the 70 permanent public artworks now in the District's "Tidelands Collection," plus numerous temporary artwork exhibitions, have been funded from the Public Art Fund. Though originally funded by an annual budget set-aside equivalent to a fraction of one-percent of the District's projected annual gross revenues, plus accrued interest, the Public Art Fund has since become, as well, a depository for funds received from other sources, such as: tenant percent for art in-lieu of contributions; aggregated percent for art contributions from Capital Improvement Program projects; art-related grants, donations or bequests from outside sources; and any future income that may accrue from the potential sale, loan or licensing of artworks. Monies in the Public Art Fund are reserved for expenditures for special art acquisitions or exhibitions of exceptional merit, quality, and significance for the tidelands and the greater San Diego region.

The District's vision for the waterfront includes investing in the community through creative placemaking with innovative artworks, cultural programming, and activation opportunities that enhance the visual excitement and cultural richness of District tidelands. Waterfront Arts & Activation staff provides leadership, advocacy, and support for arts and culture programming that contributes to the creative economy and economic vitality of the region. The 13-member Arts, Culture & Design Committee serves as an advisory panel to staff and the Board of Port Commissioners and supports the development of arts and cultural programs within the District's jurisdiction.

## **Coronado Bridge Lighting Project**

In FY 2020, the District will continue progressing through Phase 2 of the bridge lighting project, which commenced during the third quarter of FY 2018 and is projected to continue through mid-FY 2021. During Phase 2, the design team consisting of the artist, architectural lighting specialists and consulting engineers, will continue developing and updating the bridge lighting concept design and documenting its full project description in a project report.

The project report will be subject to engineering review and approval by the California Department of Transportation (Caltrans), and serve as the basis for environmental studies and reviews, including preparation and certification of the environmental document in accordance with the California Environmental Quality Act (CEQA). The ultimate goal of the project is to illuminate the bridge with an artistic and dynamic colored light-emitting diode (LED) lighting installation that is computer programmable and powered by sustainable energy sources. The project is being funded through charitable donations from businesses and the public, plus in-lieu percent-for-art contributions from District tenants.

# Public Art Fund Highlights

## SUMMARY OF PUBLIC ART FUND

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
<b>Beginning Balance</b>	<b>\$ 1,543,730</b>	<b>\$ 1,073,700</b>	<b>\$ 1,093,200</b>
<b>Income Sources</b>			
Interest Income <sup>(1)</sup>	\$ 18,775	\$ 19,500	\$ 26,500
Donation <sup>(2)</sup>	—	1,270,500	820,000
Tenant Percent for Art in-lieu of Contributions <sup>(3)</sup>	114,220	40,000	—
<b>Total Income</b>	<b>\$ 132,995</b>	<b>\$ 1,330,000</b>	<b>\$ 846,500</b>
<b>Expenditures</b>			
Public Art <sup>(4)</sup>	\$ 592,430	\$ 1,310,500	\$ 820,000
Capital Projects <sup>(5)</sup>	10,579	—	110,000
<b>Total Expenditures</b>	<b>\$ 603,009</b>	<b>\$ 1,310,500</b>	<b>\$ 930,000</b>
<b>Ending Balance</b>	<b>\$ 1,073,716</b>	<b>\$ 1,093,200</b>	<b>\$ 1,009,700</b>

### Notes:

- <sup>(1)</sup> Monies placed in the Fund shall be accounted for separately from other District funds and any earnings thereon shall accrue to the Fund
- <sup>(2)</sup> Donation includes donations from fundraising efforts towards the Coronado Bridge Lighting project as well as a Tenant percent for art in-lieu of contributions
- <sup>(3)</sup> FY 2018 Actual and FY 2019 Adjusted Budget include a prior year Tenant percent for art in-lieu of contributions
- <sup>(4)</sup> Public Art expenses are primarily for the Coronado Bridge Lighting project, and funds will not be expended if donations are not received
- <sup>(5)</sup> FY 2018 Actual is for a Coronado Bridge Lighting model and FY 2020 Budget is for art works

## Environmental Fund Highlights

In 2006, the Environmental Fund was established by BPC Policy 730: the Port Environmental Advisory Committee Policy (see Section 5 Appendix), for the purpose of reviewing and providing input and recommendations on Port environmental programs and initiatives, and commenting on funding projects aimed at improving the condition of the Bay and surrounding Port tidelands. In approving the policy, the Board of Port Commissioners created both the Environmental Advisory Committee (Committee) and the Environmental Fund (Fund). The key component of the Committee and Fund is to support projects that ensure the Port's compliance with environmental laws and regulations, as well as, advising the Board on actions that can be taken for the protection and improvement of the environmental conditions of the Bay and surrounding tidelands. Additionally, the Committee and Fund meet the District's goal of "A Port with a healthy and sustainable bay and its environment." To date, the Fund has supported more than 80 projects worth over \$13 million with the projects bringing in over \$11 million in matching funds. The Fund specifically supports projects that address air, water and sediment quality; sustainability and climate action planning; natural resources and endangered species management; habitat creation, restoration or protection; reclaiming natural shoreline conditions; environmental education; research and monitoring; and/or other issues in the Bay and/or the tidelands. The 18 member Committee is an advisory committee to staff and the Board and consists of stakeholder representatives from environmental advocacy groups, the US Navy, regulatory agencies, resource agencies, member cities, academia, local business, and labor.

The Environmental Fund is funded in accordance with BPC Policy No. 730, which sets aside one-half of one percent (1/2 of 1%) of the District's projected gross revenues for that year. The gross revenue shall not include anticipated grants from any source or any other restricted revenue source.

INITIATIVES	DESCRIPTION OF EXPENDITURES	BUDGET FY 2020
ENDANGERED SPECIES	CLAPPER RAIL PROPAGATION PROGRAM	\$ 20,000
ENVIRONMENTAL EDUCATION	CA SEA GRANT FELLOWS	120,000
ENVIRONMENTAL EDUCATION	ENVIRONMENTAL EDU SCHOOL PARTNERSHIP	300,000
MITIGATION/RESTORATION	MITIGATION BANKING	601,800
MITIGATION/RESTORATION	RESTORATION PROJECTS	10,000
MITIGATION/RESTORATION	SHORELINE EROSION STUDY-OYSTER REEF	10,000
RESEARCH & MONITORING	BAYWIDE FISH SURVEYS	25,000
RESEARCH & MONITORING	BAYWIDE COLLABORATION	90,000
RESEARCH & MONITORING	CV BAYFRONT SETTLEMENT AGREEMENT	65,000
RESEARCH & MONITORING	ENVIRONMENTAL DATABASE & GIS TOOL	80,000
	<b>TOTAL EXPENDITURES</b>	<b>\$ 1,321,800</b>

# Environmental Fund Highlights

## SUMMARY OF ENVIRONMENTAL FUND

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
<b>Beginning Balance</b>	<b>\$ 4,420,714</b>	<b>\$ 3,514,500</b>	<b>\$ 513,200</b>
<b>Income Sources</b>			
Port Revenues for Environmental Fund <sup>(1)</sup>	\$ 156,821,300	\$ 166,104,200	\$ 168,950,400
Set-Aside Percentage	0.5%	0.5%	0.5%
Total Set-Aside	\$ 784,100	\$ 830,500	\$ 844,800
Interest Income <sup>(2)</sup>	57,753	28,900	16,100
<b>Total Income</b>	<b>\$ 841,853</b>	<b>\$ 859,400</b>	<b>\$ 860,900</b>
<b>Expenditures</b>			
Non-Capital Project Costs <sup>(3)</sup>	\$ 1,748,116	\$ 2,604,700	\$ 1,321,800
Capital Project Costs	—	1,256,000	—
<b>Total Expenditures</b>	<b>\$ 1,748,116</b>	<b>\$ 3,860,700</b>	<b>\$ 1,321,800</b>
<b>Ending Balance</b>	<b>\$ 3,514,451</b>	<b>\$ 513,200</b>	<b>\$ 52,300</b>

### Notes:

- <sup>(1)</sup> According to BPC Policy No. 730, for the purpose of the Environmental Fund gross revenue calculation, gross revenue shall be based upon projected revenues and shall not include anticipated grants from any source or any other restricted revenue source
- <sup>(2)</sup> Monies placed in the Fund shall be accounted for separately from other District funds and any earnings thereon shall accrue to the Fund
- <sup>(3)</sup> Please refer to Section 4 for the Expense Budget Breakdown account "660135 Eligible Environmental Fund Expenditures" for Non-Personnel Expense details



## Maritime Industrial Impact Fund Highlights

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In July 2010, the Board established a Marine Terminal Impact Fund. The purpose of the fund is to invest in projects that will help offset the negative marine industrial impacts on neighboring communities.

The Board established an initial set-aside of \$500k with additional funds to be set aside annually starting in FY 2011. The annual set-aside is calculated at one-half of one percent (1/2 of 1%) of the actual gross revenues earned from the Tenth Avenue Marine Terminal (TAMT) and the National City Marine Terminal (NCMT).

In March 2015, BPC Policy No. 773 was adopted, and the Marine Terminal Impact Fund was renamed the Maritime Industrial Impact Fund (MIIF). In June 2015, BPC Policy No. 773 was revised to change the way the annual set-aside is calculated. The annual set-aside is now calculated at one-half of one percent (1/2 of 1%) of the actual gross revenues earned from TAMT and NCMT as well as revenues from maritime industrial tenants located between the two terminals (see Section 5 Appendix). The actual amount of the funding will be posted after the end of each fiscal year when the gross revenues from each terminal are known.

DESCRIPTION OF EXPENDITURES	BUDGET FY 2020
AIR FILTER INSTALLATION	\$ 300,000
CLEAN AIR ACTION PLAN	250,000
NATIONAL CITY BAYSHORE BIKEWAY	200,000
SUSTAINABLE FREIGHT DEMONSTRATION	40,000
WORKING WATERFRONT NOISE STUDY	100,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 890,000</b>

## Maritime Industrial Impact Fund Highlights

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
<b>Beginning Balance</b>	\$ 1,678,536	\$ 1,720,900	\$ 1,586,400
<b>Income Sources</b>			
Revenues <sup>(1)</sup>	\$ 33,100,000	\$ 33,100,000	\$ 31,580,000
Set-Aside Percentage	0.5%	0.5%	0.5%
Total Set-Aside	\$ 165,500	\$ 165,500	\$ 157,900
Set-Aside True-Up <sup>(2)</sup>	(1,485)	—	—
<b>Total Income</b>	<b>\$ 164,015</b>	<b>\$ 165,500</b>	<b>\$ 157,900</b>
<b>Expenditures</b>			
Project Costs <sup>(3)</sup>	\$ 121,648	\$ 300,000	\$ 890,000
<b>Total Expenditures</b>	<b>\$ 121,648</b>	<b>\$ 300,000</b>	<b>\$ 890,000</b>
<b>Ending Balance</b>	<b>\$ 1,720,903</b>	<b>\$ 1,586,400</b>	<b>\$ 854,300</b>

### Notes:

<sup>(1)</sup> According to BPC Policy No. 773 for the purpose of the MIIF Set-Aside calculation, revenues are gross revenues from TAMT, NCMT and maritime industrial tenants between the two terminals.

<sup>(2)</sup> FY 2017 Set-aside true-up of actual revenues from TAMT, NCMT, and maritime industrial tenants were recorded in FY 2018.

<sup>(3)</sup> FY 2019 project costs included National City Wayfinding Project, Perkins Elementary Environmental Upgrades, and roadway improvements near TAMT. FY 2020 project costs listed on prior page.

# Capital Improvement Program Highlights

The Five-Year Capital Improvement Program (CIP) FY 2019-2023 has been previously approved and adopted by the Board in accordance with BPC Policy 120 (see Section 5 Appendix) upon approval of the FY 2020 budget. The projects are funded from the CIP reserve (pre-approved/designated funding), unrestricted sources over uses of funds, and other sources such as grants and contributions for specific projects.

FY 2019-2023 approved CIP projects underway are shown below. The amounts shown totaling \$30.5M represent the estimated remaining program budget including capitalized labor. Actual remaining project funds will be revised when the end of year expenditures are realized. An estimated \$21.8M, excluding capitalized labor, will be spent in FY 2020 to execute these projects. For a complete list of FY 2019-2023 CIP projects underway and completed refer to the latest CIP Quarterly Report.

PROJECT NAME	PLANNED FY 2020 EXPENDITURES	REMAINING FY 2019-2023 PROGRAM BUDGET
Demolition and Site Improvements of Transit Sheds 1 and 2 at TAMT <sup>(1)(2)</sup>	\$ 10,250,000	\$ 11,900,000
Site Preparation at Chula Vista Bayfront <sup>(3)</sup>	5,000,000	5,700,000
Microgrid Infrastructure at TAMT <sup>(4)</sup>	3,950,000	4,250,000
Former Navy Pier Head House Demolition	—	—
Comfort Station & Street End Improvements at Beach Avenue	1,650,000	1,900,000
Setback Park/Plaza	—	1,057,000
B Street Mooring Dolphin	—	936,800
National City Marina District Vision Plan Preliminary Planning	400,000	750,000
Chula Vista Bayfront - South Campus Pavement and Foundation Demolition	300,000	300,000
Cold Ironing Phase 2 at B Street and Broadway Piers	221,200	221,200
<b>TOTAL CAPITAL IMPROVEMENT PROJECTS</b>	<b>\$ 21,771,200</b>	<b>\$ 27,015,000</b>
Capitalized Labor <sup>(5)</sup>	\$ 1,600,000	\$ 1,600,000
CIP Contingency <sup>(6)</sup>	—	1,585,000
CIP Reserve	—	300,000
<b>TOTAL CAPITAL IMPROVEMENT PROGRAM</b>	<b>\$ 23,371,200</b>	<b>\$ 30,500,000</b>

## Notes:

- <sup>(1)</sup> Includes \$1.6M to increase project budget from unrestricted reserves
- <sup>(2)</sup> Includes \$4.5M in grant funding
- <sup>(3)</sup> Includes \$4.8M in grant funding
- <sup>(4)</sup> Fully grant funded
- <sup>(5)</sup> Includes \$900k funded from Former Navy Pier Head House Demolition
- <sup>(6)</sup> Funded from Former Navy Pier Head House Demolition

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## Major Maintenance Program Highlights

The following list of Major Maintenance projects for FY 2020 will be implemented in accordance with BPC Policy No. 130 (see Section 5 Appendix). This list represents a 3-year outlook of projects that were initially generated through the Asset Management Program (AMP) which uses a scientifically based methodology to determine repairs or replacements of high risk assets before they fail. The Major Maintenance Program is part of the District's strategic initiative, and many of the projects span multiple years. The next two years are forecasted values for information only and subject to change prior to the next fiscal year's budget. The amount budgeted for FY 2020 is an estimate of the anticipated work to be completed, but may continue to subsequent fiscal years.

PROJECT NAME	TOTAL PROJECT BUDGET*	BUDGET FY 2020	FORECAST FY 2021	FORECAST FY 2022
<b>Major Maintenance Capital Projects</b>				
Dock Replacement & Repairs at Tuna Harbor Docks 2 & 3	\$ 2,400,000	\$ 2,400,000	\$ —	\$ —
Fender System Upgrade at North Berth of B St Pier (On-going)	3,600,000	1,650,000	—	—
Pavement Improvements at Shelter Island Parking Lots	1,000,000	1,000,000	—	—
Deferred Maintenance - Seaport Village	700,000	700,000	—	—
Curtain Wall Repairs and Backfilling at B Street Pier	7,500,000	550,000	3,500,000	2,000,000
Structural Repairs at Tuna Harbor Dock 1 (On-going)	680,000	180,000	—	—
Roof Replacement at TAMT Warehouse B (On-going)	2,050,000	150,000	—	—
Doors & Windows Replacement at National City Rail Car Plaza	125,000	125,000	—	—
Pedestrian Safety Improvements at Shelter Island Drive & Anchorage Way	115,000	115,000	—	—
Pedestrian Safety Improvements at Belt Street and Sampson Street	115,000	115,000	—	—
Concrete Repairs at San Diego Hilton Bayfront Deck 7	875,000	90,000	785,000	—
Railroad Tie Repairs at TAMT	700,000	75,000	625,000	—
Structural Repairs at NCMT Berth 24-11	11,000,000	—	—	750,000
Structural Repairs at NCMT Berth 24-3	7,850,000	—	150,000	300,000
18 & 22 Inch Pile Repairs at B Street Pier	7,425,000	—	—	325,000
Vertical Pile Repairs to Navy Pier	7,000,000	—	150,000	500,000
Roof Replacement at NCMT Warehouse 24-B	2,800,000	—	150,000	2,650,000
Electrical Improvements at TAMT Phase 3	1,800,000	—	450,000	750,000
Pavement Improvements at National City	1,200,000	—	600,000	600,000
Wave Attenuation Panel Replacement at Crosby Street Pier	700,000	—	75,000	625,000
Utility Piping Repairs at Imperial Beach	365,000	—	50,000	315,000
Roof Replacement at Harbor Police Headquarters Administration Building	300,000	—	300,000	—
HVAC Replacement at HPD Administration Building	300,000	—	300,000	—
Substation Electrical Improvements at TAMT	300,000	—	75,000	225,000
Switchboard and Transformer Replacement at National City Marine Terminal	250,000	—	250,000	—

## Major Maintenance Program Highlights

PROJECT NAME	TOTAL PROJECT BUDGET*	BUDGET FY 2020	FORECAST FY 2021	FORECAST FY 2022
<b>Major Maintenance Capital Projects</b>				
Elevator Car Improvements at San Diego Hilton Bayfront Parking Garage	130,000	—	130,000	—
Major Maintenance Capital Contingency	1,000,000	500,000	250,000	250,000
Capitalized Labor	3,550,000	1,250,000	1,150,000	1,150,000
<b>TOTAL MAJOR MAINTENANCE CAPITAL</b>	<b>\$ 65,830,000</b>	<b>\$ 8,900,000</b>	<b>\$ 8,990,000</b>	<b>\$ 10,440,000</b>

PROJECT NAME	TOTAL PROJECT BUDGET*	BUDGET FY 2020	FORECAST FY 2021	FORECAST FY 2022
<b>Major Maintenance Expense Projects</b>				
Sand Replenishment at Kellogg Beach	\$ 950,000	\$ 900,000	\$ —	\$ —
Electrical Upgrades to NCMT Berths 24-10 & 24-11	550,000	—	—	200,000
Pavement Maintenance at Chula Vista Boat Launch	450,000	—	—	450,000
Pavement Maintenance at National City	225,000	—	225,000	—
<b>TOTAL MAJOR MAINTENANCE EXPENSE</b>	<b>\$ 2,175,000</b>	<b>\$ 900,000</b>	<b>\$ 225,000</b>	<b>\$ 650,000</b>

<b>TOTAL MAJOR MAINTENANCE PROGRAM</b>	<b>\$ 68,005,000</b>	<b>\$ 9,800,000</b>	<b>\$ 9,215,000</b>	<b>\$ 11,090,000</b>
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**Note:**

\* Total Project Budget may include prior year actual expenses incurred or forecasted expenditures beyond FY 2022

# Technology Management Program

The Technology Management Program is a strategic, operationally responsive, and fiscally responsible approach to manage District technologies. It allows the District to standardize systems and leverage cost saving opportunities through economies of scale. Additionally, it facilitates coordinated implementation schedules of planned technology refresh strategies that will keep the District up-to-date. It uses a cost-benefit analysis method and governance model to make technology investment decisions, ensuring the highest likelihood of a return on investment.

DESCRIPTION	BUDGET FY 2020
Services - Professional & Other	\$ 1,684,600
Equipment & Systems	1,997,300
Telephone & Communications	747,200
Equipment Maintenance - Outside Services	1,108,200
Software Maintenance	836,600
<b>NON-PERSONNEL EXPENSE</b>	<b>\$ 6,373,900</b>
Integrated Customer Service System	\$ 1,300,000
PSGP FY16 Bay Fiber Phase 4A <sup>(1)</sup>	675,000
PSGP FY15 Computer Aided Dispatch Replacement <sup>(1)</sup>	400,000
Mesh Data Communications	365,400
D2 Replacement	341,500
Enterprise Asset Management System	297,000
Digital Transformation Project, Phase 1	280,000
PSGP17 Cyber Threat Intelligence <sup>(1)</sup>	275,000
PSGP18 HPD / Maritime Domain Awareness / Command Bridge <sup>(1)</sup>	250,000
Wireless Refresh	215,000
System Center Configuration Manager normalization	100,000
PSGP FY16 Maritime Unified Command Project <sup>(2)</sup>	130,000
Aquatic Center Security Cameras	80,000
PSGP18 Fiber Phase 4B <sup>(1)</sup>	75,000
Capitalized Labor	839,500
<b>TECHNOLOGY CAPITAL PROJECTS</b>	<b>\$ 5,623,400</b>
<b>TOTAL TECHNOLOGY MANAGEMENT PROGRAM</b>	<b>\$ 11,997,300</b>

**Notes:**

<sup>(1)</sup> Partially Port Security Grant Program (PSGP) funded projects

<sup>(2)</sup> Fully grant funded project



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# Sponsorships & Grants

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## Waterfront Arts & Activation

Waterfront Arts & Activation (WA&A) is expected to generate \$2.0M in gross revenue from fees for the use of District parks and facilities, including District-managed parking areas, for special events for which the department issues permits.

About \$1.1M of this amount is waived for sponsored events, either through the Tidelands Activation Program (TAP) or other sponsorship agreements, resulting in a budgeted \$883k in net direct revenue generated by WA&A. This amount does not include the indirect revenue accruing to the District from the impacts of special events that WA&A permits, which include concession revenue from hotels, restaurants, retail facilities, and parking in tenant or operator managed facilities that is generated by attendees to special events in the District's public venues. In conjunction with the events that the District sponsors with the aforementioned fee waivers, sponsorship recipients provide the District with a variety of promotional benefits that serve to attract visitors to the tidelands, generating additional, incremental revenue to the District and its tenants.

In Real Estate, Park Usage Fees for special event permits are budgeted at \$1.0M in gross revenue, of which \$683k is expected to be waived through sponsorships, resulting in net revenue of \$361k.

In Maritime, Broadway and B Street Pier Fees for special events permits are budgeted at \$772k, of which \$275k is expected to be waived through sponsorships, resulting in net revenue of \$498k.

In Port as a Service-Parking, Parking Fees in District-managed areas in conjunction with special events permit is budgeted to generate \$184k in revenue, of which \$159k will be waived, resulting in net revenue of \$25k.

## Sponsorships from the Tidelands Activation Program

The District's Tidelands Activation Program (TAP) is designed to increase activation and recreation along the waterfront. Through the TAP, the District sponsors community and signature events that support the District's mission of providing economic vitality and community benefit through maritime, tourism, water and land recreation, environmental stewardship, and public safety.

Community events promote one or more of the District's mission areas, with an emphasis on attracting the public to the District tidelands waterfront for recreation and on educating the public in regards to the District and its mission.

Signature events accord title sponsorship or similarly valuable consideration to the District, attract large numbers of people to the District tidelands, and generate significant, documented levels of financial and/or promotional return to the District.

Event sponsorships through the TAP are recommended by the Tidelands Activation Program Advisory Committee and approved on an annual basis by the Board of Port Commissioners. The program includes direct funding and/or the waiving of all or portions of District facility fees and costs of District provided services.

For FY 2020, the Waterfront Arts & Activation Department has budgeted a total of \$430k for event sponsorships, and \$1.1M in waived fees for parks and facilities plus in-kind services like the use of the District stage.

# Sponsorships & Grants

## Grants from Other Agencies to the District

Grant Revenue is included in the revenue budget. The District may pursue grants from other agencies where the District may be qualified and the grant would provide for a strategic service. The budget excludes grants that have not been officially awarded.

ANTICIPATED GRANTS	BUDGET FY 2020
Capital Grants – Maritime	\$ 8,400,000
Capital Grants – Recreational	4,800,000
Capital Grants – Information Technology	862,400
Capital Grants – Harbor Police	653,300
Grants Revenue - Other – Harbor Police	1,149,600
Grants Revenue - Other – Environmental Conservation	37,700
Grants Revenue - Other – Misc	16,000
Grants Revenue - Other – Maritime	10,000
<b>TOTAL</b>	<b>\$ 15,929,000</b>

Grants that are expected to be received in FY 2020 include the following:

**Grants for Maritime.** The District will continue to receive grant funds from the Department of Transportation Maritime Administration's Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grant program for the TAMT Modernization project, from California Energy Commission for the demonstration of business case for advance microgrids in support of California's energy and greenhouse gas policies program for the TAMT Microgrid Infrastructure project, and from the Department of Fish and Game for the Harbor Safety Committee Secretariat program.

**Grants for Recreational Projects.** The District will continue to receive grant funds from the State of California Natural Resources Agency for the Sweetwater Bicycle Path and Promenade project in City of Chula Vista Bayfront.

**Grants for Information Technology Projects.** The District will continue to receive grant funds from the Department of Homeland Security for Maritime Sensor Program, Area Maritime Security Committee (AMSC) Emergency Operations Center, and San Diego Bay Regional Fiber Optic Infrastructure project.

**Grants for Harbor Police.** The District will continue to receive grants from the following sources: 1) High Intensity Drug Trafficking reimbursement for overtime, 2) Transportation Safety Administration K-9 grant, 3) Marine Task Force Officer reimbursement, 4) Joint Terrorism Task Force grant, 5) Cross-Border Violence Task Force, 6) San Diego County Operation Stonegarden program, 7) Urban Area Security Initiative, and 8) Department of Homeland Security for Patrol Vessel Maintenance and Area Maritime Security Committee (AMSC) Emergency Operations Center.

**Grant for Environmental Project.** The District will receive grant funds from the San Diego Association of Governments for Threatened and Endangered Species Stewardship at D Street Fill.

## Sponsorships & Grants

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**Partnership/Cost Sharing Reimbursement for Environmental Projects.** The District will continue to receive reimbursements from SDG&E for Efficiency Partnership Program to enhance the District's capacity to incorporate energy efficiency throughout the District and Regional Harbor Monitoring Program for a coordinated monitoring program among the San Diego region.

<b>PARTNERSHIP/COST SHARING REIMBURSEMENT</b>	<b>BUDGET FY 2020</b>
SDG&E Energy Efficiency Partnership	\$ 630,000
Regional Harbor Monitoring Program	73,500
<b>TOTAL</b>	<b>\$ 703,500</b>

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## 4 Departments Cost Centers

In this section, departments and cost centers are organized alphabetically. Departments include a department operating plan followed by a detailed list of positions, summary of department expenses, equipment outlay, and expense budget breakdown. The cost centers include a summary of departmental expenses and expense budget breakdown.

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# Aquaculture & Blue Technology

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## **MISSION**

To provide a launching pad for sustainable aquaculture and blue tech innovation in and around San Diego Bay by offering key assets and support services focused on pilot project facilitation, planning and predevelopment tools, state and federal policy and legislative development, permit-ready infrastructure, entitlements, market access, and strategic funding.

## **VISION**

To be a catalyst for sustainable aquaculture and blue tech innovation in and around San Diego Bay and build a sustainable portfolio of new businesses and partnerships that deliver multiple social, environmental, and economic benefits to the region.

## **GOALS**

The overall goals of the Aquaculture and Blue Technology team are to develop new business partnerships, generate short-term revenue streams, and establish permit-ready infrastructure to capitalize on future opportunities of the blue economy.

During FY 2020, the Aquaculture & Blue Technology team will focus on:

- Completing a full 5<sup>th</sup> round of the Blue Economy Incubator process, culminating in Board-approved agreements by the end of Q4 FY 2020.
- Completing predevelopment and begin entitlement process for 3-D ocean farming opportunities to attract pilot project proposals and grant opportunities by the end of Q4 FY 2020.
- Completing predevelopment and begin entitlement process for the first land-based permit-ready infrastructure for a seawater intake, discharge, and filtration system to support small-scale aquaculture businesses and educational demonstrations by the end of Q4 FY 2020.
- Establishing additional strategic partnerships with academic institutions, government agencies, and industry to coordinate efforts and promote applied innovation by the end of Q4 FY 2020.

## **KEY SERVICES PROVIDED**

- Manage and facilitate existing incubator projects and monitor performance and agreement compliance of the portfolio.
- Process new projects with a focus on innovation addressing existing and future District challenges and opportunities, as well as sustainable aquaculture.
- Participate/coordinate with state and federal agencies (California State Lands Commission, California Department of Fish and Wildlife, California Department of Public Health, California Coastal Commission, National Oceanic and Atmospheric Administration, National Marine Fisheries Service, National Ocean Service, U.S. Navy/SPAWAR, U.S. Department of Energy, U.S. Army Corps of Engineers, U.S. Environmental Protection Agency, U.S. Coast Guard, U.S. Department of Agriculture, U.S. Food and Drug Administration, Small Business Administration) in creating enabling policies, legislation, and permitting pathways to facilitate timely development of emerging sustainable aquaculture and blue technology industries.
- Develop project descriptions needed to begin entitlement process of 3-D ocean farming and land-based facility projects, and support the Planning Department's activities related to these projects.
- Coordinate with other departments to ensure project consistency with the District's Mission.
- Provide community outreach, environmental education, and foster stakeholder collaboration.

## **STRATEGIC PROJECTS SUPPORTED**

- UID19 - Process Port Master Plan Update (PMPU)
- UID24 - Circulate National City Balanced Land Use Plan Environmental Impact Review (EIR)
- UID47 - Develop Small and Medium Sized Aquaculture/Blue Tech Facility Concepts
- UID77 - Advance Mitigation Banking, Including Pond 20

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Capital Improvement Program projects are indirectly supported as part of the department's Key Services provided.

# Aquaculture & Blue Technology

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## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Major Maintenance projects are indirectly supported as part of the department's Key Services provided.

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- Technology Management Program projects are indirectly supported as part of the department's Key Services provided.

## Aquaculture & Blue Technology

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Program Manager, Aquaculture & Blue Tech	1	1
<b>TOTAL</b>	<b>1</b>	<b>1</b>

## Aquaculture & Blue Technology

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 256,831	\$ 159,700	\$ 160,200	\$ 500	0.3 %
Non-Personnel Expense	412,225	1,008,200	907,200	(101,000)	(10.0)%
<b>Total Direct Expense</b>	<b>\$ 669,056</b>	<b>\$ 1,167,900</b>	<b>\$ 1,067,400</b>	<b>\$ (100,500)</b>	<b>(8.6)%</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	38,579	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 707,635</b>	<b>\$ 1,167,900</b>	<b>\$ 1,067,400</b>	<b>\$ (100,500)</b>	<b>(8.6)%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 216,022	\$ 120,900	\$ 123,600	\$ 2,700	2.2 %
Overtime	—	—	—	—	N/A
Burden	40,809	38,800	36,600	(2,200)	(5.7)%
Temporary Personnel	—	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 256,831</b>	<b>\$ 159,700</b>	<b>\$ 160,200</b>	<b>\$ 500</b>	<b>0.3 %</b>

**Aquaculture & Blue Technology**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
610110 Books & Periodicals						
BOOKS & PERIODICALS	\$	1,500		\$ 1,200		
<b>Total:</b>	\$ —	\$ 1,500	\$ 1,500	\$ 1,200	\$ (300)	(20.0)%
610120 Memberships & Dues						
MEMBERSHIPS & DUES	\$	3,000		\$ 2,000		
<b>Total:</b>	\$ 1,925	\$ 3,000	\$ 3,000	\$ 2,000	\$ (1,000)	(33.3)%
610140 Seminars & Training						
SEMINARS & TRAINING	\$	3,000		\$ 2,500		
<b>Total:</b>	\$ 1,871	\$ 3,000	\$ 3,000	\$ 2,500	\$ (500)	(16.7)%
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT	\$	500		\$ 200		
<b>Total:</b>	\$ 156	\$ 500	\$ 500	\$ 200	\$ (300)	(60.0)%
615110 TRAVEL						
TRAVEL	\$	12,000		\$ 14,000		
<b>Total:</b>	\$ 13,699	\$ 12,000	\$ 12,000	\$ 14,000	\$ 2,000	16.7 %
620100 Services - Professional & Other						
AQUA/BLE TECH FACILITY PLAN & PRE-DEV	\$	230,000		\$ 50,000		
AQUACULTURE PILOT MANAGEMENT		100,000		—		
AQUACULTURE PILOT PLANNING & PRE-DEV		—		305,000		
AQUACULTURE PROGRAM IMPLEMENTATION		35,000		—		
BLUE TECH PROGRAM IMPLEMENTATION		30,000		—		
MARINE SPATIAL PLANNING - BAY & OCEAN		35,000		30,000		
<b>Total:</b>	\$ 104,010	\$ 430,000	\$ 430,000	\$ 385,000	\$ (45,000)	(10.5)%
620150 Aquaculture & Blue Technology						
PARTNERSHIPS & JOINT VENTURE INVEST	\$	500,000		\$ 450,000		
<b>Total:</b>	\$ —	\$ 500,000	\$ 500,000	\$ 450,000	\$ (50,000)	(10.0)%
620160 Blue Technology						
<b>Total:</b>	\$ 136,318	\$ —	\$ —	\$ —	\$ —	N/A
630110 Equipment & Systems						
EQUIPMENT & SYSTEMS	\$	2,500		\$ 1,000		
<b>Total:</b>	\$ —	\$ 2,500	\$ 2,500	\$ 1,000	\$ (1,500)	(60.0)%
630140 Postage & Shipping						

# Aquaculture & Blue Technology

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
POSTAGE & SHIPPING		\$ 2,500		\$ 800		
<b>Total:</b>	\$ 291	\$ 2,500	\$ 2,500	\$ 800	\$ (1,700)	(68.0)%
630150 Safety Equipment & Supplies						
SAFETY EQUIPMENT & SUPPLIES	\$ 600			\$ —		
<b>Total:</b>	\$ 207	\$ 600	\$ 600	\$ —	\$ (600)	(100.0)%
660110 Promotional Services						
PROMOTIONAL SERVICES	\$ 300			\$ —		
<b>Total:</b>	\$ 10,851	\$ 300	\$ 300	\$ —	\$ (300)	(100.0)%
660120 Promotional Materials						
PROMOTIONAL MATERIALS	\$ 300			\$ —		
<b>Total:</b>	\$ 3,522	\$ 300	\$ 300	\$ —	\$ (300)	(100.0)%
660135 Eligible Environmental Fund Expenditures						
CA SEA GRANT FELLOWS	\$ 47,000			\$ 50,000		
<b>Total:</b>	\$ —	\$ 47,000	\$ 47,000	\$ 50,000	\$ 3,000	6.4 %
660170 Joint Programs/Studies Assistance						
<b>Total:</b>	\$ 138,953	\$ —	\$ —	\$ —	\$ —	N/A
670130 Permits/Certificates/License						
PERMITS/CERTIFICATES/LICENSE	\$ 5,000			\$ 500		
<b>Total:</b>	\$ 423	\$ 5,000	\$ 5,000	\$ 500	\$ (4,500)	(90.0)%
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 412,225	\$ 1,008,200	\$ 1,008,200	\$ 907,200	\$ (101,000)	(10.0)%
<b>GRAND TOTAL:</b>	\$ 412,225	\$ 1,008,200	\$ 1,008,200	\$ 907,200	\$ (101,000)	(10.0)%

## Attractions & Advertising (no longer a department)

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 347,160	\$ —	\$ —	\$ —	N/A
Non-Personnel Expense	78,241	—	—	—	N/A
<b>Total Direct Expense</b>	<b>\$ 425,401</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>N/A</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 425,401</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>N/A</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 213,804	\$ —	\$ —	\$ —	N/A
Overtime	—	—	—	—	N/A
Burden	133,356	—	—	—	N/A
Temporary Personnel	—	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 347,160</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>N/A</b>



**Attractions & Advertising (no longer a department)**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
610110 Books & Periodicals						
<b>Total:</b>	\$ (36)	\$ —	\$ —	\$ —	\$ —	N/A
610115 Employee Recognition						
<b>Total:</b>	\$ 200	\$ —	\$ —	\$ —	\$ —	N/A
610120 Memberships & Dues						
<b>Total:</b>	\$ 1,506	\$ —	\$ —	\$ —	\$ —	N/A
610140 Seminars & Training						
<b>Total:</b>	\$ 2,155	\$ —	\$ —	\$ —	\$ —	N/A
615110 Travel						
<b>Total:</b>	\$ 1,346	\$ —	\$ —	\$ —	\$ —	N/A
620100 Services - Professional & Other						
<b>Total:</b>	\$ 72,414	\$ —	\$ —	\$ —	\$ —	N/A
630130 Office & Operating Supplies						
<b>Total:</b>	\$ 306	\$ —	\$ —	\$ —	\$ —	N/A
660110 Promotional Services						
<b>Total:</b>	\$ 349	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 78,241	\$ —	\$ —	\$ —	\$ —	N/A
<b>GRAND TOTAL:</b>	\$ 78,241	\$ —	\$ —	\$ —	\$ —	N/A

## Board of Port Commissioners

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ —	\$ —	\$ —	\$ —	N/A
Non-Personnel Expense	232,253	264,400	258,900	(5,500)	(2.1)%
<b>Total Direct Expense</b>	<b>\$ 232,253</b>	<b>\$ 264,400</b>	<b>\$ 258,900</b>	<b>\$ (5,500)</b>	<b>(2.1)%</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 232,253</b>	<b>\$ 264,400</b>	<b>\$ 258,900</b>	<b>\$ (5,500)</b>	<b>(2.1)%</b>

**Board of Port Commissioners**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
610100 Awards - Service						
<b>Total:</b>	\$ 152	\$ —	\$ —	\$ —	\$ —	N/A
610120 Membership & Dues						
<b>Total:</b>	\$ 320	\$ —	\$ —	\$ —	\$ —	N/A
610140 Seminars & Training SEMINARS & TRAINING	\$ 19,000			\$ 18,000		
<b>Total:</b>	\$ 5,165	\$ 19,000	\$ 19,000	\$ 18,000	\$ (1,000)	(5.3)%
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT	\$ 84,000			\$ 84,000		
<b>Total:</b>	\$ 84,038	\$ 84,000	\$ 84,000	\$ 84,000	\$ —	0.0 %
615110 Travel TRAVEL	\$ 58,000			\$ 55,000		
<b>Total:</b>	\$ 21,052	\$ 58,000	\$ 58,000	\$ 55,000	\$ (3,000)	(5.2)%
620100 Services - Professional & Other SERVICES - PROFESSIONAL & OTHER	\$ 61,000			\$ 60,000		
<b>Total:</b>	\$ 49,401	\$ 61,000	\$ 61,000	\$ 60,000	\$ (1,000)	(1.6)%
630130 Office & Operating Supplies OFFICE & OPERATING SUPPLIES	\$ 1,000			\$ 1,000		
<b>Total:</b>	\$ 1,267	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
630140 Postage & Shipping POSTAGE & SHIPPING	\$ 500			\$ 500		
<b>Total:</b>	\$ 282	\$ 500	\$ 500	\$ 500	\$ —	0.0 %
640110 Telephone & Communications TELEPHONE & COMMUNICATIONS	\$ 8,900			\$ 8,900		
<b>Total:</b>	\$ 8,400	\$ 8,900	\$ 8,900	\$ 8,900	\$ —	0.0 %
660110 Promotional Services PROMOTIONAL SERVICES	\$ 30,000			\$ 30,000		
<b>Total:</b>	\$ 60,955	\$ 30,000	\$ 30,000	\$ 30,000	\$ —	0.0 %
660120 Promotional Materials PROMOTIONAL MATERIALS	\$ 2,000			\$ 1,500		
<b>Total:</b>	\$ 1,220	\$ 2,000	\$ 2,000	\$ 1,500	\$ (500)	(25.0)%
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 232,253	\$ 264,400	\$ 264,400	\$ 258,900	\$ (5,500)	(2.1)%

**Board of Port Commissioners**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>GRAND TOTAL:</b>					\$ (5,500)	(2.1)%

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# Development Services

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## **MISSION**

With a service-first approach, Development Services satisfies regulatory requirements for development through the review and processing of District and tenant projects for compliance with the California Environmental Quality Act (CEQA), the Port Master Plan and the California Coastal Act, the District's development policies, and other applicable laws and regulations.

## **VISION**

To guide development of a world-class waterfront through excellence in customer service, enhancement and protection of the environment, and furtherance of high-quality public and private spaces on tidelands.

## **GOALS**

- Document and streamline project review and approval process, including updates to BPC Policy 357 (Approval of Tenant Project Plans), by the end of Q2 FY 2020.
- Implement three CEQA/Coastal Act processing improvements by the end of Q4 FY 2020.
- Increase coordination efforts by 50% with District departments, Coastal Commission staff, and other agencies and stakeholders by the end of Q1 FY 2020.
- Develop a template for Environmental Impact Reports by the end of Q4 FY 2020.

## **KEY SERVICES PROVIDED**

- CEQA and Coastal processing for District and tenant current planning projects, including overseeing the preparation of CEQA documents, preparing CEQA/Coastal language for most agenda sheets, preparing CEQA and coastal determinations, and processing coastal development permits.
- Regular coordination with staff of the California Coastal Commission, other public agencies, District's Planning department, and other District departments.
- Conduct tenant project review, approval, and design review.
- Provide design and mapping services.

## **STRATEGIC PROJECTS SUPPORTED**

- UID21 - Recommendation to the Board on Building Permits
- Additional Strategic Projects are indirectly supported as part of the department's Key Services provided.

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Capital Improvement Program projects are indirectly supported as part of the department's Key Services provided.

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Major Maintenance projects are indirectly supported as part of the department's Key Services provided.

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- Technology Maintenance Program projects are indirectly supported as part of the department's Key Services provided.

## Development Services

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Architect	2	2
Assistant Planner	1	1
Associate Planner	1	1
Department Manager, Development Services	2	2
Director, Development Services	1	1
Management Analyst	1	1
Mapping Technician II	1	1
Senior Planner	3	3
Senior Project Architect	1	1
<b>TOTAL</b>	<b>13</b>	<b>13</b>



## Development Services

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 2,109,624	\$ 1,999,700	\$ 1,954,900	\$ (44,800)	(2.2)%
Non-Personnel Expense	266,578	989,000	839,500	(149,500)	(15.1)%
<b>Total Direct Expense</b>	<b>\$ 2,376,202</b>	<b>\$ 2,988,700</b>	<b>\$ 2,794,400</b>	<b>\$ (194,300)</b>	<b>(6.5)%</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 2,376,202</b>	<b>\$ 2,988,700</b>	<b>\$ 2,794,400</b>	<b>\$ (194,300)</b>	<b>(6.5)%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Regular Salaries & Wages	\$ 1,302,827	\$ 1,169,100	\$ 1,198,400	\$ 29,300	2.5 %
Overtime	1,936	1,400	1,400	—	0.0 %
Burden	776,935	829,200	755,100	(74,100)	(8.9)%
Temporary Personnel	27,926	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 2,109,624</b>	<b>\$ 1,999,700</b>	<b>\$ 1,954,900</b>	<b>\$ (44,800)</b>	<b>(2.2)%</b>

**Development Services**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME		\$ 1,400		\$ 1,400		
<b>Total:</b>	\$ 1,936	\$ 1,400	\$ 1,400	\$ 1,400	\$ —	0.0 %
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 1,936	\$ 1,400	\$ 1,400	\$ 1,400	\$ —	0.0 %
610110 Books & Periodicals						
BOOKS & PERIODICALS		\$ 500		\$ 500		
<b>Total:</b>	\$ —	\$ 500	\$ 500	\$ 500	\$ —	0.0 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 600		\$ 600		
<b>Total:</b>	\$ 500	\$ 600	\$ 600	\$ 600	\$ —	0.0 %
610120 Memberships & Dues						
AMER INST OF CERTIFIED PLANNERS		\$ 700		\$ 700		
AMER PLANNING ASSOCIATION		5,000		5,000		
AMERICAN INSTITUTE OF ARCHITECTS		800		800		
ASSOC OF ENV'L PROFESSIONALS		1,200		1,500		
ASSOCIATIONS		300		300		
MISCELLANEOUS MEMBERSHIPS		500		500		
URBAN LAND INSTITUTE		800		600		
<b>Total:</b>	\$ 5,499	\$ 9,300	\$ 9,300	\$ 9,400	\$ 100	1.1 %
610140 Seminars & Training						
AMERICAN INSTITUTE OF ARCHITECTS		\$ 500		\$ 500		
BUILDING DESIGN TRAINING		5,000		3,000		
CEQA/COASTAL TRAINING		3,000		3,500		
CONFERENCES		7,000		7,000		
MANAGEMENT TRAINING		2,500		2,000		
PROJECT REVIEW TRAINING		3,000		2,000		
SMARTSHEET TRAINING/POWER BI TRAINING		2,000		2,000		
<b>Total:</b>	\$ 6,039	\$ 23,000	\$ 23,000	\$ 20,000	\$ (3,000)	(13.0)%
615100 Mileage Reimbursement						
COMMUTER REIMBURSEMENT		\$ 3,000		\$ 2,200		
MILEAGE/PARKING		2,500		800		
<b>Total:</b>	\$ 2,231	\$ 5,500	\$ 5,500	\$ 3,000	\$ (2,500)	(45.5)%
615110 Travel						
CEQA/COASTAL CONFERENCE		\$ 22,500		\$ 18,000		

**Development Services**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
COASTAL COMMISSION HEARINGS		13,000		10,200		
<b>Total:</b>	\$ 1,531	\$ 35,500	\$ 35,500	\$ 28,200	\$ (7,300)	(20.6)%
620100 Services - Professional & Other						
BUILDING SERVICES CONSULTANT		\$ 50,000		\$ 40,000		
CATEGORICAL DETERMINATION PROGRAM		—		150,000		
CHULA VISTA BAYFRONT CEQA/COASTAL		70,000		45,000		
COREDATA		2,600		1,800		
CORONADO BRIDGE LIGHTING PROJ MGR		80,000		—		
DESIGN REVIEW CONSULTANT		50,000		40,000		
DEVELOPMENT SERVICES MANUAL		25,000		15,000		
FIREWORKS CEQA/PROJECT MANAGEMENT		130,000		130,000		
MARITIME MITIGATION		50,000		50,000		
MISCELLANEOUS CEQA REQUIREMENTS		125,000		55,000		
PLANNING PROJ MANAGER CONSULTANT		170,000		67,500		
PROJECT REVIEW CONSULTANT		123,000		150,000		
SMARTSHEET CONSULTANT		5,000		5,000		
SURVEYS		25,000		25,000		
<b>Total:</b>	\$ 249,838	\$ 905,600	\$ 905,600	\$ 774,300	\$ (131,300)	(14.5)%
660100 Advertising						
ADVERTISING		\$ 300		\$ 300		
<b>Total:</b>	\$ —	\$ 300	\$ 300	\$ 300	\$ —	0.0 %
670130 Permits/Certificates/License						
FILING FEES		\$ 7,200		\$ 2,400		
NOTICE OF EXEMPTION		1,500		800		
<b>Total:</b>	\$ 940	\$ 8,700	\$ 8,700	\$ 3,200	\$ (5,500)	(63.2)%
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 266,578	\$ 989,000	\$ 989,000	\$ 839,500	\$ (149,500)	(15.1)%
<b>GRAND TOTAL:</b>	\$ 268,514	\$ 990,400	\$ 990,400	\$ 840,900	\$ (149,500)	(15.1)%

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# Energy

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## **MISSION**

Ensure a sustainable and resilient waterfront through implementation of the District's Climate Action Plan (CAP) by reducing greenhouse gas emissions, improving social and environmental stewardship, and facilitating long-term economic development.

## **VISION**

Support the District's position as a global leader in energy and sustainability practice.

## **GOALS**

- Complete installation of solar photo voltaic system, battery and microgrid controls by the end of Q4 FY 2020.
- Complete draft of District's Climate Action Plan update by December 31, 2019.
- Identify and design cost effective energy efficiency and renewable energy measures to reduce District's grid-based energy consumption from FY 2018 levels by the end of Q4 FY 2020.
- Develop District fleet goals for FY 2030 with General Services and establish a strategy to procure alternative fuel vehicles by the end of Q4 FY 2020.

## **KEY SERVICES PROVIDED**

- Monitor and report on Climate Action Plan progress - working with SANDAG and the California Energy Commission (CEC).
- Promote an environmentally responsible culture through three channels: the Environmental Champions Campaign for District staff; the Green Business Network for tenants; and the Green Employee Engagement Campaign for tenant employees.
- Provide efficient energy planning for District projects and tenant developments.
- Procure electric vehicle charging systems to serve District employees, tenants, and the public.
- Utilize smart streetlight data to improve and grow the waterfront experience.
- Provide analysis of costs and benefits of electric and alternative fuel vehicles for District use.
- Provide advisory and leadership services to agencies including CleanTech San Diego, Ocean Connectors, Clean Cities Coalition, San Diego Regional Climate Collaborative, SANDAG Energy Working Group, CEC District Energy Collaborative, and the Industrial Environmental Association.

## **STRATEGIC PROJECTS SUPPORTED**

- UID19 - Process Port Master Plan Update (PMPU)
- UID20 - Develop a Port Mobility Strategy
- UID23 - Update Climate Action Plan (CAP) to Align with State of California
- UID32 - Execute Disposition and Development Agreement (DDA) w/RIDA and Commence Construction of Chula Vista Bayfront
- UID33 - Advance Coronado Bridge Lighting Project
- UID46 - Develop a Smart Port Administrative Procedure
- UID324 - Execute Cruise & Infrastructure Optimization
- UID356 - Implement Tenth Avenue Marine Terminal (TAMT) Growth Strategy and Mitigation Measures

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Site Preparation at Chula Vista Bayfront
- Microgrid Infrastructure at TAMT
- Chula Vista Bayfront - South Campus Pavement & Foundation Demolition
- Cruise Ship Terminal Shore Power

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Roof Replacement at TAMT Warehouse B
- Light Fixture Replacement at Embarcadero Marina Park South Fishing Pier

## Energy

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- Forklift Charger Electrical Connections at B Street Pier Cruise Ship Terminal

### **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- Fiber Optic
- Employee Portal

## Energy

**Retitle:** 1 Principal, Planning & Green Port to Program Director, Planning & Green Port

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Program Director, Planning & Green Port	0	1
Principal, Planning & Green Port	1	0
Program Manager, Energy & Sustainability	2	2
Senior Environmental Specialist	3	3
<b>TOTAL</b>	<b>6</b>	<b>6</b>



## Energy

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 700,958	\$ 795,400	\$ 866,900	\$ 71,500	9.0 %
Non-Personnel Expense	749,819	682,600	659,700	(22,900)	(3.4)%
<b>Total Direct Expense</b>	<b>\$ 1,450,777</b>	<b>\$ 1,478,000</b>	<b>\$ 1,526,600</b>	<b>\$ 48,600</b>	<b>3.3 %</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	469,000	165,000	(304,000)	(64.8)%
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 1,450,777</b>	<b>\$ 1,947,000</b>	<b>\$ 1,691,600</b>	<b>\$ (255,400)</b>	<b>(13.1)%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 508,109	\$ 577,800	\$ 627,900	\$ 50,100	8.7 %
Overtime	2,821	400	—	(400)	(100.0)%
Burden	190,028	217,200	239,000	21,800	10.0 %
Temporary Personnel	—	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 700,958</b>	<b>\$ 795,400</b>	<b>\$ 866,900</b>	<b>\$ 71,500</b>	<b>9.0 %</b>

## Energy

### EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS

DESCRIPTION	QTY	BUDGET FY 2020
BUILDING AUTOMATION SYSTEM DESIGN <sup>(1)</sup>	1	\$ 75,000
LIGHTING EFFICIENCY IMPROVEMENTS	1	90,000
<b>TOTAL EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS</b>	<b>2</b>	<b>\$ 165,000</b>

**Note:**

<sup>(1)</sup> Fully reimbursed through a local partnership program with SDG&E

**Energy**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 400		\$ —		
<b>Total:</b>	\$ 2,821	\$ 400	\$ 400	\$ —	\$ (400)	(100.0)%
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 2,821	\$ 400	\$ 400	\$ —	\$ (400)	(100.0)%
610100 Awards AWARDS		\$ 300		\$ 300		
<b>Total:</b>	\$ 25	\$ 300	\$ 300	\$ 300	\$ —	0.0 %
610120 Memberships & Dues MEMBERSHIPS & DUES		\$ 8,000		\$ 13,500		
<b>Total:</b>	\$ 3,333	\$ 8,000	\$ 8,000	\$ 13,500	\$ 5,500	68.8 %
610140 Seminars & Training SEMINARS & TRAINING		\$ 1,600		\$ 2,000		
<b>Total:</b>	\$ 2,315	\$ 1,600	\$ 1,600	\$ 2,000	\$ 400	25.0 %
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 700		\$ 700		
<b>Total:</b>	\$ 999	\$ 700	\$ 700	\$ 700	\$ —	0.0 %
615110 Travel TRAVEL		\$ 4,000		\$ 5,500		
<b>Total:</b>	\$ 3,504	\$ 4,000	\$ 4,000	\$ 5,500	\$ 1,500	37.5 %
620100 Services - Professional & Other CLIMATE ACTION PLAN MANAGEMENT		\$ 93,500		\$ 97,000		
<b>Total:</b>	\$ 75,269	\$ 93,500	\$ 93,500	\$ 97,000	\$ 3,500	3.7 %
620140 Climate Action Plan						
<b>Total:</b>	\$ 224,897	\$ —	\$ —	\$ —	\$ —	N/A
630110 Equipment & Systems DATA COLLECTION OFFICE CONFIGURATION		\$ — 500		\$ 500 —		
<b>Total:</b>	\$ —	\$ 500	\$ 500	\$ 500	\$ —	0.0 %
630130 Office & Operating Supplies						
<b>Total:</b>	\$ 216	\$ —	\$ —	\$ —	\$ —	N/A
630140 Postage & Shipping ORDINANCE NOTIFICATIONS		\$ 300		\$ 300		

**Energy**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>Total:</b>	\$ 204	\$ 300	\$ 300	\$ 300	\$ —	0.0 %
660105 Marketing/Outreach MARKETING / OUTREACH		\$ 500		\$ 500		
<b>Total:</b>	\$ —	\$ 500	\$ 500	\$ 500	\$ —	0.0 %
660110 Promotional Services PROMOTIONAL SERVICES		\$ 3,000		\$ 3,000		
<b>Total:</b>	\$ 17,361	\$ 3,000	\$ 3,000	\$ 3,000	\$ —	0.0 %
660120 Promotional Materials PROMOTIONAL MATERIALS		\$ 5,000		\$ 5,000		
<b>Total:</b>	\$ 51,024	\$ 5,000	\$ 5,000	\$ 5,000	\$ —	0.0 %
660135 Eligible Environmental Fund Expenditures CAP STRATEGIC INITIATIVES CLIMATE ACTION PLAN MANAGEMENT		\$ 13,000 32,000		\$ — —		
<b>Total:</b>	\$ —	\$ 45,000	\$ 45,000	\$ —	\$ (45,000)	(100.0)%
660136 Grant Funded Expenditures CALIFORNIA ENERGY GRANT COMMISSION		\$ —		\$ 36,200		
<b>Total:</b>	\$ —	\$ —	\$ —	\$ 36,200	\$ 36,200	N/A
660170 Joint Programs/Studies Assistance BAYWIDE COLLABORATION SDG&E LOCAL ENERGY PARTNERSHIP		\$ 5,000 515,000		\$ 55,000 440,000		
<b>Total:</b>	\$ 370,397	\$ 520,000	\$ 520,000	\$ 495,000	\$ (25,000)	(4.8)%
670130 Permits/Certificates/License PERMITS/CERTIFICATES/LICENSE		\$ 200		\$ 200		
<b>Total:</b>	\$ 275	\$ 200	\$ 200	\$ 200	\$ —	0.0 %
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 749,819	\$ 682,600	\$ 682,600	\$ 659,700	\$ (22,900)	(3.4)%
<b>GRAND TOTAL:</b>	\$ 752,640	\$ 683,000	\$ 683,000	\$ 659,700	\$ (23,300)	(3.4)%

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# Engineering - Construction

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## **MISSION**

Through tenacious project execution, we build the District that supports the next generation.

## **VISION**

To be a nationally recognized leader in design, construction, and management of District infrastructure.

## **GOALS**

- Update survey on 20% of District property boundaries by the end of FY 2020.
- Update 35% of District benchmarks by the end of FY 2020.
- Exceed 90% execution rate in Major Maintenance by the end of FY 2020.

## **KEY SERVICES PROVIDED**

- Administration of the Capital Improvement and Major Maintenance Program.
- Development and management of public works plans and specifications.
- Inspection of public works projects.
- Inspection of tenant development projects.
- Review of tenant plans.
- Administration of the Asset Management Program to support the maintenance of District infrastructure.
- Administration of infrastructure asset inventories.
- Preparation and updates to condition assessments.
- Preparation of engineering studies and investigations.
- Load capacity and related calculations.
- Cost estimating.
- Project scheduling and scope definition.
- Exhibit preparation.
- Field surveying and mapping services of sites and utilities.
- Engineering support for development projects.
- Project reporting.
- Records retention.

## **STRATEGIC PROJECTS SUPPORTED**

- UID9 - Implement Stormwater Pollution Prevention Strategy
- UID21 - Recommendation to the Board on Building Permits
- UID32 - Execute Disposition and Development Agreement (DDA) w/RIDA and Commence Construction of Chula Vista Bayfront
- UID33 - Advance Coronado Bridge Lighting Project
- UID42 - Update Survey Monuments & Port Boundaries
- UID77 - Advance Mitigation Banking, Including Pond 20
- UID324 - Execute Cruise & Infrastructure Optimization

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Demolition and Site Improvements of Transit Sheds 1 and 2 at TAMT
- Site Preparation at Chula Vista Bayfront
- Microgrid Infrastructure at TAMT
- Former Navy Pier Head House Demolition
- Comfort Station & Street End Improvements at Beach Avenue
- Shelter Island Boat Launch Facility Improvements
- National City Marina District Vision Plan Preliminary Planning

# Engineering - Construction

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- Setback Park/Plaza
- B Street Mooring Dolphin
- Chula Vista Bayfront - South Campus Pavement & Foundation Demolition
- Cruise Ship Terminal Shore Power

## **MAJOR MAINTENANCE (MM) PROJECTS**

- Structural Repairs at Navy Pier
- Fender System Upgrade at North Berth of B Street Pier
- Roof Replacement at TAMT Warehouse B
- Structural Repairs at Tuna Harbor Dock #1
- Roof Replacement at Material Support & Management Center
- Light Fixture Replacement at Embarcadero Marina Park South Fishing Pier
- Forklift Charger Electrical Connections at B Street Pier Cruise Ship Terminal
- New Water Service at TAMT Warehouse B
- Structural Repairs at Imperial Beach Fishing Pier
- Sand Replenishment at Kellogg Beach
- Structural Repairs at Tuna Harbor Dock 2 & 3
- Under Pier Structural Repairs to Navy Pier
- Pavement Replacement at Shelter Island Parking Lots
- Railroad Tie Repairs at TAMT
- Structural Repairs at NCMT Berth 24-11
- Concrete Repairs at San Diego Hilton Bayfront Deck 7
- HVAC Replacement at Various Locations

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- Fiber Optic
- GIS Roadmap Implementation

## Engineering - Construction

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Assistant Engineer	2	2
Associate Engineer	4	4
Capital Project Manager I	5	5
Capital Project Manager II	3	3
Chief Engineer/Engineering-Construction	1	1
Civil Designer	2	2
Construction Inspector	2	2
Department Administrative Manager	1	1
Executive Assistant I (Classified)	1	1
Land Surveyor	1	1
Management Analyst	2	2
Manager, Engineering-Construction	5	5
Project Scheduler	1	1
Senior Construction Inspector	2	2
Senior Engineer	1	1
Senior Management Analyst	2	2
Survey Technician II	1	1
<b>TOTAL</b>	<b>36</b>	<b>36</b>



## Engineering - Construction

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 5,304,534	\$ 5,677,500	\$ 5,789,000	\$ 111,500	2.0 %
Non-Personnel Expense	671,803	630,000	598,500	(31,500)	(5.0)%
<b>Total Direct Expense</b>	<b>\$ 5,976,338</b>	<b>\$ 6,307,500</b>	<b>\$ 6,387,500</b>	<b>\$ 80,000</b>	<b>1.3 %</b>
Less: Capitalized Expense	(2,694,408)	(2,782,800)	(2,949,500)	(166,700)	6.0 %
Major Maintenance	629,612	150,000	900,000	750,000	500.0 %
Equipment Outlay and Other Capital Projects	74,577	—	200,000	200,000	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 3,986,118</b>	<b>\$ 3,674,700</b>	<b>\$ 4,538,000</b>	<b>\$ 863,300</b>	<b>23.5 %</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Regular Salaries & Wages	\$ 3,259,365	\$ 3,509,600	\$ 3,543,900	\$ 34,300	1.0%
Overtime	52,955	52,000	52,000	—	0.0%
Burden	1,953,236	2,115,900	2,193,100	77,200	3.6%
Temporary Personnel	38,978	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 5,304,534</b>	<b>\$ 5,677,500</b>	<b>\$ 5,789,000</b>	<b>\$ 111,500</b>	<b>2.0%</b>

## Engineering - Construction

### EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS

DESCRIPTION	QTY	BUDGET FY 2020
LANDSCAPE IMPROVEMENTS ALONG HARBOR DRIVE	1	\$ 200,000
<b>TOTAL EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS</b>	<b>1</b>	<b>\$ 200,000</b>

**Engineering - Construction**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME		\$ 52,000		\$ 52,000		
<b>Total:</b>	\$ 52,955	\$ 52,000	\$ 52,000	\$ 52,000	\$ —	0.0 %
600120 Temporary Personnel						
<b>Total:</b>	\$ 38,978	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 91,933	\$ 52,000	\$ 52,000	\$ 52,000	\$ —	0.0 %
610110 Books & Periodicals						
BOOKS & PERIODICALS		\$ 1,000		\$ 1,000		
<b>Total:</b>	\$ 1,872	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 1,100		\$ 1,100		
<b>Total:</b>	\$ 2,532	\$ 1,100	\$ 1,100	\$ 1,100	\$ —	0.0 %
610120 Memberships & Dues						
AMERICAN PUBLIC WORKS ASSOCIATION		\$ 3,200		\$ 3,200		
AMERICAN SOCIETY OF CIVIL ENGINEERS		1,700		1,700		
AMERICAN WATER WORKS ASSOCIATION		200		200		
CONSTRUCTION MGMT ASSOC OF AMERICA		2,700		2,700		
MEMBERSHIPS & DUES		500		500		
<b>Total:</b>	\$ 11,589	\$ 8,300	\$ 8,300	\$ 8,300	\$ —	0.0 %
610140 Seminars & Training						
AUTODESK UNIVERSITY		\$ 4,000		\$ 4,000		
PROF DEVELOPMENT/REGULATORY		500		500		
PROFESSIONAL DEVELOPMENT		21,300		21,300		
PROJECT MANAGEMENT		10,000		10,000		
<b>Total:</b>	\$ 31,737	\$ 35,800	\$ 35,800	\$ 35,800	\$ —	0.0 %
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 23,000		\$ 23,000		
<b>Total:</b>	\$ 25,486	\$ 23,000	\$ 23,000	\$ 23,000	\$ —	0.0 %
615110 Travel						
SEMINAR TRAVEL		\$ 27,800		\$ 27,800		
<b>Total:</b>	\$ 22,237	\$ 27,800	\$ 27,800	\$ 27,800	\$ —	0.0 %
620100 Services - Professional & Other						
ASSET MANAGEMENT		\$ 225,000		\$ 213,100		

**Engineering - Construction**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
CIP WORKSHOP - PROJECT ASSESSMENTS		19,600		—		
INTERDEPARTMENT PLANNING SUP		130,000		130,000		
SURVEYING (BASE MAPPING)		125,000		125,000		
<b>Total:</b>	\$ 507,375	\$ 499,600	\$ 499,600	\$ 468,100	\$ (31,500)	(6.3)%
630110 Equipment & Systems						
<b>Total:</b>	\$ 16,571	\$ —	\$ —	\$ —	\$ —	N/A
630130 Office & Operating Supplies						
OFFICE & OPERATING SUPPLIES		\$ 26,000		\$ 26,000		
TWIC CARDS		1,100		1,100		
<b>Total:</b>	\$ 46,031	\$ 27,100	\$ 27,100	\$ 27,100	\$ —	0.0 %
630140 Postage & Shipping						
POSTAGE & SHIPPING		\$ 400		\$ 400		
<b>Total:</b>	\$ 91	\$ 400	\$ 400	\$ 400	\$ —	0.0 %
630150 Safety Equipment & Supplies						
SAFETY EQUIPMENT & SUPPLIES		\$ 2,500		\$ 2,500		
<b>Total:</b>	\$ 2,454	\$ 2,500	\$ 2,500	\$ 2,500	\$ —	0.0 %
630160 Small Tools						
CONSTRUCTION STAKING SUPPLIES		\$ 500		\$ 500		
SMALL TOOLS		300		300		
<b>Total:</b>	\$ 10	\$ 800	\$ 800	\$ 800	\$ —	0.0 %
630190 Blueprints						
BLUEPRINTS		\$ 500		\$ 500		
<b>Total:</b>	\$ —	\$ 500	\$ 500	\$ 500	\$ —	0.0 %
660110 Promotional Services						
ASSOCIATION GENERAL CONTRACTORS		\$ 500		\$ 500		
PROMOTIONAL SERVICES		200		200		
REG CONST PROCUREMENT COMMITTEE		200		200		
<b>Total:</b>	\$ 932	\$ 900	\$ 900	\$ 900	\$ —	0.0 %
670130 Permits/Certificates/License						
PERMITS CERTIFICATES LICENSE		\$ 1,200		\$ 1,200		
<b>Total:</b>	\$ 2,887	\$ 1,200	\$ 1,200	\$ 1,200	\$ —	0.0 %
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 671,803	\$ 630,000	\$ 630,000	\$ 598,500	\$ (31,500)	(5.0)%

**Engineering - Construction**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>GRAND TOTAL:</b>	\$ 763,736	\$ 682,000	\$ 682,000	\$ 650,500	\$ (31,500)	(4.6)%

## Enterprise Strategy & Innovation (no longer a department)

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 503,492	\$ —	\$ —	\$ —	N/A
Non-Personnel Expense	112,804	—	—	—	N/A
<b>Total Direct Expense</b>	<b>\$ 616,296</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>N/A</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 616,296</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>N/A</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 401,700	\$ —	\$ —	\$ —	N/A
Overtime	—	—	—	—	N/A
Burden	101,792	—	—	—	N/A
Temporary Personnel	—	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 503,492</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>N/A</b>

**Enterprise Strategy & Innovation (no longer a department)**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET dollars      pct
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ —	\$ —	\$ —	\$ —	\$ —      N/A
610110 Books & Periodicals					
<b>Total:</b>	\$ 278	\$ —	\$ —	\$ —	\$ —      N/A
610140 Seminars & Training					
<b>Total:</b>	\$ 1,219	\$ —	\$ —	\$ —	\$ —      N/A
615100 Mileage Reimbursement					
<b>Total:</b>	\$ 152	\$ —	\$ —	\$ —	\$ —      N/A
615110 Travel					
<b>Total:</b>	\$ 1,013	\$ —	\$ —	\$ —	\$ —      N/A
620100 Services - Professional & Other					
<b>Total:</b>	\$ 98,801	\$ —	\$ —	\$ —	\$ —      N/A
630110 Equipment & Systems					
<b>Total:</b>	\$ 9,151	\$ —	\$ —	\$ —	\$ —      N/A
630130 Office & Operating Supplies					
<b>Total:</b>	\$ 1,896	\$ —	\$ —	\$ —	\$ —      N/A
660110 Promotional Services					
<b>Total:</b>	\$ 295	\$ —	\$ —	\$ —	\$ —      N/A
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 112,804	\$ —	\$ —	\$ —	\$ —      N/A
<b>GRAND TOTAL:</b>	\$ 112,804	\$ —	\$ —	\$ —	\$ —      N/A

# Environmental Conservation

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## **MISSION**

To conserve and enhance natural resources in balance with the District's trustee responsibilities for commerce, navigation, fisheries, and recreation by expanding and protecting native habitats and ensuring regulatory compliance through sound resource management.

## **VISION**

To advance a thriving waterfront that is sustainable and prosperous while enhancing the quality of the natural environment for present and future generations.

## **GOALS**

- Ensure compliance with regulatory requirements from Army Corps of Engineers (ACOE) and Regional Water Quality Control Board (RWQCB) permits for the CIP and MM projects, resulting in zero fines in FY 2020.
- Entitle a wetlands mitigation bank for Pond 20 in FY 2020, including approval of the Environmental Impact Report; obtain Port Master Plan Update amendment; and construction permits. In FY 2021, initiate construction and the sale of mitigation credits, per Board Policy 774, the Pond 20 Economic Development Fund.
- Annually provide 35,000 students with environmental education, including lessons on pollution prevention and natural resources within San Diego Bay's watershed from FY 2020 through FY 2022.
- Protect and conserve the Bay's threatened and endangered species through active management of nesting sites, in accordance with the Bay-wide Integrated Natural Resources Management Plan (INRMP), by conducting predator management, vegetation control, and monitoring in FY 2020.
- Implement the Chula Vista Bayfront Natural Resources Management Plan, in coordination with the Wildlife Advisory Group, to ensure the protection of natural resources during the development of the RV Park, Sweetwater Park, and Hotel/Convention Center through environmental compliance and monitoring.

## **KEY SERVICES PROVIDED**

### **Compliance with Mandated Regulatory Requirements**

- Ensure compliance with federal, state, and local environmental laws and regulations.
- Obtain permits and ensure compliance of all CIP and MM in-water construction projects in accordance with ACOE and RWQCB permits.
- Renewal of, and compliance with, the ACOE Regional General Permit #72 for routine maintenance of District piers, docks, and wharves to facilitate the CIP and MM programs.
- Facilitate environmental education to promote pollution prevention and the Bay's natural resources.
- Coordination with resource agencies including U.S. Fish & Wildlife Service, National Marine Fisheries Service, and California Department of Fish & Wildlife to expedite District CIP, MM, and tenant development projects.
- Management of protected species and habitats.
- Manage Memorandum of Understanding (MOU) agreement with ACOE for Harbor Maintenance Trust Fund.
- Manage expedited permit review and processing for ACOE and RWQCB permit applications.
- Support Engineering Construction by obtaining ACOE and RWQCB permits for CIP and MM projects.
- Develop regulatory mitigation procedures for bay fill, eelgrass, wetlands, and upland habitat.
- Maintenance of mitigation credits/banks on District tidelands.
- Review proposed new legislation and provide comments.

### **Improving the quality of the Bay's natural resources through environmental stewardship**

- Manage the Bay's natural resources in accordance with the joint District and Navy Integrated Natural Resources Management Plan (INRMP).
- Support Development Services and Planning by reviewing CEQA documents for all District and Tenant maintenance and development projects and tenant project applications for natural resource issues.
- Assist tenants with their ACOE and RWQCB permit applications and expedited permit processing.
- Support the District's Environmental Advisory Committee and Wildlife Advisory Group.
- Manage endangered and threatened species, including control of predators.



# Environmental Conservation

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- Conduct bay-wide natural resources surveys in coordination with the Navy.
- Implement the Chula Vista Natural Resources Management Plan.
- Identify and apply for grant funding to implement District restoration and enhancement projects.
- Obtain entitlements for the San Diego Bay Native Oyster Living Shoreline to assist with resiliency.

## **Restoration and creation of the Bay's natural resources**

- Create a mitigation bank at Pond 20 to generate revenue and ensure mitigation is available for future District CIP, MM and tenant projects.
- Maintain and monitor eelgrass beds, which will be added to the mitigation bank by FY 2022.
- Conduct restoration of the Bay's natural resources through volunteer events and grant funding.
- Develop a mitigation banking restoration business plan which will create wetlands habitat to be added to the mitigation bank, for 5 acres at D Street Fill and 6 acres at Grand Caribe Isle South by FY 2026.

## **STRATEGIC PROJECTS SUPPORTED**

- UID24 - Circulate National City Balanced Land Use Plan Environmental Impact Review (EIR)
- UID25 - Identify Concept for Redevelopment of Harbor Island
- UID32 - Execute Disposition and Development Agreement (DDA) w/RIDA and Commence Construction of Chula Vista Bayfront
- UID33 - Advance Coronado Bridge Lighting Project
- UID47 - Develop Small and Medium Sized Aquaculture/Blue Tech Facility Concepts
- UID77 - Advance Mitigation Banking, including Pond 20

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Site Preparation at Chula Vista Bayfront
- Former Navy Pier Head House Demolition
- Shelter Island Boat Launch Facility Improvements
- National City Marina District Vision Plan Preliminary Planning
- B Street Mooring Dolphin
- Chula Vista Bayfront - South Campus Pavement & Foundation Demolition
- Cruise Ship Terminal Shore Power

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Structural Repairs at Navy Pier
- Fender System Upgrade at North Berth of B Street Pier
- Structural Repairs at Tuna Harbor Dock #1
- Light Fixture Replacement at Embarcadero Marina Park South Fishing Pier
- Structural Repairs at Imperial Beach Fishing Pier
- Sand Replenishment at Kellogg Beach
- Structural Repairs at Tuna Harbor Dock 2 & 3
- Under Pier Structural Repairs to Navy Pier
- Structural Repairs at NCMT Berth 24-11

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- Technology Maintenance Program projects are indirectly supported as part of the department's Key Services provided.

## Environmental Conservation

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Associate Planner	1	1
Director, Environmental Conservation	1	1
Senior Environmental Specialist	1	1
<b>TOTAL</b>	<b>3</b>	<b>3</b>

## Environmental Conservation

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 484,818	\$ 498,800	\$ 534,300	\$ 35,500	7.1 %
Non-Personnel Expense	992,959	1,401,100	1,531,000	129,900	9.3 %
<b>Total Direct Expense</b>	<b>\$ 1,477,777</b>	<b>\$ 1,899,900</b>	<b>\$ 2,065,300</b>	<b>\$ 165,400</b>	<b>8.7 %</b>
Less: Capitalized Expense	(14,401)	(16,100)	(8,000)	8,100	(50.3)%
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 1,463,376</b>	<b>\$ 1,883,800</b>	<b>\$ 2,057,300</b>	<b>\$ 173,500</b>	<b>9.2 %</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 319,513	\$ 326,400	\$ 332,000	\$ 5,600	1.7%
Overtime	—	—	400	400	N/A
Burden	165,304	172,400	201,900	29,500	17.1%
Temporary Personnel	—	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 484,818</b>	<b>\$ 498,800</b>	<b>\$ 534,300</b>	<b>\$ 35,500</b>	<b>7.1%</b>

**Environmental Conservation**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME	\$ —	\$ —	\$ —	\$ 400		
<b>Total:</b>	\$ —	\$ —	\$ —	\$ 400	\$ 400	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ —	\$ —	\$ —	\$ 400	\$ 400	N/A
610110 Books & Periodicals						
<b>Total:</b>	\$ 499	\$ —	\$ —	\$ —	\$ —	N/A
610120 Memberships & Dues						
MEMBERSHIPS & DUES	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500		
<b>Total:</b>	\$ 3,050	\$ 3,500	\$ 3,500	\$ 3,500	\$ —	0.0 %
610140 Seminars & Training						
SEMINARS & TRAINING	\$ 1,500	\$ 1,500	\$ 1,500	\$ 2,500		
<b>Total:</b>	\$ 2,310	\$ 1,500	\$ 1,500	\$ 2,500	\$ 1,000	66.7 %
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,500		
<b>Total:</b>	\$ 1,482	\$ 1,400	\$ 1,400	\$ 1,500	\$ 100	7.1 %
615110 Travel						
TRAVEL	\$ 2,500	\$ 2,500	\$ 2,500	\$ 3,500		
<b>Total:</b>	\$ 3,075	\$ 2,500	\$ 2,500	\$ 3,500	\$ 1,000	40.0 %
620100 Services - Professional & Other						
EELGRASS SURVEYS	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000		
ENDANGERED SPECIES MANAGEMENT	75,000	75,000	75,000	75,000		
ON-CALL NATURAL RESOURCE CONSULTANT	125,000	125,000	125,000	72,000		
<b>Total:</b>	\$ 9,320	\$ 220,000	\$ 220,000	\$ 167,000	\$ (53,000)	(24.1)%
630110 Equipment & Systems						
EQUIPMENT & SYSTEMS	\$ —	\$ —	\$ —	\$ 4,500		
OFFICE RECONFIGURATION	1,000	1,000	1,000	—		
<b>Total:</b>	\$ 430	\$ 1,000	\$ 1,000	\$ 4,500	\$ 3,500	350.0 %
630120 Equipment Rental & Leasing						
EQUIPMENT RENTAL & LEASING	\$ —	\$ —	\$ —	\$ 500		
<b>Total:</b>	\$ 501	\$ —	\$ —	\$ 500	\$ 500	N/A
630130 Office & Operating Supplies						
OFFICE & OPERATING SUPPLIES	\$ —	\$ —	\$ —	\$ 100		
<b>Total:</b>	\$ 10	\$ —	\$ —	\$ 100	\$ 100	N/A

**Environmental Conservation**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630140 Postage & Shipping						
POSTAGE & SHIPPING	\$ —	\$ —	\$ —	\$ 100		
<b>Total:</b>	\$ 1	\$ —	\$ —	\$ 100	\$ 100	N/A
630150 Safety Equipment & Supplies						
SAFETY EQUIPMENT & SUPPLIES	\$ 300	\$ 300	\$ 300	\$ 300		
<b>Total:</b>	\$ 128	\$ 300	\$ 300	\$ 300	\$ —	0.0 %
660110 Promotional Services						
PROMOTIONAL SERVICES	\$ 21,200	\$ 21,200	\$ 21,200	\$ 21,200		
<b>Total:</b>	\$ 20,000	\$ 21,200	\$ 21,200	\$ 21,200	\$ —	0.0 %
660135 Eligible Environment Fund Expenditures						
BAYWIDE FISH SURVEYS	\$ —	\$ —	\$ —	\$ 25,000		
BAYWIDE COLLABORATION	—	—	—	90,000		
CA SEA GRANT FELLOWS	67,000	67,000	67,000	70,000		
CLAPPER RAIL PROPAGATION PROGRAM	20,000	20,000	20,000	20,000		
CV BAYFRONT SETTLEMENT AGREEMENT	75,000	75,000	75,000	65,000		
ENVIRONMENTAL EDU SCHOOL PARTNERSHIP	300,000	300,000	300,000	300,000		
MITIGATION BANKING	628,200	628,200	628,200	601,800		
RESTORATION PROJECTS	5,000	5,000	5,000	10,000		
SHORELINE EROSION STUDY-OYSTER REEF	45,000	45,000	45,000	10,000		
<b>Total:</b>	\$ 947,838	\$ 1,140,200	\$ 1,140,200	\$ 1,191,800	\$ 51,600	4.5 %
660170 Joint Program Studies Assistance						
SANDAG-IMPERIAL BEACH SAND	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500		
WRDA MOU WITH ARMY CORP OF ENGINEERS	—	—	—	125,000		
<b>Total:</b>	\$ 4,159	\$ 4,500	\$ 4,500	\$ 129,500	\$ 125,000	2,777.8 %
670130 Permits/Certificates/License						
PERMITS & LICENCES	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000		
<b>Total:</b>	\$ 158	\$ 5,000	\$ 5,000	\$ 5,000	\$ —	0.0 %
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 992,959	\$ 1,401,100	\$ 1,401,100	\$ 1,531,000	\$ 129,900	9.3 %
<b>GRAND TOTAL:</b>	\$ 992,959	\$ 1,401,100	\$ 1,401,100	\$ 1,531,400	\$ 130,300	9.3 %

# Environmental Protection

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## **MISSION**

Develop a culture of environmental stewardship to protect and enhance the environmental health of the tidelands and its marine ecosystems. Support District and tenant projects through all facets of development and operation to ensure compliance with environmental laws and regulations.

## **VISION**

Pollution Prevention. Healthy Ecosystems. Enhanced Experiences.

## **GOALS**

- Take proactive actions to reduce the District's environmental footprint and improve water quality at the marine terminals through the implementation of stormwater Best Management Practices (BMP) by FY 2023.
- Improve stormwater asset and facility management by incorporating GIS tracking capabilities into the department's comprehensive stormwater database by FY 2021.
- Champion and promote a healthy bay through innovative videos and social media to increase awareness of the District's environmental initiatives by achieving two million impressions in FY 2020.
- Attain and maintain an annual 95% environmental compliance rate at District and tenant facilities through measured BMP implementation.
- Develop a report by FY 2021 that tracks trends in bay waters, sediments, and ecosystems through the Regional Harbor Monitoring Program to measure changes between FY 2013 and FY 2018 sampling efforts.

## **KEY SERVICES PROVIDED**

- Regulatory compliance oversight for stormwater permits, hazardous materials management, contaminated sediments and site clean ups, and Total Maximum Daily Loads (TMDL).
- Develop policy(ies) to ensure users of tidelands comply with water quality and stormwater regulations.
- Monitoring and reporting of bay ecosystems, water quality, sediment quality, marine life, stormwater discharges, and contaminated landside areas.
- Inspections of District properties, tenant facilities, construction sites, and stormdrains.
- Field investigations related to complaint response, illegal discharges, source assessment studies, and site condition assessments.
- Data tracking, analysis, and mapping related to stormwater discharges, bay health, site cleanups, and hazardous materials.
- Enforcement of the District's environmental ordinances and policies, stormwater regulations, and adherence to provisions in regulatory investigative orders, clean up orders, and TMDLs.
- Plan, review, and approval for stormwater-related conditions during project design and construction phases.
- Hazardous waste management for District-generated materials and wastes.
- Education, outreach, and training for internal departments, tenants, and the general public related to pollution prevention, stormwater requirements, bay conditions, and environmental stewardship.
- Agency collaboration with the Regional Water Quality Control Board, U.S. Environmental Protection Agency, Department of Pesticide Regulation, Department of Toxic Substances Control, local cities, County of San Diego, Caltrans, and water supply agencies.

## **STRATEGIC PROJECTS SUPPORTED**

- UID6 - Implement Geographical Information System (GIS) Management
- UID9 - Implement Stormwater Pollution Prevention Strategy
- UID19 - Process Port Master Plan Update (PMPU)
- UID21 - Recommendation to the Board on Building Permits
- UID32 - Execute Disposition and Development Agreement (DDA) w/RIDA and Commence Construction of Chula Vista Bayfront
- UID47 - Develop Small and Medium Sized Aquaculture/Blue Tech Facility Concepts

# Environmental Protection

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- Additional Strategic Projects are indirectly supported as part of the department's Key Services provided.

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Demolition and Site Improvements of Transit Sheds 1 and 2 at TAMT
- Site Preparation at Chula Vista Bayfront
- Former Navy Pier Headhouse Demolition
- Comfort Station & Street Ends Improvements at Beach Avenue
- Chula Vista Bayfront - South Campus Pavement & Foundation Demolition
- Additional Capital Improvement Projects are indirectly supported as part of the department's Key Services provided

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Roof Replacement at TAMT Warehouse B
- Roof Replacement at Material Support & Management Center
- Additional Major Maintenance Projects are indirectly supported as part of the department's Key Services provided.

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- GIS Roadmap Implementation
- Additional Technology Management Projects are indirectly supported as part of the department's Key Services provided.

## Environmental Protection

**Reclass:** 1 Associate Environmental Specialist to Program Manager, Planning & Green Port

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Associate Environmental Specialist	2	1
Director, Environmental Protection	1	1
Environmental Compliance Inspector	2	2
Program Manager, Planning & Green Port	2	3
Senior Environmental Specialist	5	5
<b>TOTAL</b>	<b>12</b>	<b>12</b>



## Environmental Protection

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 1,424,582	\$ 1,589,200	\$ 1,717,900	\$ 128,700	8.1 %
Non-Personnel Expense	1,650,231	3,408,000	2,617,400	(790,600)	(23.2)%
<b>Total Direct Expense</b>	<b>\$ 3,074,813</b>	<b>\$ 4,997,200</b>	<b>\$ 4,335,300</b>	<b>\$ (661,900)</b>	<b>(13.2)%</b>
Less: Capitalized Expense	(658)	(1,000)	(1,000)	—	0.0 %
Equipment Outlay and Other Capital Projects	9,942	125,000	325,000	200,000	160.0 %
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 3,084,097</b>	<b>\$ 5,121,200</b>	<b>\$ 4,659,300</b>	<b>\$ (461,900)</b>	<b>(9.0)%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 908,611	\$ 1,024,300	\$ 1,108,400	\$ 84,100	8.2%
Overtime	380	1,300	1,300	—	0.0%
Burden	515,591	563,600	608,200	44,600	7.9%
Temporary Personnel	—	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 1,424,582</b>	<b>\$ 1,589,200</b>	<b>\$ 1,717,900</b>	<b>\$ 128,700</b>	<b>8.1%</b>

## Environmental Protection

### EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS

DESCRIPTION	QTY	BUDGET FY 2020
STORMWATER BMP DESIGN AT NCMT BERTH 24	1	\$ 100,000
STORMWATER BMP DESIGN AT TAMT BASIN 1	1	200,000
TRASH BMP FOR STORMDRAIN, CORONADO	1	25,000
<b>TOTAL EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS</b>	<b>3</b>	<b>\$ 325,000</b>

**Environmental Protection**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 1,300		\$ 1,300		
<b>Total:</b>	\$ 380	\$ 1,300	\$ 1,300	\$ 1,300	\$ —	0.0 %
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 380	\$ 1,300	\$ 1,300	\$ 1,300	\$ —	0.0 %
610100 Awards AWARDS		\$ 700		\$ 700		
<b>Total:</b>	\$ —	\$ 700	\$ 700	\$ 700	\$ —	0.0 %
610120 Memberships & Dues MEMBERSHIPS & DUES		\$ 500		\$ 500		
<b>Total:</b>	\$ —	\$ 500	\$ 500	\$ 500	\$ —	0.0 %
610140 Seminars & Training SEMINARS & TRAINING		\$ 8,500		\$ 12,500		
<b>Total:</b>	\$ 3,825	\$ 8,500	\$ 8,500	\$ 12,500	\$ 4,000	47.1 %
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 800		\$ 800		
<b>Total:</b>	\$ 1,187	\$ 800	\$ 800	\$ 800	\$ —	0.0 %
615110 Travel TRAVEL		\$ 5,100		\$ 6,600		
<b>Total:</b>	\$ 6,012	\$ 5,100	\$ 5,100	\$ 6,600	\$ 1,500	29.4 %
620100 Services - Professional & Other ENVIRONMENTAL INVESTIGATIONS		\$ 155,000		\$ 610,000		
MS4 PERMIT-WATERSHED IMPLEMENTATION		58,000		28,000		
REGIONAL HARBOR MONITORING		514,500		150,000		
STORMWATER PROGRAM IMPLEMENTATION		523,000		822,500		
<b>Total:</b>	\$ 191,545	\$ 1,250,500	\$ 1,250,500	\$ 1,610,500	\$ 360,000	28.8 %
630110 Equipment & Systems EQUIPMENT & SYSTEMS		\$ 2,000		\$ 1,000		
<b>Total:</b>	\$ 2,849	\$ 2,000	\$ 2,000	\$ 1,000	\$ (1,000)	(50.0)%
630130 Office & Operating Supplies OFFICE & OPERATING SUPPLIES		\$ —		\$ 200		
<b>Total:</b>	\$ 213	\$ —	\$ —	\$ 200	\$ 200	N/A
630140 Postage & Shipping POSTAGE & SHIPPING		\$ 200		\$ 200		

**Environmental Protection  
EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>Total:</b>	\$ 162	\$ 200	\$ 200	\$ 200	\$ —	0.0 %
630150 Safety Equipment & Supplies						
SAFETY EQUIPMENT & SUPPLIES	\$ 900			\$ 900		
<b>Total:</b>	\$ 64	\$ 900	\$ 900	\$ 900	\$ —	0.0 %
630160 Small Tools						
SMALL TOOLS	\$ 500			\$ 300		
<b>Total:</b>	\$ —	\$ 500	\$ 500	\$ 300	\$ (200)	(40.0)%
650100 Facilities Maintenance						
FACILITIES MAINTENANCE	\$ 800			\$ —		
<b>Total:</b>	\$ —	\$ 800	\$ 800	\$ —	\$ (800)	(100.0)%
660100 Advertising						
ADVERTISING	\$ —	\$ —		\$ 500		
<b>Total:</b>	\$ —	\$ —	\$ —	\$ 500	\$ 500	N/A
660105 Marketing Outreach						
<b>Total:</b>	\$ 4,800	\$ —	\$ —	\$ —	\$ —	N/A
660110 Promotional Services						
PROMOTIONAL SERVICES	\$ 7,800			\$ 17,000		
<b>Total:</b>	\$ 4,625	\$ 7,800	\$ 7,800	\$ 17,000	\$ 9,200	117.9 %
660120 Promotional Materials						
PROMOTIONAL MATERIALS	\$ 2,600			\$ 10,000		
<b>Total:</b>	\$ —	\$ 2,600	\$ 2,600	\$ 10,000	\$ 7,400	284.6 %
660135 Eligible Environmental Fund Expenditures						
ENV MONITORING NEW INCUBATOR PROJECT	\$ 100,000			\$ —		
ENVIRONMENTAL CHAMPIONS	50,000			—		
ENVIRONMENTAL DATABASE & GIS TOOL	80,000			80,000		
REGIONAL HARBOR MONITORING	535,500			—		
STORMWATER CREDIT PROGRAM	50,000			—		
STORMWATER STRATEGY	265,000			—		
TRASH RETROFIT PROGRAM DEV	50,000			—		
<b>Total:</b>	\$ 788,213	\$ 1,130,500	\$ 1,130,500	\$ 80,000	\$ (1,050,500)	(92.9)%
660140 Remediation						
REMEDIATION	\$ 100,000			\$ 50,000		
<b>Total:</b>	\$ 31,667	\$ 100,000	\$ 100,000	\$ 50,000	\$ (50,000)	(50.0)%

**Environmental Protection  
EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
660150 Refuse & Hazardous Waste Disposal						
HAZARDOUS WASTE MANAGEMENT		\$ 142,000		\$ 158,000		
<b>Total:</b>	\$ 105,832	\$ 142,000	\$ 142,000	\$ 158,000	\$ 16,000	11.3 %
660170 Joint Program Studies Assistance						
BAYWIDE COLLABORATION		\$ 67,000		\$ 165,000		
CO-PERMITTEE COST SHARE		19,800		28,300		
COPPER REDUCTION PROGRAM		286,000		175,000		
INTEGRATED PEST MANAGEMENT		10,000		10,000		
REGULATORY FEES		145,000		150,600		
SHELTER ISLAND TMDL		90,000		90,000		
TMDL IMPLEMENTATION		95,000		29,000		
<b>Total:</b>	\$ 502,350	\$ 712,800	\$ 712,800	\$ 647,900	\$ (64,900)	(9.1)%
670130 Permits/Certificates/License						
PERMITS & LICENCES		\$ 41,800		\$ 19,800		
<b>Total:</b>	\$ 6,888	\$ 41,800	\$ 41,800	\$ 19,800	\$ (22,000)	(52.6)%
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 1,650,231	\$ 3,408,000	\$ 3,408,000	\$ 2,617,400	\$ (790,600)	(23.2)%
<b>GRAND TOTAL:</b>	\$ 1,650,611	\$ 3,409,300	\$ 3,409,300	\$ 2,618,700	\$ (790,600)	(23.2)%

## Executive Offices

**Add:** 1 Vice President of Maritime  
 1 Vice President of Planning, Environmental Protection and Conservation, and Government Relations

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Assistant to President/CEO	1	1
Assistant to Vice President	6	6
Assistant Vice President	4	4
Chief Administrative Officer/Vice President	1	1
Chief Financial Officer/Treasurer	1	1
Executive Director	1	1
Vice President of Maritime	0	1
Vice President of Marketing and Communications	1	1
Vice President of Planning, Environmental Protection and Conservation, and Government Relations	0	1
Vice President of Real Estate, Engineering, and Facilities	1	1
<b>TOTAL</b>	<b>16</b>	<b>18</b>

## Executive Offices

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 3,228,856	\$ 3,428,700	\$ 3,852,100	\$ 423,400	12.3 %
Non-Personnel Expense	149,062	587,100	507,700	(79,400)	(13.5)%
<b>Total Direct Expense</b>	<b>\$ 3,377,918</b>	<b>\$ 4,015,800</b>	<b>\$ 4,359,800</b>	<b>\$ 344,000</b>	<b>8.6 %</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 3,377,918</b>	<b>\$ 4,015,800</b>	<b>\$ 4,359,800</b>	<b>\$ 344,000</b>	<b>8.6 %</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2019-2018 BUDGET	% CHANGE
Salaries and Wages	\$ 2,312,772	\$ 2,341,200	\$ 2,808,400	\$ 467,200	20.0 %
Overtime	14,922	15,000	15,000	—	0.0 %
Burden	901,163	1,072,500	1,028,700	(43,800)	(4.1)%
Temporary Personnel	—	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 3,228,856</b>	<b>\$ 3,428,700</b>	<b>\$ 3,852,100</b>	<b>\$ 423,400</b>	<b>12.3 %</b>

**Executive Offices**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME		\$ 15,000		\$ 15,000		
<b>Total:</b>	\$ 14,922	\$ 15,000	\$ 15,000	\$ 15,000	\$ —	0.0 %
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 14,922	\$ 15,000	\$ 15,000	\$ 15,000	\$ —	0.0 %
610110 Books & Periodicals						
BOOKS & PERIODICALS		\$ 2,300		\$ 2,300		
<b>Total:</b>	\$ 1,242	\$ 2,300	\$ 2,300	\$ 2,300	\$ —	0.0 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 5,100		\$ 5,100		
<b>Total:</b>	\$ 708	\$ 5,100	\$ 5,100	\$ 5,100	\$ —	0.0 %
610120 Memberships & Dues						
MEMBERSHIP & DUES		\$ 6,400		\$ 6,400		
<b>Total:</b>	\$ 3,414	\$ 6,400	\$ 6,400	\$ 6,400	\$ —	0.0 %
610140 Seminars & Training						
DIVISION TRAINING		\$ 48,000		\$ 33,000		
SEMINARS & TRAINING		64,400		50,000		
<b>Total:</b>	\$ 28,590	\$ 112,400	\$ 112,400	\$ 83,000	\$ (29,400)	(26.2)%
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 21,200		\$ 21,200		
<b>Total:</b>	\$ 15,856	\$ 21,200	\$ 21,200	\$ 21,200	\$ —	0.0 %
615110 Travel						
TRAVEL		\$ 134,800		\$ 84,800		
<b>Total:</b>	\$ 42,387	\$ 134,800	\$ 134,800	\$ 84,800	\$ (50,000)	(37.1)%
620100 Services - Professional & Other						
SERVICES - PROFESSIONAL & OTHER		\$ 220,000		\$ 220,000		
<b>Total:</b>	\$ 4,750	\$ 220,000	\$ 220,000	\$ 220,000	\$ —	0.0 %
630130 Office & Operating Supplies						
OFFICE SUPPLIES		\$ 10,000		\$ 10,000		
<b>Total:</b>	\$ 7,506	\$ 10,000	\$ 10,000	\$ 10,000	\$ —	0.0 %
630140 Postage & Shipping						
POSTAGE		\$ 300		\$ 300		
<b>Total:</b>	\$ 227	\$ 300	\$ 300	\$ 300	\$ —	0.0 %



**Executive Offices**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
660110 Promotional Services						
PROMOTIONAL SERVICES		\$ 14,300		\$ 14,300		
<b>Total:</b>	\$ 12,272	\$ 14,300	\$ 14,300	\$ 14,300	\$ —	0.0 %
660120 Promotional Materials						
<b>Total:</b>	\$ 156	\$ —	\$ —	\$ —	\$ —	N/A
670130 Permits/Certificates/License						
PERMITS/CERTIFICATES/LICENSE		\$ 300		\$ 300		
<b>Total:</b>	\$ 216	\$ 300	\$ 300	\$ 300	\$ —	0.0 %
670190 Other Miscellaneous Operating Expenses						
CONTINGENCY		\$ 60,000		\$ 60,000		
<b>Total:</b>	\$ 31,738	\$ 60,000	\$ 60,000	\$ 60,000	\$ —	0.0 %
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 149,062	\$ 587,100	\$ 587,100	\$ 507,700	\$ (79,400)	(13.5)%
<b>GRAND TOTAL:</b>	\$ 163,984	\$ 602,100	\$ 602,100	\$ 522,700	\$ (79,400)	(13.2)%

## Financial Assistance

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ —	\$ —	\$ —	\$ —	N/A
Non-Personnel Expense	121,648	300,000	890,000	590,000	196.7%
<b>Total Direct Expense</b>	<b>\$ 121,648</b>	<b>\$ 300,000</b>	<b>\$ 890,000</b>	<b>\$ 590,000</b>	<b>196.7%</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 121,648</b>	<b>\$ 300,000</b>	<b>\$ 890,000</b>	<b>\$ 590,000</b>	<b>196.7%</b>

**Financial Assistance**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
660160 Financial Assistance/Grants/Contribution						
AIR FILTER INSTALLATION		\$ 300,000		\$ 300,000		
CLEAN AIR ACTION PLAN		—		250,000		
NATIONAL CITY BAYSHORE BIKEWAY		—		200,000		
SUSTAINABLE FREIGHT DEMONSTRATION		—		40,000		
WORKING WATERFRONT NOISE STUDY		—		100,000		
<b>Total:</b>	\$ 121,648	\$ 300,000	\$ 300,000	\$ 890,000	\$ 590,000	196.7%
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 121,648	\$ 300,000	\$ 300,000	\$ 890,000	\$ 590,000	196.7%
<b>GRAND TOTAL:</b>	\$ 121,648	\$ 300,000	\$ 300,000	\$ 890,000	\$ 590,000	196.7%

# Financial Services

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## **MISSION**

To safeguard the District's financial assets, provide expert financial planning and analysis and timely financial reporting, provide liquidity to fund its operations and capital requirements, provide effective risk management, ensure safe work practices, and provide excellent services to our customers and business partners.

## **VISION**

To provide and facilitate optimal financial management, treasury, and risk management and safety services for the District.

## **GOALS**

- Reduce financial reporting time by implementing a soft monthly close, with quarterly BPC reporting by January 2020.
- Develop an implementation plan to comply with Governmental Accounting Standards Board (GASB) No. 87 - Leases, which will be effective for the District beginning FY 2021.
- Update 5-Year Financial Cash Flow by the second quarter of the calendar year.
- Document all key processes and desk procedures, and cross-train staff to have a full back up support for each function by June 2020 to avoid single points of failure.

## **KEY SERVICES PROVIDED**

- **Financial Planning, Reporting, Analysis:** Comprehensive Annual Financial Report (CAFR), Quarterly Financial Reports and Performance Metrics, Monthly and Quarterly Treasurer's Reports, Continuing Disclosure for Series 2004 and 2013 Bonds, Special District Reports, American Association of Port Authorities, Member City, Terminal, State Lands Commissions, etc.
- **Budget Administration:** Plan and coordinate annual budget process, budget book development, budget workshop through budget approval and adoption, mid-year budget review, and budget transfers.
- **Accounting:** Accounts receivable/billing, tenant and customer account maintenance, collections, accounts payable, and regulatory and reporting compliance.
- **Payroll:** Bi-weekly payroll processing, timecard administration, HR master data entries, and payroll regulatory reporting compliance and updates.
- **Treasury and Cash Management:** Manage daily cash liquidity, wire transfers, District's fixed-income investment portfolio, banking relationships, debt administration functions, and review and approve routed agenda financial impact statements.
- **Audit Support:** Annual external independent audit, airport audit, workers' compensation audit, granting agencies audits, and internal audits.
- **Grants:** Monthly billings, monthly and quarterly financial reporting, and A-133 Single Audit.
- **Special Programs/Projects:** Bond issuance and refinancing, annual credit agency surveillance reviews, cost recovery, overhead analysis, burden analysis, and Teamster negotiations.
- **Systems Support:** Grants module implementation, HR/Payroll module upgrade, RE module implementation, Workiva, travel module enhancements, SAP enhancement support, and IT system upgrades.
- **Five-Year Cash Flow Forecast**
- **Risk Management**

## **STRATEGIC PROJECTS SUPPORTED**

- UID324 - Execute Cruise & Infrastructure Optimization

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- CIP projects are indirectly supported as part of the department's Key Services provided.

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Major Maintenance projects are indirectly supported as part of the department's Key Services provided.

# Financial Services

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## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- D2 Replacement
- Employee Portal
- Concur Travel Management
- Enterprise Asset Management System (salesforce module)
- Grants Management

## Financial Services

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Accounting Supervisor	1	1
Department Manager, Financial Services	3	3
Deputy Treasurer	1	1
Director, Financial Services	1	1
Executive Assistant I (Unclassified)	1	1
Financial Technician	3	3
Lead Accounting Technician	2	2
Payroll Specialist	1	1
Payroll Technician	1	1
Risk and Safety Manager	1	1
Risk Management Analyst	1	1
Safety Specialist II	2	2
Senior Accountant	2	2
Senior Financial Analyst	5	5
<b>TOTAL</b>	<b>25</b>	<b>25</b>

## Financial Services

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 3,208,467	\$ 3,583,700	\$ 3,620,500	\$ 36,800	1.0 %
Non-Personnel Expense	1,442,910	1,777,600	1,654,700	(122,900)	(6.9)%
<b>Total Direct Expense</b>	<b>\$ 4,651,377</b>	<b>\$ 5,361,300</b>	<b>\$ 5,275,200</b>	<b>\$ (86,100)</b>	<b>(1.6)%</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 4,651,377</b>	<b>\$ 5,361,300</b>	<b>\$ 5,275,200</b>	<b>\$ (86,100)</b>	<b>(1.6)%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 1,948,854	\$ 2,146,400	\$ 2,192,800	\$ 46,400	2.2 %
Overtime	1,952	—	—	—	N/A
Burden	1,257,661	1,437,300	1,427,700	(9,600)	(0.7)%
Temporary Personnel	—	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 3,208,467</b>	<b>\$ 3,583,700</b>	<b>\$ 3,620,500</b>	<b>\$ 36,800</b>	<b>1.0 %</b>

**Financial Services**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
<b>Total:</b>	\$ 1,952	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 1,952	\$ —	\$ —	\$ —	\$ —	N/A
610100 Awards - Service						
RISK - SAFETY AWARDS	\$ 2,000			\$ 2,000		
<b>Total:</b>	\$ 1,043	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
610110 Books & Periodicals						
PROFESSIONAL PUBLICATIONS	\$ 1,000			\$ 1,000		
RISK - PUBLICATIONS	1,200			1,200		
<b>Total:</b>	\$ 1,933	\$ 2,200	\$ 2,200	\$ 2,200	\$ —	0.0 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION	\$ 800			\$ 800		
<b>Total:</b>	\$ 846	\$ 800	\$ 800	\$ 800	\$ —	0.0 %
610120 Memberships & Dues						
AMER INST OF CPA'S	\$ 300			\$ 300		
ASSN FOR FINANCIAL PROF'LS	600			600		
CA MUNI TREASURERS ASSN	300			300		
CA SOC OF CPA'S	1,600			1,600		
CA SOC OF MUNI FINANCE OFFICER	500			500		
GOVT FINANCE OFFICERS ASSN	800			800		
MEMBERSHIPS & DUES	1,000			1,000		
RISK - RELATED	1,000			1,000		
SAN DIEGO CREDIT ASSOCIATION	300			300		
<b>Total:</b>	\$ 5,767	\$ 6,400	\$ 6,400	\$ 6,400	\$ —	0.0 %
610130 Recruiting						
<b>Total:</b>	\$ 197	\$ —	\$ —	\$ —	\$ —	N/A
610140 Seminars & Training						
AAPA	\$ 1,500			\$ 1,500		
ANNUAL GOVT GAAP UPDATE	1,600			500		
AP/1099/SALES TAX TRAINING	1,000			1,000		
APA PAYROLL TRAINING	3,900			2,100		
ASSN FOR FINANCIAL PROF'LS	1,700			1,700		
CA MUNI TREASURER'S ASSN	500			500		
CA SOC OF CPA'S	1,500			1,500		



**Financial Services**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
CA SOC OF MUNI FINANCE OFFICER		1,000		1,000		
CERTIFICATION COURSES & WEBINARS		500		500		
GOVT FINANCE OFFICERS ASSN		3,000		3,000		
GRANT TRAINING		1,000		1,000		
LEAN SIX SIGMA-GREEN BELT TRAINING		11,700		—		
RISK - RELATED		2,500		2,500		
TECHNICAL TRAINING		5,200		—		
WORKIVA		2,000		—		
<b>Total:</b>	\$ 17,559	\$ 38,600	\$ 38,600	\$ 16,800	\$ (21,800)	(56.5)%
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 4,500		\$ 4,500		
RISK - RELATED		300		300		
<b>Total:</b>	\$ 3,048	\$ 4,800	\$ 4,800	\$ 4,800	\$ —	0.0 %
615110 Travel						
AAPA TRAVEL		\$ 2,500		\$ —		
APA CONFERENCE		2,000		2,000		
ASSN FOR FINANCIAL PROF'LS		1,900		—		
CA SOC OF MUNI FINANCE OFFICER		3,300		—		
GOVT FINANCE OFFICERS ASSN		3,500		3,500		
RISK - RELATED		2,500		2,500		
WORKIVA		3,000		—		
<b>Total:</b>	\$ 1,901	\$ 18,700	\$ 18,700	\$ 8,000	\$ (10,700)	(57.2)%
620100 Services - Professional & Other						
ACTUARIAL VALUATION SERVICES		\$ 17,000		\$ 17,000		
ARBITRAGE FEES - BONDS		4,200		4,200		
BLOOMBERG FINANCE LP		34,000		—		
INVESTMENT PORTFOLIO FEE		1,900		1,900		
LEASE ACCT/CODIFICATION FIN RPT		38,100		38,100		
REVENUE BONDS TRUSTEE		1,600		1,600		
RISK - ACCIDENT INVESTIGATIONS		2,000		2,000		
RISK - AED PROGRAM		600		600		
RISK - HEARING CONSERVATION		2,500		2,500		
RISK - INSURANCE CERT TRACKING		15,000		5,000		
RISK - PHYSICALS		19,000		9,500		
UNION BANK OF CA TRUST ACCT		11,000		10,000		
US BANK (ESCROW AGNT DEP FEE)		1,600		1,600		

**Financial Services**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>Total:</b>	\$ 141,748	\$ 148,500	\$ 148,500	\$ 94,000	\$ (54,500)	(36.7)%
630110 Equipment & Systems						
EQUIPMENT & SYSTEMS		\$ 4,500		\$ 4,500		
RISK - RELATED		20,000		10,000		
<b>Total:</b>	\$ 19,265	\$ 24,500	\$ 24,500	\$ 14,500	\$ (10,000)	(40.8)%
630130 Office & Operating Supplies						
OFFICE SUPPLIES		\$ 17,000		\$ 17,000		
<b>Total:</b>	\$ 16,209	\$ 17,000	\$ 17,000	\$ 17,000	\$ —	0.0 %
630140 Postage & Shipping						
POSTAGE & SHIPPING		\$ 6,000		\$ 5,000		
<b>Total:</b>	\$ 5,022	\$ 6,000	\$ 6,000	\$ 5,000	\$ (1,000)	(16.7)%
630150 Safety Equipment & Supplies						
RISK - RELATED		\$ 4,000		\$ 2,000		
<b>Total:</b>	\$ 6,564	\$ 4,000	\$ 4,000	\$ 2,000	\$ (2,000)	(50.0)%
650120 Equipment Maintenance - Supplies						
RISK - RELATED		\$ 1,200		\$ 1,200		
<b>Total:</b>	\$ 233	\$ 1,200	\$ 1,200	\$ 1,200	\$ —	0.0 %
650130 Equipment Maintenance - Outside Services						
RISK - RELATED		\$ 2,000		\$ 2,000		
<b>Total:</b>	\$ —	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
660110 Promotional Services						
PROMOTIONAL SERVICES		\$ 1,000		\$ 1,000		
RISK - RELATED		1,500		1,500		
<b>Total:</b>	\$ 484	\$ 2,500	\$ 2,500	\$ 2,500	\$ —	0.0 %
670105 Bank & Credit Card Fees						
BANK FEES		\$ 49,000		\$ 49,000		
CREDIT CARD FEES		12,000		12,000		
<b>Total:</b>	\$ 47,215	\$ 61,000	\$ 61,000	\$ 61,000	\$ —	0.0 %
670110 Insurance						
RISK - BROKER FEES		\$ 45,000		\$ 20,000		
RISK - INSURANCE PREMIUMS		1,381,000		1,381,500		
<b>Total:</b>	\$ 1,171,700	\$ 1,426,000	\$ 1,426,000	\$ 1,401,500	\$ (24,500)	(1.7)%
670120 Insurance Claims						

**Financial Services**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
RISK - RELATED		\$ 5,000		\$ 5,000		
<b>Total:</b>	\$ 1,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ —	0.0 %
670130 Permits/Certificates/License						
PERMITS/CERTIFICATES/LICENSE		\$ 400		\$ 2,000		
RISK - RELATED		6,000		6,000		
<b>Total:</b>	\$ 1,176	\$ 6,400	\$ 6,400	\$ 8,000	\$ 1,600	25.0 %
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 1,442,910	\$ 1,777,600	\$ 1,777,600	\$ 1,654,700	\$ (122,900)	(6.9)%
<b>GRAND TOTAL:</b>	\$ 1,444,862	\$ 1,777,600	\$ 1,777,600	\$ 1,654,700	\$ (122,900)	(6.9)%

# General Services

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## **MISSION**

Provide cost-effective, reliable, and responsive support services through sustainable maintenance of District assets

## **VISION**

Excellence, innovation, and leadership in maintenance and support services.

## **GOALS**

- Reduce maintenance backlog by 10% by Q3 FY 2020.
- Increase as-scheduled preventive maintenance completion rates by 10% by Q3 FY 2020.
- Respond to Best Management Practices related maintenance actions within 14 days of notification by Q2 FY 2020.
- Incorporate technology solutions to reduce administrative overhead in the field by 25% by Q3 FY 2020.
- Reduce and prevent safety mishaps/accidents by 10% by Q3 FY 2020.

## **KEY SERVICES PROVIDED**

- Preventive maintenance of District assets.
- Corrective maintenance of District assets.
- New construction (limited to \$65,000 and below by law).
- Support services (including but not limited to pest control, special events support, refuse and debris removal, and furniture/equipment moves).
- Maintenance services agreement management.
- Trade-specific technical consultation.
- Scheduled inspections of District's assets.
- Centralized fleet asset management program.
- Support services for cruise ship and maritime terminal operations.

## **STRATEGIC PROJECTS SUPPORTED:**

- UID6 - Implement Geographical Information System (GIS) Management
- UID8 - Develop a Project Management and Governance Approach (PMO)
- UID9 - Implement Stormwater Pollution Prevention Strategy
- UID17 - Develop Plan to Improve Workplace Environment
- UID20 - Develop a Port Mobility Strategy
- UID33 - Advance Coronado Bridge Lighting Project
- UID54 - Develop Baywide Signage Plan
- Additional Strategic projects are indirectly supported as part of the department's Key Services provided.

## **CAPITAL IMPROVEMENT PROJECTS (CIP) SUPPORTED:**

- Microgrid Infrastructure at TAMT
- Chula Vista Bayfront - South Campus Pavement & Foundation Demolition
- Additional Capital Improvement Program projects are indirectly supported as part of the department's Key Services provided.

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED:**

- Structural Repairs at Navy Pier
- Roof Replacement at TAMT Warehouse B
- Structural Repairs at Tuna Harbor Dock #1
- Roof Replacement at Material Support & Management Center
- Light Fixture Replacement at Embarcadero Marina Park South Fishing Pier
- Forklift Charger Electrical Connections at B Street Pier Cruise Ship Terminal

## General Services

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- New Water Service at TAMT Warehouse B
- Structural Repairs at Imperial Beach Fishing Pier
- Sand Replenishment at Kellogg Beach
- Additional Major Maintenance projects are indirectly supported as part of the department's Key Services provided.

### **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED:**

- Fiber Optic
- Emergency Operations Center (AMSC MUC)
- GIS Roadmap Implementation
- Additional Technology Management Program projects are indirectly supported as part of the department's Key Services provided.

## General Services

### REGULAR POSITIONS

**Retitle:** 1 Maintenance Planning Supervisor to Maintenance Support Supervisor

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Administrative Assistant II (Classified)	2	2
Assistant Director, General Services	1	1
Carpenter	1	1
Department Business Manager	2	2
Director, General Services	1	1
Electrician	6	6
Equipment Operator	4	4
Executive Assistant I (Classified)	1	1
Financial Technician	1	1
Fleet Maintenance Technician	3	3
Gardener	11	11
HVAC Technician	1	1
Lead Carpenter	1	1
Lead Custodian	1	1
Lead Electrician	1	1
Lead Equipment Operator	1	1
Lead Fleet Maintenance Technician	1	1
Lead Gardener	4	4
Lead Maintenance Mechanic	1	1
Lead Maintenance Worker	3	3
Lead Marine Mechanic	1	1
Lead Painter	1	1
Lead Plumber	1	1
Locksmith	1	1
Maintenance Mechanic	1	1
Maintenance Planner/Inspector	3	3
Maintenance Planning Supervisor	1	0
Maintenance Supervisor	3	3
Maintenance Support Supervisor	0	1
Maintenance Worker I	14	14
Maintenance Worker II	14	14
Manager, Maintenance Systems	1	1
Marine Mechanic	2	2
Painter	2	2
Parking Meter Repair/Collector	2	2
Plumber	3	3
Senior Tool Room Technician	1	1
Tool Room Technician	1	1
<b>TOTAL</b>	<b>99</b>	<b>99</b>

## General Services

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 11,684,456	\$ 12,050,500	\$ 12,438,600	\$ 388,100	3.2 %
Non-Personnel Expense	7,571,033	6,049,100	5,740,000	(309,100)	(5.1)%
<b>Total Direct Expense</b>	<b>\$ 19,255,489</b>	<b>\$ 18,099,600</b>	<b>\$ 18,178,600</b>	<b>\$ 79,000</b>	<b>0.4 %</b>
Less: Capitalized Expense	(145,274)	(255,200)	(150,000)	105,200	(41.2)%
Equipment Outlay and Other Capital Projects	729,305	2,083,000	1,440,500	(642,500)	(30.8)%
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 19,839,520</b>	<b>\$ 19,927,400</b>	<b>\$ 19,469,100</b>	<b>\$ (458,300)</b>	<b>(2.3)%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 6,383,161	\$ 6,938,000	\$ 7,054,800	\$ 116,800	1.7%
Overtime	269,629	250,000	250,000	—	0.0%
Burden	4,497,550	4,862,500	5,133,800	271,300	5.6%
Temporary Personnel	534,116	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 11,684,456</b>	<b>\$ 12,050,500</b>	<b>\$ 12,438,600</b>	<b>\$ 388,100</b>	<b>3.2%</b>

## General Services

### EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS

DESCRIPTION	QTY	BUDGET FY 2020
10 YARD DUMP TRUCK	1	\$ 176,000
3/4 TON CREW CAB PICKUP XL - HYBRID	2	96,000
3/4 TON CREW CAB STAKEBED XL - HYBRID	1	63,000
3/4 TON GARDENER UTILITY TRUCKS XL - HYBRID	1	63,000
CENTER CONSOLE BOAT	1	137,000
FIREBOAT MARINE 1 REPLACE PARTS	2	170,000
FIREBOAT MARINE 6 REPLACE ENGINES <sup>(1)</sup>	2	66,000
FIREBOAT MARINE 7 REPLACE ENGINES <sup>(1)</sup>	2	66,000
FIREBOAT MARINE 8 REPLACE ENGINES <sup>(1)</sup>	3	99,000
FLATBED/STAKEBED TRUCK	1	60,000
GUTTER REPLACEMENT AT GENERAL SERVICES	1	150,000
LIGHT TOWER TRAILERS	3	34,500
MID SIZE SUV	2	68,000
REFUSE MINI PACKER/LOADER	1	167,000
SAFEBOAT SPARE ENGINE <sup>(1)</sup>	1	25,000
<b>TOTAL EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS</b>	<b>24</b>	<b>\$ 1,440,500</b>

**Note:**

(1) Partially grant funded



**General Services**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME		\$ 250,000		\$ 250,000		
<b>Total:</b>	\$ 269,629	\$ 250,000	\$ 250,000	\$ 250,000	\$ —	0.0 %
600120 Temporary Personnel						
<b>Total:</b>	\$ 534,116	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 803,745	\$ 250,000	\$ 250,000	\$ 250,000	\$ —	0.0 %
610110 Books & Periodicals						
TRADE RELATED		\$ 1,700		\$ 1,700		
<b>Total:</b>	\$ 1,728	\$ 1,700	\$ 1,700	\$ 1,700	\$ —	0.0 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 2,800		\$ 2,800		
<b>Total:</b>	\$ 1,223	\$ 2,800	\$ 2,800	\$ 2,800	\$ —	0.0 %
610120 Memberships & Dues						
MEMBERSHIPS & DUES		\$ 1,900		\$ 1,900		
<b>Total:</b>	\$ 1,081	\$ 1,900	\$ 1,900	\$ 1,900	\$ —	0.0 %
610140 Seminars & Training						
COMPREHENSIVE DEPT TRAINING PROG		\$ 56,000		\$ —		
SKILLS TRAINING		26,900		13,400		
<b>Total:</b>	\$ 66,803	\$ 82,900	\$ 82,900	\$ 13,400	\$ (69,500)	(83.8)%
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 2,300		\$ 2,300		
<b>Total:</b>	\$ 2,228	\$ 2,300	\$ 2,300	\$ 2,300	\$ —	0.0 %
615110 Travel						
CUMMINS ENGINE TRAINING		\$ —		\$ 7,500		
TRAVEL		—		11,000		
<b>Total:</b>	\$ 16,445	\$ —	\$ —	\$ 18,500	\$ 18,500	(42.9)%
630120 Equipment Rental/Leasing						
CRANE RENTAL		\$ 30,000		\$ —		
EMISSION ANALYZER		7,500		1,500		
HEAVY EQUIPMENT		60,000		40,000		
PORTABLE TOILET RENTAL		40,000		40,000		
STUDENT WORKER VEHICLE RENTAL		—		2,000		
<b>Total:</b>	\$ 148,795	\$ 137,500	\$ 137,500	\$ 83,500	\$ (54,000)	(39.3)%

**General Services**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630130 Office & Operating Supplies						
SUPPLIES		\$ 16,200		\$ 8,000		
TWIC-TRANSPORTATION WORKER ID		3,500		3,500		
<b>Total:</b>	\$ 29,153	\$ 19,700	\$ 19,700	\$ 11,500	\$ (8,200)	(41.6)%
630140 Postage & Shipping						
POSTAGE & SHIPPING		\$ 500		\$ 500		
<b>Total:</b>	\$ 650	\$ 500	\$ 500	\$ 500	\$ —	0.0 %
630150 Safety Equipment & Supplies						
FIRE EXTINGUISHERS		\$ 5,000		\$ 5,000		
SAFETY BOOTS		1,400		1,400		
SAFETY INCENTIVE		8,800		8,800		
SAFETY SHOES		13,200		13,200		
SAFETY SUPPLIES & EQUIPMENT		18,000		33,300		
<b>Total:</b>	\$ 52,020	\$ 46,400	\$ 46,400	\$ 61,700	\$ 15,300	33.0 %
630160 Small Tools						
SMALL TOOLS FOR MAINT OPERS		\$ 65,700		\$ 32,900		
<b>Total:</b>	\$ 80,604	\$ 65,700	\$ 65,700	\$ 32,900	\$ (32,800)	(49.9)%
630170 Fuel & Lubricants						
CNG/PROPANE		\$ 5,000		\$ 23,000		
GAS/DIESEL		564,000		608,000		
MOTOR OIL		7,500		7,500		
<b>Total:</b>	\$ 551,534	\$ 576,500	\$ 576,500	\$ 638,500	\$ 62,000	10.8 %
630180 Parking Meter Supplies						
<b>Total:</b>	\$ 38,194	\$ —	\$ —	\$ —	\$ —	N/A
630200 Uniforms						
UNIFORM CONSUMABLES		\$ —		\$ 5,000		
UNIFORM JACKET		3,000		4,500		
UNIFORM SERVICE		40,000		40,000		
<b>Total:</b>	\$ 52,113	\$ 43,000	\$ 43,000	\$ 49,500	\$ 6,500	15.1 %
650100 Facilities Maintenance-Supplies						
ALL CREWS		\$ 726,000		\$ 732,000		
LANDSCAPE, LAWNS, SHRUBS, PLANTERS		100,000		50,000		
RUOCCO PARK FIXTURE CONTINGENCY		10,000		8,000		
<b>Total:</b>	\$ 1,206,344	\$ 836,000	\$ 836,000	\$ 790,000	\$ (46,000)	(5.5)%

**General Services**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
650110 Facilities Maintenance-Outside Services						
ANIMAL AND PEST CONTROL		\$ 46,000		\$ 71,000		
BIRD ABATEMENT		—		13,200		
COLD IRONING & HIGH VOLTAGE MAINT		44,000		69,000		
CONCRETE & DELIVERY		—		27,000		
CUSTODIAL SERVICES		565,000		617,000		
CUSTODIAL SERVICES - AQUATIC CENTER		—		20,000		
ELEVATOR MAINT		60,000		60,000		
FIRE ALARMS MONITORING		35,000		35,000		
GRAFFITI REMOVAL		70,000		70,000		
HARBOR DRIVE LANDSCAPE		165,000		242,000		
HVAC OTHER LOCATIONS		158,000		161,900		
NEVP MAINTENANCE CONTRACT		300,000		300,000		
PLAYGROUND INSPECTIONS		6,000		6,000		
RUOCCO PARK MAINTENANCE		91,000		91,000		
SPRINKLER HEAD REPLACE/CERT		9,000		9,000		
STORMWATER BMP MAINTENANCE		356,000		256,000		
STREET LIGHTING		5,000		5,000		
WASTE MANAGEMENT PROGRAM		200,000		272,000		
WINDOW CLEANING		31,000		35,000		
WINDOW COVERINGS		5,000		—		
<b>Total:</b>	\$ 2,162,259	\$ 2,146,000	\$ 2,146,000	\$ 2,360,100	\$ 214,100	10.0 %
650120 Equipment Maintenance-Supplies						
AUTOMOTIVE EQ/BOATS		\$ 240,000		\$ 240,000		
FORD PARTS		15,300		15,300		
TIRES		23,000		23,000		
<b>Total:</b>	\$ 405,860	\$ 278,300	\$ 278,300	\$ 278,300	\$ —	0.0 %
650130 Equipment Maintenance-Outside Services						
COMPREHENSIVE MARINE VESSEL MAINT		\$ 490,000		\$ 250,000		
EQUIPMENT CERTIFICATION AND INSPECT		5,000		5,000		
FIRE EXTINGUISHER HYDROTEST		2,300		2,300		
HPD AUTO BODY REPAIRS		9,000		9,000		
MOWER REEL MAINTENANCE		30,000		20,000		
OTHER EQUIPMENT SERVICE/MAINT		56,000		46,000		
PARTS CLEANER		2,800		4,000		
TANK FUEL STATIONS, LIFTS & CRANES		20,000		20,000		

**General Services**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
VEHICLE DETAILING		10,000		10,000		
VEHICLE PAINTING		40,000		40,000		
<b>Total:</b>	\$ 775,489	\$ 665,100	\$ 665,100	\$ 406,300	\$ (258,800)	(38.9)%
650131 As - Needed Maintenance						
ABANDONED & DERELICT VESSEL	\$ 420,000			\$ 472,000		
BROADWAY PAVILION LIGHTING	5,000			5,000		
BRUSH AND WEED REMOVAL	30,000			—		
CARPET PROJECT INSTALLATION	112,000			—		
CONCRETE PUMP SERVICES	10,000			10,000		
CST SPRUNG STRUCTURE/WINDOW CLNG	7,800			—		
DOORS (ROLL UP) MAINTENANCE	30,000			30,000		
DOORS AND GATES, ELECTRIC	20,000			20,000		
DUMPSTER SERVICE TRANSFER	90,000			90,000		
EMERGENCY CLEAN-UP	—			27,000		
MISC SMALL OUTSIDE SERVICES	70,000			56,800		
POWER WASHING	—			45,800		
ROOF MAINTENANCE	15,000			15,000		
STREET SWEEPING MAINT	25,000			25,000		
TRASH & LITTER REMOVAL	60,000			60,000		
TREE TRIMMING	225,000			100,000		
UNDERGROUND SERVICE ALERT	2,000			2,000		
UTILITY LEAK DETECTION	5,000			5,000		
WINDOW COVERING REPLACE/REPAIRS	—			7,000		
<b>Total:</b>	\$ 1,964,553	\$ 1,126,800	\$ 1,126,800	\$ 970,600	\$ (156,200)	(13.9)%
660150 Refuse & Hazardous Waste Disposal						
REFUSE & HAZ WASTE	\$ 1,000			\$ 1,000		
<b>Total:</b>	\$ 455	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
670130 Permits/Certificates/License						
PERMIT/CERT/LICENSE	\$ 15,000			\$ 15,000		
<b>Total:</b>	\$ 13,501	\$ 15,000	\$ 15,000	\$ 15,000	\$ —	0.0 %
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 7,571,033	\$ 6,049,100	\$ 6,049,100	\$ 5,740,000	\$ (309,100)	(5.1)%
<b>GRAND TOTAL:</b>	\$ 8,374,778	\$ 6,299,100	\$ 6,299,100	\$ 5,990,000	\$ (309,100)	(4.9)%

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# Government & Civic Relations

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## **MISSION**

Identify solutions that lead to the implementation of District policies and projects by successfully engaging with local, state, national, and international governments, as well as civic groups and other parties.

## **VISION**

To be a center of excellence in government and civic relations and to support the District's goals by promoting communication, relationship building, and policy development.

## **GOALS**

- Track, monitor, and communicate external issues, legislation, and other events that may impact the District. Advance legislative and policy priorities through the District's legislative consultants in Sacramento and Washington, D.C.
- Provide consultation and insight regarding present and future regulatory issues and policy focus areas.
- Advocate for the District on key issues at the regional, state and federal levels, including but not limited to: terminal infrastructure and operations, and public infrastructure.
- Work with internal District staff, the General Counsel's office, and the Board on priorities and projects, including policy design, analysis, and implementation. Develop and communicate strategic messaging with outside stakeholders, agencies, and communities regarding high profile projects.
- Management of the District's grants efforts.

## **KEY SERVICES PROVIDED**

- Legislative
  - Provide tracking, opposition/support recommendations, and lobbying on state and federal bills. This department currently works on approximately 300 bills annually.
  - Advocate on state administrative regulations including California Air Resources Board, California Public Utilities Commission, California Fish and Wildlife, California Coastal Commission, California State Lands Commission, California Ocean Protection Council, and other agencies.
- Local Government Affairs
  - Oversee Maritime Industrial Impact Fund (MIIF).
  - Coordinate and manage community outreach efforts to local governments, agencies, and key stakeholder groups
  - Staff external committees, including SANDAG working groups and the Barrio Logan Planning Group.
  - Prepare speeches and talking points for Commissioners and other District representatives at high profile events.
  - Oversee local protocol efforts.
- Policy
  - Provide economic analysis in the form of reports and whitepapers on key District priorities.
  - Oversee the biannual Economic Impact Report.
  - Oversee the policy initiatives that exist outside of Planning and Green Port, Maritime, and Real Estate and support policy initiatives that impact Planning, Maritime, Planning and Green Port, and Real Estate.
  - Oversee political strategy on high profile projects.
  - Oversee memberships including representing the District with California Association of Port Authorities (CAPA), American Association of Port Authorities (AAPA), and others.
- Grants Management
  - Pursue security, environmental, and infrastructure funding from state and federal sources.
  - Oversee the management of awarded grant funds.
  - Coordinate with auditors as needed.

## **STRATEGIC PROJECTS SUPPORTED**

- Strategic projects are indirectly supported as part of the department's Key Services provided.

## Government & Civic Relations

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### **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Capital Improvement Program projects are indirectly supported as part of the department's Key Services provided.

### **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- Technology Management Program projects are indirectly supported as part of the department's Key Services provided.

## Government & Civic Relations

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Legislative Policy Administrator	1	1
Management Analyst	2	2
Manager, Grants and Policy	1	1
Principal, Economics and Policy	1	1
Program Manager	1	1
<b>TOTAL</b>	<b>6</b>	<b>6</b>



## Government & Civic Relations

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 790,679	\$ 824,300	\$ 848,600	\$ 24,300	2.9%
Non-Personnel Expense	927,750	617,500	696,900	79,400	12.9%
<b>Total Direct Expense</b>	<b>\$ 1,718,429</b>	<b>\$ 1,441,800</b>	<b>\$ 1,545,500</b>	<b>\$ 103,700</b>	<b>7.2%</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 1,718,429</b>	<b>\$ 1,441,800</b>	<b>\$ 1,545,500</b>	<b>\$ 103,700</b>	<b>7.2%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 612,835	\$ 624,300	\$ 636,500	\$ 12,200	2.0%
Overtime	—	—	—	—	N/A
Burden	177,844	200,000	212,100	12,100	6.1%
Temporary Personnel	—	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 790,679</b>	<b>\$ 824,300</b>	<b>\$ 848,600</b>	<b>\$ 24,300</b>	<b>2.9%</b>

**Government & Civic Relations**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
610110 Books & Periodicals						
GOV/PROFESSIONAL PUBLICATIONS	\$	3,500		\$ 1,000		
<b>Total:</b>	\$ 970	\$ 3,500	\$ 3,500	\$ 1,000	\$ (2,500)	(71.4)%
610115 Employee Recognition						
EMPLOYEE RECOGNITION	\$	200		\$ 200		
<b>Total:</b>	\$ 211	\$ 200	\$ 200	\$ 200	\$ —	0.0 %
610120 Memberships & Dues						
MEMBERSHIPS & DUES	\$	160,000		\$ 160,000		
<b>Total:</b>	\$ 161,218	\$ 160,000	\$ 160,000	\$ 160,000	\$ —	0.0 %
610140 Seminars & Training						
PORT-RELATED CONFERENCES	\$	5,000		\$ 7,500		
<b>Total:</b>	\$ 7,326	\$ 5,000	\$ 5,000	\$ 7,500	\$ 2,500	50.0 %
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT	\$	500		\$ 800		
<b>Total:</b>	\$ 1,406	\$ 500	\$ 500	\$ 800	\$ 300	60.0 %
615110 Travel						
OTHER TRIPS	\$	6,000		\$ 7,000		
SACRAMENTO		6,000		7,000		
WASHINGTON DC		8,000		9,000		
<b>Total:</b>	\$ 36,508	\$ 20,000	\$ 20,000	\$ 23,000	\$ 3,000	15.0 %
620100 Services - Professional & Other						
GRANT WRITING SERVICES	\$	50,000		\$ —		
LEGISLATIVE SERVICES - SACRAMENTO		135,000		120,000		
LEGISLATIVE SERVICES - SAN DIEGO REGION		40,000		50,000		
LEGISLATIVE SERVICES - STATE AGENCIES		—		100,000		
LEGISLATIVE SERVICES - WASHINGTON		120,000		125,000		
MULTIMODAL CORRIDOR		25,000		52,100		
SANDAG GOODS MOVEMENT POLICY		55,000		—		
<b>Total:</b>	\$ 661,102	\$ 425,000	\$ 425,000	\$ 447,100	\$ 22,100	5.2 %
620110 Services - Legal - Port Attorney						
SERVICES - LEGAL - PORT ATTORNEY	\$	—		\$ 50,000		
<b>Total:</b>	\$ 48,000	\$ —	\$ —	\$ 50,000	\$ 50,000	N/A

**Government & Civic Relations**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630110 Equipment & Systems EQUIPMENT & SYSTEMS		\$ —		\$ 500		
<b>Total:</b>	\$ 530	\$ —	\$ —	\$ 500	\$ 500	N/A
630130 Office & Operating Supplies OFFICE SUPPLIES TWIC CARDS		\$ 2,800 300		\$ 2,500 —		
<b>Total:</b>	\$ 5,213	\$ 3,100	\$ 3,100	\$ 2,500	\$ (600)	(19.4)%
630140 Postage & Shipping POSTAGE		\$ 200		\$ 300		
<b>Total:</b>	\$ 445	\$ 200	\$ 200	\$ 300	\$ 100	50.0 %
660110 Promotional Services PROMOTIONAL SERVICES		\$ —		\$ 4,000		
<b>Total:</b>	\$ 4,823	\$ —	\$ —	\$ 4,000	\$ 4,000	N/A
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 927,750	\$ 617,500	\$ 617,500	\$ 696,900	\$ 79,400	12.9 %
<b>GRAND TOTAL:</b>	\$ 927,750	\$ 617,500	\$ 617,500	\$ 696,900	\$ 79,400	12.9 %

# Harbor Police Department

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## **MISSION**

To provide the highest quality of public service through crime prevention, homeland security, and ensuring quality of life for our communities.

## **VISION**

To be the global leader in maritime and aviation public safety.

## **GOALS**

- Increase sworn staffing levels to 140 personnel by the end of Q4 FY 2020.
- Increase dispatchers to 16 (14 unlimited/2 limited) by the end of Q4 FY 2020.
- Decrease property crime rates on District tidelands by 2% from FY 2019.
- Issue a secure mobile computer to every patrol officer in the Department by the end of Q4 FY 2020.
- Remodel Harbor Police Department annex.

## **KEY SERVICES PROVIDED**

- Law enforcement and maritime security for the District
- Law enforcement and aviation security for the San Diego International Airport
- Investigations and Intelligence Section
- Community Policing Unit
- Homeless services coordinated with the Alpha Project
- Psychological Emergency Response Team (PERT)
- Marine firefighting and firefighting training barge
- Communications section (9-1-1 capable public safety dispatching)
- Homeland Security (Disaster Preparedness and Emergency Response)
- Police records
- Explosive Detection K-9 Unit
- Retired Senior Volunteer Program (RSVP)
- Regional dive team
- Law enforcement training
- Maritime Tactical Team (SWAT)
- Honor Guard
- Contract law enforcement services
- Participation in federal law enforcement task forces
- Community Service Officers (traffic control, parking and special events)
- Peer Support team
- Drone program

## **STRATEGIC PROJECTS SUPPORTED**

- UID355 - Execute Maritime Domain Awareness - Phase II

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Capital Improvement Program projects are indirectly supported as part of the department's Key Services provided.

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Major Maintenance projects are indirectly supported as part of the department's Key Services provided.

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- Technology Management Program projects are indirectly supported as part of the department's Key Services provided.

# Harbor Police Department

## REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Administrative Assistant II (Classified)	1	1
Assistant Chief of Harbor Police	1	1
Assistant to Vice President	1	1
Community Service Officer	5	5
Community Service Officer Supervisor	1	1
Crime Intelligence Analyst	1	1
Harbor Police Captain	2	2
Harbor Police Corporal	15	15
Harbor Police Lieutenant	6	6
Harbor Police Officer	99	99
Harbor Police Sergeant	16	16
Homeland Security Program Manager	1	1
Lead Community Service Officer	1	1
Lead Public Safety Dispatcher	4	4
Office Assistant (Classified)	1	1
Police Records Assistant	3	3
Police Records Supervisor	1	1
Port Security Manager	1	1
Public Safety Dispatch Supervisor	2	2
Public Safety Dispatcher	9	9
Senior Police Records Assistant	1	1
Staff Assistant II	2	2
Systems Administrator	1	1
Vice President, Public Safety/Chief of Harbor Police	1	1
<b>TOTAL</b>	<b>176</b>	<b>176</b>

## Harbor Police Department

### LIMITED POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Police Backgrounds Investigator	1	1
<b>TOTAL</b>	<b>1</b>	<b>1</b>

## Harbor Police Department

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 34,303,908	\$ 36,251,200	\$ 37,299,500	\$ 1,048,300	2.9%
Non-Personnel Expense	2,338,555	2,840,000	3,188,300	348,300	12.3%
<b>Total Direct Expense</b>	<b>\$ 36,642,463</b>	<b>\$ 39,091,200</b>	<b>\$ 40,487,800</b>	<b>\$ 1,396,600</b>	<b>3.6%</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	546,888	971,400	1,145,000	173,600	17.9%
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 37,189,351</b>	<b>\$ 40,062,600</b>	<b>\$ 41,632,800</b>	<b>\$ 1,570,200</b>	<b>3.9%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 16,767,321	\$ 17,783,300	\$ 18,156,900	\$ 373,600	2.1%
Overtime	2,941,082	2,888,000	2,888,000	—	0.0%
Burden	14,420,716	15,579,900	16,254,600	674,700	4.3%
Temporary Personnel	174,789	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 34,303,908</b>	<b>\$ 36,251,200</b>	<b>\$ 37,299,500</b>	<b>\$ 1,048,300</b>	<b>2.9%</b>

## Harbor Police Department

### EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS

DESCRIPTION	QTY	BUDGET FY 2020
9-1-1 CALL TAKING SIMULATOR	1	\$ 50,000
HVAC AND FIRE SYSTEM FOR IT ROOM AT HPD HEADQUARTERS	1	40,000
K9 SUV EQUIPMENT BUILDOUT	1	38,000
LIFEGUARD STATISTICAL SOFTWARE AND HARDWARE EQUIPMENT <sup>(1)</sup>	1	25,000
LONG TERM DISPATCH RECORDER UPGRADE	1	115,000
MOTOROLA RADIO CONSOLES	1	180,000
PATROL VEHICLE BUILDOUT	1	33,400
PERSONAL WATER CRAFT, TRAILER, AND RESCUE BOARD <sup>(1)</sup>	1	20,000
POLICE COMMAND FULL SIZE SUV	1	48,000
POLICE PATROL VEHICLE SUV	2	76,000
SECURITY IMPROVEMENTS HPD HEADQUARTERS LOBBY	1	10,000
STORAGE MODIFICATIONS AT HPD HEADQUARTERS <sup>(2)</sup>	1	365,000
TACTICAL ROBOTS <sup>(3)</sup>	1	8,600
TRUCK 4X4 AND OUTFITTING <sup>(1)</sup>	1	50,000
UNMARKED FULL SIZE SUV	1	48,000
UNMARKED MID-SIZE SUV	1	38,000
<b>TOTAL EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS</b>	<b>17</b>	<b>\$ 1,145,000</b>

**Notes:**

<sup>(1)</sup> Per the Municipal Services Agreement with the City of Imperial Beach, the District provides equipment for lifeguard services

<sup>(2)</sup> Funded by Asset Forfeitures

<sup>(3)</sup> Fully grant funded



# Harbor Police Department

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
ADMINISTRATIVE SUPPORT		\$ 3,000		\$ 3,000		
DISPATCH		36,000		41,000		
DIVE TEAM		200,000		200,000		
LAW ENFORCEMENT OPERATIONS		400,000		400,000		
RECRUITING		8,000		8,000		
REIMBURSED EVENTS		150,000		150,000		
SPECIAL EVENTS		200,000		200,000		
SWORN MANDATORY STAFFING		600,000		1,076,000		
TRAINING DISPATCH		10,000		10,000		
TRAINING SWORN		631,000		800,000		
<b>Total:</b>	\$ 2,941,082	\$ 2,238,000	\$ 2,888,000	\$ 2,888,000	\$ —	0.0 %
600120 Temporary Personnel						
<b>Total:</b>	\$ 174,789	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 3,115,871	\$ 2,238,000	\$ 2,888,000	\$ 2,888,000	\$ —	0.0 %
610110 Books & Periodicals						
LEGAL MANUALS		\$ 3,300		\$ 3,300		
POST ACADEMY TRAINING BOOKS		5,000		5,000		
PROFESSIONAL DEVELOPMENT BOOKS		1,000		1,000		
STATE & FEDERAL CODE		6,000		6,000		
<b>Total:</b>	\$ 14,580	\$ 15,300	\$ 15,300	\$ 15,300	\$ —	0.0 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 6,800		\$ 6,800		
<b>Total:</b>	\$ 7,478	\$ 6,800	\$ 6,800	\$ 6,800	\$ —	0.0 %
610120 Memberships & Dues						
MEMBERSHIPS & DUES		\$ 6,000		\$ 6,000		
<b>Total:</b>	\$ 1,700	\$ 6,000	\$ 6,000	\$ 6,000	\$ —	0.0 %
610140 Seminars & Training						
ACADEMY (ENTRY LEVEL OFFICER)		\$ 7,000		\$ 7,000		
CLERICAL SUPPORT TRAINING		2,500		2,500		
DISPATCH TRAINING COURSES		4,000		3,200		
DIVE TRAINING		2,000		12,000		
LEXIPOL DAILY TRAINING BULLETINS		9,000		15,000		
RANGE USE FEES		7,000		9,000		

**Harbor Police Department**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SEMINARS AND TRAINING		50,000		44,800		
TACTICAL TRAINING		2,500		2,500		
<b>Total:</b>	\$ 101,717	\$ 84,000	\$ 84,000	\$ 96,000	\$ 12,000	14.3 %
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT	\$ 18,000			\$ 18,000		
<b>Total:</b>	\$ 15,643	\$ 18,000	\$ 18,000	\$ 18,000	\$ —	0.0 %
615110 Travel						
COMMAND STAFF TRAVEL	\$ 8,000			\$ 8,000		
DISPATCH TRAINING COURSES	2,000			3,000		
TRAINING RELATED TRAVEL	83,000			82,000		
<b>Total:</b>	\$ 105,751	\$ 93,000	\$ 93,000	\$ 93,000	\$ —	0.0 %
620100 Services - Professional & Other						
ALPHA PROJECT - HOMELESS OUTREACH	\$ 260,000			\$ 268,000		
COMPUTER SVCS-SUN, ARJIS, ETC	115,000			122,300		
DIVE PHYSICALS	11,300			11,300		
FINGERPRINT CHECKS-EMPLOYMENT	7,000			8,000		
HEARING CONSERVATION	3,200			3,200		
MEDICAL EXAMS (SART)	6,000			6,000		
NEVP SECURITY	170,000			197,000		
PARK SECURITY - MISCELLANEOUS	30,000			35,000		
PROFESSIONAL SERVICES	20,000			20,000		
RECRUITING	20,000			20,000		
RESPIRATOR PHYSICALS	7,200			7,500		
SHERIFF'S DEPT. PROPERTY RETEN	3,000			3,000		
TB SCREENING	5,700			—		
VESSEL TOWING SERVICES	20,000			20,000		
VETERINARIAN SERVICES	6,000			6,000		
<b>Total:</b>	\$ 621,846	\$ 684,400	\$ 684,400	\$ 727,300	\$ 42,900	6.3 %
630110 Equipment & Systems						
AEDS	\$ 2,500			\$ 2,500		
COMPUTER HARDWARE	32,800			12,000		
DISPATCH EQUIPMENT	24,100			30,000		
DIVE TEAM EQUIPMENT	35,500			35,000		
EQPT FOR IMP BEACH (NON CAPITAL)	4,000			22,000		
FURNITURE	4,400			5,000		

**Harbor Police Department**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
MARTAC EQUIPMENT - MISC		40,000		40,700		
MOBILE ARMORED SHIELDS		3,000		—		
POLICE EQUIPMENT		19,800		27,900		
POWER SOURCES (BATTERIES, UPS)		3,000		3,000		
RSVP PROGRAM		800		800		
SOFTWARE		—		29,500		
VESSELS/FIRE		18,700		18,700		
WEAPONS TRAINING UNIT EQPT		600		500		
<b>Total:</b>	<b>\$ 249,737</b>	<b>\$ 189,200</b>	<b>\$ 189,200</b>	<b>\$ 227,600</b>	<b>\$ 38,400</b>	<b>20.3 %</b>
630120 Equipment Rental/Leasing						
JULY 4TH EQUIPMENT		\$ 12,100		\$ 12,100		
TRAILERS		22,500		22,500		
<b>Total:</b>	<b>\$ 28,453</b>	<b>\$ 34,600</b>	<b>\$ 34,600</b>	<b>\$ 34,600</b>	<b>\$ —</b>	<b>0.0 %</b>
630130 Office & Operating Supplies						
OFFICE SUPPLIES		\$ 15,000		\$ 15,000		
OPERATING SUPPLIES		35,000		35,100		
PRINTING		9,000		9,000		
<b>Total:</b>	<b>\$ 68,130</b>	<b>\$ 59,000</b>	<b>\$ 59,000</b>	<b>\$ 59,100</b>	<b>\$ 100</b>	<b>0.2 %</b>
630140 Postage & Shipping						
POSTAGE & SHIPPING		\$ 7,000		\$ 7,000		
<b>Total:</b>	<b>\$ 12,235</b>	<b>\$ 7,000</b>	<b>\$ 7,000</b>	<b>\$ 7,000</b>	<b>\$ —</b>	<b>0.0 %</b>
630150 Safety Equipment & Supplies						
AMMUNITION - .223		\$ 22,200		\$ 30,400		
AMMUNITION - .40		15,000		13,000		
AMMUNITION - .45 AND 9MM		8,000		15,800		
AMMUNITION - 12 GA. BUCKSHOT		1,000		3,000		
AMMUNITION - LESS LETHAL		8,800		3,000		
BIKE HELMETS		—		3,800		
CHEMICAL GAS DEPLOYMENT GEAR		—		6,000		
CSO SAFETY EQUIPMENT		1,500		2,000		
FIRE TURNOUT GEAR		45,000		117,500		
FIRST AID SUPPLIES		1,500		1,500		
FORCE TACTICS UNIT EQUIPMENT		500		500		
PROTECTIVE VESTS		30,000		30,000		
RAIN GEAR		2,000		2,000		

# Harbor Police Department

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
RED DOT RIFLE OPTICS (AIMPOINT/MAGP)		—		11,200		
SAFETY SHOES (PER MOU)		400		400		
TASER EQUIPMENT & REPLACEMENT		—		52,600		
WEAPONS/PARTS		8,300		64,500		
<b>Total:</b>	\$ 161,844	\$ 144,200	\$ 144,200	\$ 357,200	\$ 213,000	147.7 %
630200 Uniforms						
BADGES, PINS, PATCHES	\$ 6,900			\$ 6,900		
REPLACE DAMAGED UNIFORM ITEMS	1,000			1,000		
UNIFORM FOR RSVPS	1,600			1,600		
UNIFORM SHIRTS FOR RECORDS	1,000			1,000		
UNIFORMS - COMMUNITY SERV OFFICERS	8,100			8,100		
UNIFORMS - DISPATCH (PER MOU)	7,000			6,000		
UNIFORMS - SWORN (PER MOU)	225,000			225,000		
UNIFORMS FOR HONOR GUARD	5,400			5,400		
<b>Total:</b>	\$ 247,344	\$ 256,000	\$ 256,000	\$ 255,000	\$ (1,000)	(0.4)%
640100 Space Rental						
SPACE RENTAL	\$ 3,000			\$ 3,000		
<b>Total:</b>	\$ 2,516	\$ 3,000	\$ 3,000	\$ 3,000	\$ —	0.0 %
640110 Telephone & Communications						
CDPD LINES (WIRELESS CONNECT)	\$ 65,000			\$ 90,000		
CELLULAR SERVICE	18,000			1,000		
DIRECTV MONTHLY SERVICE	3,000			3,800		
RCS RADIO FEES	244,600			245,000		
SATELLITE PHONES	9,300			8,500		
TELEPHONE EQUIPMENT	5,000			5,000		
TELEPHONE SERVICE	145,000			145,000		
<b>Total:</b>	\$ 310,686	\$ 489,900	\$ 489,900	\$ 498,300	\$ 8,400	1.7 %
650130 Equipment Maintenance - Outside Services						
DIVE TEAM EQUIPMENT	\$ 12,000			\$ 12,000		
FIRE EQUIPMENT	31,300			31,300		
GEN EQPT MAINTENANCE	15,000			37,200		
MAINT CAR/VESSEL AUDIO/VIDEO SYSTEM	15,000			—		
MAINTENANCE CONTRACTS & EQUIP	125,000			119,000		
TRAFFIC SIGNS MAINT & REPAIRS	2,500			—		
<b>Total:</b>	\$ 118,834	\$ 200,800	\$ 200,800	\$ 199,500	\$ (1,300)	(0.6)%

# Harbor Police Department

## EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
650140 Software Maintenance						
COMMAND BRIDGE MAINTENANCE		\$ 60,000		\$ 72,000		
CRIMEVIEW MAINTENANCE		13,000		10,400		
DISPATCH PACKET CLUSTER LICENSE		19,500		20,100		
LOGISYS CONTRACT		50,000		51,200		
NETRMS ANNUAL FEES		2,100		2,100		
<b>Total:</b>	\$ 72,434	\$ 144,600	\$ 144,600	\$ 155,800	\$ 11,200	7.7 %
660100 Advertising						
ADVERTISING		\$ 100		\$ 100		
<b>Total:</b>	\$ —	\$ 100	\$ 100	\$ 100	\$ —	0.0 %
660110 Promotional Services						
PROMO SERVICES, GENERAL		\$ 1,500		\$ 1,500		
RECRUITING ACTIVITIES		1,800		1,800		
RSVP APPRECIATION		500		500		
<b>Total:</b>	\$ 10,800	\$ 3,800	\$ 3,800	\$ 3,800	\$ —	0.0 %
660120 Promotional Materials						
PROMOTIONAL & RECRUITING SUPPLIES		\$ 3,500		\$ 4,000		
<b>Total:</b>	\$ 4,500	\$ 3,500	\$ 3,500	\$ 4,000	\$ 500	14.3 %
660136 Grant Funded Expenditures						
EMERGENCY OPERATIONS PLAN DEV		\$ 259,000		\$ 248,000		
EQUIPMENT - SHSGP		19,000		18,000		
FUEL-OPERATION STONEGARDEN		46,600		119,000		
REGIONAL TRAINING - UASI		—		12,600		
SCUBA DIVER FULL FACE MASK		50,000		—		
SDCLEF GRANT		3,000		3,000		
UASI-CIKR ASSESSMENTS		10,000		—		
<b>Total:</b>	\$ 112,259	\$ 396,200	\$ 396,200	\$ 420,600	\$ 24,400	6.2 %
670105 Bank & Credit Card Fees						
BANK & CREDIT CARD FEES		\$ 600		\$ 300		
<b>Total:</b>	\$ 243	\$ 600	\$ 600	\$ 300	\$ (300)	(50.0)%
680100 Seized Asset/Forfeitures - Harbor Police						
<b>Total:</b>	\$ 41,084	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 2,338,555	\$ 2,840,000	\$ 2,840,000	\$ 3,188,300	\$ 348,300	12.3 %

**Harbor Police Department**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>GRAND TOTAL:</b>	\$ 5,454,426	\$ 5,078,000	\$ 5,728,000	\$ 6,076,300	\$ 348,300	6.1 %

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# Human Resources

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## **MISSION**

Our mission is to treat each person as a valued customer while contributing positively to the bottom line of the District through comprehensive programming that displays a thorough understanding of all aspects of the human resources profession. This includes proactive involvement in areas of compliance and service that displays an enthusiastic interest in the lives of others. We will continually develop our own repertoire of skills and maintain a balance between our personal and professional lives.

## **VISION**

To be recognized as leaders in applying human resources best practices and innovations to make the District an employer of choice.

## **GOALS**

- Maximize human resources technology to streamline services and increase transparency by reviewing internal processes that can be enhanced through technology and developing a plan in collaboration with Information Technology and other stakeholders by the end of Q4 FY 2020.
- Attract, source, and recruit new talent through execution of the Talent Selection Pilot Program with feedback loops from both candidates and departments by the end of Q4 FY 2020.
- Achieve excellence in customer service, as measured by an internal satisfaction survey by the end of Q4 FY 2020.

## **KEY SERVICES PROVIDED**

The role of Human Resources in the District is to serve our customers. Our department is, most of all, a service department. While we strive to manage the human capital aspect of our organization accordingly, our focus is also on meeting the needs of employees, retirees, and the public.

### Full Cycle Recruitment

- Career fairs, intern and student worker program, new hire orientation, onboarding and offboarding, recruitment, and temporary services contract administration.

### Employee and Labor Relations

- Classification specifications, coaching employees, managers, and supervisors, complaints, fact finding, inquiries, and investigations, desk audits, employee events, grievances, labor relations and negotiations, performance management, progressive discipline, and Skelly/PAB process.

### Benefits and Wellness

- ADA interactive process, benefits administration, education and contracts, compensation program, crisis intervention, DOT drug testing, employee appreciation/ELG awards, Health Benefits Committee, leave administration, physicals, Retiree Alumni program, retiree healthcare, retirement plans, salary and benefit surveys, and wellness center and programs.

### Administration, Records and Transactions

- Badges, DMV pull notices, employment verifications, personnel file management, and regulatory training.

### Equal Opportunity Management

- Accessibility Advisory Committee, ADA inquiries (general) and initiatives, complaints/fact findings, Disadvantage Business Enterprise/Small Business Enterprise program administration, education, labor reporting and compliance, and Project Equal Opportunity Management oversight.

## **STRATEGIC PROJECTS SUPPORTED**

- UID2 - Execute Internal Communications (IC) Strategy
- UID3 - Redesign Talent Selection
- UID5 - Develop Strategic Workforce Planning (SWFP)
- UID17 - Develop Plan to Improve Workplace Environment
- UID38 - Commence Legal Document Retention Project



# Human Resources

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## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Capital Improvement Program projects are indirectly supported as part of the department's Key Services provided.

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Major Maintenance projects are indirectly supported as part of the department's Key Services provided.

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- Employee Portal

## Human Resources

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Benefits Analyst	1	1
Director, Human Resources	1	1
Equal Opportunity Technician	1	1
Human Resources Analyst	1	1
Human Resources Business Partner	1	1
Human Resources Technician	1	1
Management Analyst	1	1
Manager, Equal Opportunity	1	1
Manager, Human Resources	1	1
Senior Benefits and Compensation Analyst	1	1
Senior Human Resources Analyst	1	1
<b>TOTAL</b>	<b>11</b>	<b>11</b>

## Human Resources

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 2,002,395	\$ 1,837,000	\$ 2,052,400	\$ 215,400	11.7%
Non-Personnel Expense	3,994,010	4,048,300	4,072,800	24,500	0.6%
<b>Total Direct Expense</b>	<b>\$ 5,996,405</b>	<b>\$ 5,885,300</b>	<b>\$ 6,125,200</b>	<b>\$ 239,900</b>	<b>4.1%</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 5,996,405</b>	<b>\$ 5,885,300</b>	<b>\$ 6,125,200</b>	<b>\$ 239,900</b>	<b>4.1%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 1,055,419	\$ 977,500	\$ 1,008,500	\$ 31,000	3.2%
Overtime	7,657	6,000	6,000	—	0.0%
Burden	838,909	853,500	1,037,900	184,400	21.6%
Temporary Personnel	100,411	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 2,002,395</b>	<b>\$ 1,837,000</b>	<b>\$ 2,052,400</b>	<b>\$ 215,400</b>	<b>11.7%</b>

**Human Resources**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME		\$ 6,000		\$ 6,000		
Total: \$	7,657	\$ 6,000	\$ 6,000	\$ 6,000	\$ —	0.0 %
600120 Temporary Personnel						
Total: \$	100,411	\$ —	\$ —	\$ —	\$ —	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 108,068	\$ 6,000	\$ 6,000	\$ 6,000	\$ —	0.0 %
610100 Awards - Service						
CERTIFICATES		\$ 1,100		\$ 2,200		
Total: \$	2,277	\$ 1,100	\$ 1,100	\$ 2,200	\$ 1,100	100.0 %
610110 Books & Periodicals						
HR - PUBLICATIONS		\$ 2,200		\$ 1,500		
Total: \$	2,393	\$ 2,200	\$ 2,200	\$ 1,500	\$ (700)	(31.8)%
610115 Employee Recognition						
DIST EMPLOYEE RECOGNITION		\$ 40,000		\$ 20,000		
HR - EMPLOYEE RECOGNITION		500		500		
Total: \$	10,060	\$ 40,500	\$ 40,500	\$ 20,500	\$ (20,000)	(49.4)%
610120 Memberships & Dues						
HR/EOM RELATED		\$ 3,600		\$ 5,000		
Total: \$	2,981	\$ 3,600	\$ 3,600	\$ 5,000	\$ 1,400	38.9 %
610125 Health and Wellness						
HEALTH & WELLNESS PROGRAMS		\$ 1,500		\$ 1,500		
Total: \$	41,185	\$ 1,500	\$ 1,500	\$ 1,500	\$ —	0.0 %
610130 Recruiting						
ASSESSMENT SERVICES		\$ 6,000		\$ 6,000		
RECRUITING		70,800		30,000		
Total: \$	26,042	\$ 76,800	\$ 76,800	\$ 36,000	\$ (40,800)	(53.1)%
610140 Seminars & Training						
HR - DISTRICT TRAINING		\$ 18,000		\$ 20,000		
Total: \$	9,524	\$ 18,000	\$ 18,000	\$ 20,000	\$ 2,000	11.1 %
610150 Tuition Reimbursement Program						
TUITION		\$ 60,000		\$ 55,000		
Total: \$	49,062	\$ 60,000	\$ 60,000	\$ 55,000	\$ (5,000)	(8.3)%

**Human Resources**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 2,400		\$ 1,500		
Total: \$	837	\$ 2,400	\$ 2,400	\$ 1,500	\$ (900)	(37.5)%
615110 Travel TRAVEL		\$ 9,000		\$ 12,000		
Total: \$	10,284	\$ 9,000	\$ 9,000	\$ 12,000	\$ 3,000	33.3 %
620100 Services - Professional & Other						
401(A) & 457 PASSIVE TRUSTEE		\$ 1,000		\$ 1,000		
COMPLAINCE TRAINING		—		10,000		
CONSULTANTS - ADA		5,000		5,000		
CONSULTANTS - DISTRICT		113,000		110,000		
CONSULTANTS - INVESTIGATIVE SERVICES		10,000		5,000		
CONSULTANTS - NEGOTIATIONS		—		30,000		
EXECUTIVE MEDICALS		22,700		20,000		
EXPERIAN		1,100		1,100		
FLEX PLAN		16,600		16,600		
PAB HEARINGS		3,000		3,000		
PHYSICALS/TESTS		3,000		8,000		
PRE.EMPLOY. MEDS: GS (GRP II)		2,000		4,500		
RETURN TO WORK MEDICALS		5,000		2,000		
Total: \$	156,704	\$ 182,400	\$ 182,400	\$ 216,200	\$ 33,800	18.5 %
630100 Breakage & Obsolesce						
Total: \$	158	\$ —	\$ —	\$ —	\$ —	N/A
630110 Equipment & Systems						
FURNITURE		\$ 5,000		\$ 5,000		
MISC. - EQUIPMENT		1,500		4,500		
Total: \$	658	\$ 6,500	\$ 6,500	\$ 9,500	\$ 3,000	46.2 %
630130 Office & Operating Supplies						
GENERAL OFFICE SUPPLIES		\$ 15,000		\$ 10,000		
Total: \$	8,845	\$ 15,000	\$ 15,000	\$ 10,000	\$ (5,000)	(33.3)%
630140 Postage & Shipping						
POSTAGE		\$ 3,200		\$ 3,000		
Total: \$	2,886	\$ 3,200	\$ 3,200	\$ 3,000	\$ (200)	(6.3)%
630150 Safety Equipment & Supplies						

**Human Resources**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
SAFETY- ERGONOMICS EQUIP		\$ 1,000		\$ 6,200		
Total: \$	1,077	\$ 1,000	\$ 1,000	\$ 6,200	\$ 5,200	520.0 %
640100 Space Rental						
SPACE RENTAL				\$ 2,000		
Total: \$	783	\$ —	\$ —	\$ 2,000	\$ 2,000	N/A
650120 Equipment Maintenance-Supplies						
EQUIPMENT SUPPLIES		\$ 1,800		\$ —		
Total: \$	—	\$ 1,800	\$ 1,800	\$ —	\$ (1,800)	(100.0)%
660100 Advertising						
ADVERTISEMENTS/MEDIA		\$ 12,000		\$ 5,000		
Total: \$	1,900	\$ 12,000	\$ 12,000	\$ 5,000	\$ (7,000)	(58.3)%
660110 Promotional Services						
EMPLOYEE EVENT(S)		\$ 35,000		\$ 40,000		
EOM RELATED		10,000		10,000		
JOB FAIRS - OUTREACH INITIATIVE		5,000		6,000		
MEALS (EXTERNAL PARTICIPANTS)		2,000		1,000		
MISCELLANEOUS - DISTRICT		1,000		400		
RETIREE EVENT		5,000		5,000		
RETIREMENT GIFTS/SENDOFF		5,500		4,000		
UNITED WAY		2,000		2,000		
Total: \$	59,666	\$ 65,500	\$ 65,500	\$ 68,400	\$ 2,900	4.4 %
660120 Promotional Materials						
JOB FAIRS		\$ 5,000		\$ 5,000		
PROMOTIONAL MATERIALS		3,500		5,000		
Total: \$	2,310	\$ 8,500	\$ 8,500	\$ 10,000	\$ 1,500	17.6 %
670150 Retiree Health Benefits (Paid)						
RETIREE HEALTH BENEFITS		\$ 3,272,300		\$ 3,322,300		
Total: \$	3,356,377	\$ 3,272,300	\$ 3,272,300	\$ 3,322,300	\$ 50,000	1.5 %
670155 Preservation of Benefits Plan (POB)						
PRESERVATION OF BENEFITS PLAN		\$ 265,000		\$ 265,000		
Total: \$	248,000	\$ 265,000	\$ 265,000	\$ 265,000	\$ —	0.0 %
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 3,994,010	\$ 4,048,300	\$ 4,048,300	\$ 4,072,800	\$ 24,500	0.6 %

**Human Resources**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
GRAND TOTAL:	\$ 4,102,078	\$ 4,054,300	\$ 4,054,300	\$ 4,078,800	\$ 24,500	0.6 %

# Information Technology

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## **MISSION**

Provide a secure, stable, high performing technology environment. Enhance District operations through administering and supporting solutions that add value to every team and team member and deliver on-time, on-budget results through collaborative, mission-relevant projects and business services.

## **VISION**

The Information Technology (IT) department is recognized as a high-performance team, providing technology excellence, in partnership with all departments, and alignment with the District's vision, mission, and goals.

## **GOALS**

- **Business Relationships.** The IT Business Partner role will align, coordinate, and ensure internal customers receive mission-relevant IT services that deliver results, provide value, and enhance outcomes. Implement an IT business partner model to improve collaboration with District staff and stakeholders by FY 2020 Q2.
- **Cybersecurity and Risk Management.** Integrate cybersecurity and risk management within the framework of the District strategic business and IT operating environments. Virtualize monitoring, alerting, and notification by FY 2020 Q1.
- **Operational Excellence.** Deploy Information Technology Infrastructure Library (ITIL) service delivery governance model across IT, ensuring a sustainable and supportable operating environment. Define service ownership by FY 2020 Q2, utilizing IT Service Management SharePoint site for communication and collaboration with IT department.
- **Modernize User Experience.** Progressively enhance and modify our existing platforms and solutions with a focus on providing District staff an efficient and intuitive interface. Digital transformation through deployment of collaboration tools to all District departments as part of the Enterprise Document Repository effort by FY 2020 Q4.
- **Technical Workforce.** Ensure a skilled, responsive, and innovative workforce that keeps current with evolving business-critical technologies. Define training plan for all IT associates by FY 2020 Q1.

## **KEY SERVICES PROVIDED**

The IT department provides the following services in support of all District lines of business technology needs. They include:

- **Network.** Wide area network (WAN), local area network (LAN), perimeter security, telecommunications, cellular devices, 800MHz radio technology, satellite, and back-up services.
- **Platforms.** Virtual and physical servers, cloud environments, operating systems, storage area network (SAN), authentication, access control, email, document management, and end-user computing.
- **Applications and Databases.** IT supports over 100 applications including Microsoft Office Suite, Adobe, mass notification system, dispatch, public safety records, 911 Public Safety Answering Point (PSAP), park permitting, eDiscovery, Geographic Information System (GIS), Stormwater, and integrated Enterprise Resource Planning supporting multiple shared services divisions.
- **Audio Visual.** CCTV, boardroom, conference rooms, and District video management.
- **Information Security.** The protection of information and information systems throughout the District from unauthorized access, use, disclosure, disruption, modification, or destruction in order to provide confidentiality, integrity, and availability.
- **Enterprise Architecture**
- **IT Service Desk and Technical Support**
- **IT Finance and Vendor Management**
- **IT Project Management and Business Relationship Management**

## **STRATEGIC PROJECTS SUPPORTED**

- UID6 - Implement Geographical Information System (GIS) Management
- UID38 - Commence Legal Document Retention Project
- UID42 - Update Survey Monuments & Port Boundaries
- UID46 - Develop a Smart Port Administrative Procedure
- UID355 - Execute Maritime Domain Awareness - Phase II



# Information Technology

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- UID356 - Implement Tenth Avenue Marine Terminal (TAMT) Growth Strategy

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Capital Improvement Program projects are indirectly supported as part of the department's Key Services provided.

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Major Maintenance projects are indirectly supported as part of the department's Key Services provided.

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- Computer Aided Dispatch
- Fiber Optic
- Document Management System Front End Replacement
- Employee Portal
- Emergency Operations Center (AMSC MUC)
- Multifactor Authentication Program
- Centralized Authentication
- GIS Roadmap Implementation
- Network Segmentation
- Concur Travel Management
- Maritime Unified Command Project
- Cyber Threat Intelligence (SIEM & FWIM)
- Cisco VoIP 10.5 Upgrade
- Digital Transformation Project
- Enterprise Asset Management System
- Enterprise Audio Visual Upgrade
- Integrated Customer Service System
- SCCM Normalization
- Wireless Refresh (UB)
- Hana Migration
- Grants Management
- Security Operations Center (SOC) Buildout

## Information Technology

**Add :** 1 Enterprise Architect  
 2 Information Technology Security Analysts  
 2 IT Project Managers

**Reclass:** 3 Business Systems Analysts to 3 Senior Business Systems Analysts  
 1 GIS Analyst to GIS Supervisor  
 1 Lead Support Services to Systems Support Supervisor  
 1 Network Systems Analyst to IT Systems Engineer IV  
 1 Systems Administrator to Senior Systems Administrator  
 1 Systems Support Analyst I to IT Systems Engineer IV  
 2 Systems Support Analyst I to 2 Systems Support Analyst II

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Business Intelligence Supervisor	1	1
Business Systems Analyst	3	0
Business Systems Supervisor	1	1
Chief Information Security Officer	1	1
Chief Technology Officer	1	1
Director, Business Information & Technology Services	1	1
Enterprise Architect	0	1
Enterprise Operations Manager	1	1
GIS Analyst	1	0
GIS Supervisor	0	1
Information Technology Security Analyst	1	3
Infrastructure Supervisor	1	1
IT Infrastructure Engineer IV	1	1
IT Project Manager	1	3
IT Systems Engineer IV	1	3
Lead Support Services	1	0
Management Analyst	2	2
Manager, IT Business Partner	1	1
Network Systems Analyst	1	0
Senior Applications Developer	1	1
Senior Business Intelligence Analyst	1	1
Senior Business Systems Analyst	2	5
Senior Systems Administrator	1	2
Systems Administration Supervisor	1	1
Systems Administrator	1	0
Systems Support Analyst I	3	0

## Information Technology

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Systems Support Analyst II	1	3
System Support Supervisor	0	1
<b>TOTAL</b>	<b>31</b>	<b>36</b>

## Information Technology

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 4,434,665	\$ 4,507,600	\$ 5,323,700	\$ 816,100	18.1 %
Non-Personnel Expense	143,574	175,400	166,600	(8,800)	(5.0)%
<b>Total Direct Expense</b>	<b>\$ 4,578,239</b>	<b>\$ 4,683,000</b>	<b>\$ 5,490,300</b>	<b>\$ 807,300</b>	<b>17.2 %</b>
Less: Capitalized Expense	(22,291)	(835,000)	(839,500)	(4,500)	0.5 %
Equipment Outlay and Other Capital Projects	486,923	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 5,042,871</b>	<b>\$ 3,848,000</b>	<b>\$ 4,650,800</b>	<b>\$ 802,800</b>	<b>20.9 %</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 2,698,888	\$ 3,057,600	\$ 3,602,500	\$ 544,900	17.8%
Overtime	1,788	—	—	—	N/A
Burden	1,376,712	1,450,000	1,721,200	271,200	18.7%
Temporary Personnel	357,277	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 4,434,665</b>	<b>\$ 4,507,600</b>	<b>\$ 5,323,700</b>	<b>\$ 816,100</b>	<b>18.1%</b>

**Information Technology**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
<b>Total:</b>	\$ 1,788	\$ —	\$ —	\$ —	\$ —	N/A
600120 Temporary Personnel						
<b>Total:</b>	\$ 357,277	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 359,065	\$ —	\$ —	\$ —	\$ —	N/A
610110 Books & Periodicals BOOKS & PERIODICALS		\$ 1,000		\$ 900		
<b>Total:</b>	\$ 1,271	\$ 1,000	\$ 1,000	\$ 900	\$ (100)	(10.0)%
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 1,100		\$ 1,000		
<b>Total:</b>	\$ 409	\$ 1,100	\$ 1,100	\$ 1,000	\$ 1,000	90.9 %
610120 Memberships & Dues MEMBERSHIPS & DUES		\$ 14,000		\$ 13,100		
<b>Total:</b>	\$ 13,176	\$ 14,000	\$ 14,000	\$ 13,100	\$ (900)	(6.4)%
610140 Seminars & Training SEMINARS & TRAINING		\$ 144,300		\$ 137,100		
<b>Total:</b>	\$ 106,873	\$ 144,300	\$ 144,300	\$ 137,100	\$ (900)	(0.6)%
615100 Mileage Reimbursement MILEAGE AND PARKING		\$ 3,200		\$ 2,900		
<b>Total:</b>	\$ 2,930	\$ 3,200	\$ 3,200	\$ 2,900	\$ (300)	(9.4)%
615110 Travel TRAVEL		\$ 4,000		\$ 3,700		
<b>Total:</b>	\$ 10,041	\$ 4,000	\$ 4,000	\$ 3,700	\$ (300)	(7.5)%
630110 Equipment & Systems						
<b>Total:</b>	\$ 25	\$ —	\$ —	\$ —	\$ —	N/A
630130 Office & Operating Supplies OFFICE & OPERATING SUPPLIES		\$ 7,400		\$ 7,000		
<b>Total:</b>	\$ 7,982	\$ 7,400	\$ 7,400	\$ 7,000	\$ (400)	(5.4)%
630140 Postage & Shipping POSTAGE & SHIPPING		\$ 400		\$ 400		
<b>Total:</b>	\$ 351	\$ 400	\$ 400	\$ 400	\$ —	0.0 %
660110 Promotional Services						

**Information Technology**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
PROMOTIONAL SERVICES		\$ —		\$ 500		
<b>Total:</b>	\$ 518	\$ —	\$ —	\$ 500	\$ 500	N/A
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 143,574	\$ 175,400	\$ 175,400	\$ 166,600	\$ (8,800)	(5.0)%
<b>GRAND TOTAL:</b>	\$ 502,639	\$ 175,400	\$ 175,400	\$ 166,600	\$ (8,800)	(5.0)%

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# Maritime

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## **MISSION**

To strengthen our region through growth of cargo, cruise, and maritime industrial business lines while ensuring a clean, safe, and secure environment.

## **VISION**

Keeping our region strong through a thriving and modern seaport with focus on movement of cargo and people.

## **GOALS**

- Implement the BUILD formerly, "TIGER" Grant Program for the Tenth Avenue Marine Terminal (TAMT) Modernization Project using P3 model.
  - TAMT Transit Shed 2 Demo including, Paving, Utilities, Rail, and Replacement Facilities by April 2020.
  - Focus on operational continuity and efficiency plan during completion on Phase 2 of the TAMT Modernization project through April 2020, with no measurable increase to FY 2019 operating costs.
  - Formulate and implement a strategy for Post-TIGER Projects including sequencing: Consolidated Bulk Facility Plan, Rail Improvement Plan, Electrification Projects Plan, and Berth Strengthening and Dredging Plan, with no measurable increase as compared to FY 2019 costs.
- Execute business retention and development strategies to retain and grow existing and new tenants for cargo, cruise, and maritime industrial accounts. Two-year extension of Trans-Atlantic westbound monthly liner breakbulk service in July 2019. Establish regular import sugar cargo movement between 50,000 - 100,000 metric tons (three-six ships) by the end of Q4 FY 2020. Develop Trans-Pacific eastbound monthly liner breakbulk service ex-Asia with three-six additive calls by the end of Q4 FY 2020.
- Execute Cruise Optimization Strategy using P3 model with investment from two major cruise lines.
- Award design contract in August 2019, complete environmental review of B Street Improvements, 30% design by January 2020, construction to commence in FY 2021.
- Revitalize Commercial Fishing Facility at G Street Pier through phased infrastructure improvements to be completed in FY 2020, including Dock 2 Replacement, Dock 3 Repair, and Electrical Upgrades Docks 1-3.
- Support business growth of maritime industrial leaseholds through efficient facilitation of tenant projects and lease administration with interdepartmental collaboration.

## **KEY SERVICES PROVIDED**

- Cargo vessels services: berthing assignments, coordination of berthing and sailing of vessels, terminal preparation, and space assignment for cargo storage.
- Cruise vessels services: terminal preparation and coordination for cruise calls, cruise berthing assignments, cruise calendar scheduling, and shorepower coordination.
- Coordination of rail moves, truck deliveries, and monitoring regulatory compliance with the California Air Resource Board (CARB) and truck routes.
- Commercial Fishing Operations - billing, tracking occupancy, and regulatory compliance.
- Customer Billing (EMOS), cargo and cruise statistics collection, and data entry.
- Infrastructure inspection and interdepartmental coordination of construction projects and repairs for MM, CIP, and other capital projects.
- Tenant liaison and coordination - assistance to Real Estate, PGP, GCR, Pacific Maritime Association, and International Longshore and Warehouse Union.
- Facility Security Officer support and coordination with military on strategic District moves.
- Sales Activities: sales calls, conferences, customer quotes, proposals, contract negotiations, trade shows, international trade missions, and target identification.
- Tariff and rates management.
- Problem solving involving competitive advantage issues: trucking, rail, labor allocation and labor skill, and cost differentials.
- Tenant relations and joint marketing efforts.
- Coordination with Real Estate, PGP, and GCR regarding tenant-related initiatives and issues.



## **STRATEGIC PROJECTS SUPPORTED**

- UID9 - Implement Stormwater Pollution Prevention Strategy
- UID20 - Develop a Port Mobility Strategy
- UID23 - Update Climate Action Plan (CAP) to Align with State of California
- UID46 - Develop a Smart Port Energy Framework
- UID47 - Develop Small and Medium Sized Aquaculture/Blue Tech Facility Concepts
- UID324 - Execute Cruise & Infrastructure Optimization
- UID 356 - Implement Tenth Avenue Marine Terminal (TAMT) Growth Strategy and Mitigation Measures
- 

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Demolition and Site Improvements of Transit Shed 1 and 2 at TAMT
- Microgrid Infrastructure at TAMT
- National City Marina District Vision Plan Preliminary Planning
- B Street Mooring Dolphin
- Cruise Ship Terminal Shore Power

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Structural Repairs at Navy Pier
- Fender System Upgrades at North Berth of B Street Pier
- Roof Replacement at TAMT Warehouse B
- Structural Repairs at Tuna Harbor Dock #1
- New Water Service at TAMT Warehouse B

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- D2 Replacement
- Employee Portal
- Multifactor Authentication Program
- GIS Roadmap Implementation
- Concur Travel Management

## Maritime

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Director, Maritime	1	1
Executive Assistant I (Classified)	1	1
Management Analyst	1	1
Manager, Maritime Operations	1	1
Manager, Maritime Trade Development	1	1
Marine Terminal Supervisor	3	3
Principal, Maritime Business Retention	1	1
Senior Management Analyst	1	1
Senior Trade Account Representative	1	1
Wharfinger	12	12
<b>TOTAL</b>	<b>23</b>	<b>23</b>

## Maritime

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 4,128,608	\$ 3,811,400	\$ 4,052,000	\$ 240,600	6.3 %
Non-Personnel Expense	6,509,362	7,378,600	7,093,700	(284,900)	(3.9)%
<b>Total Direct Expense</b>	<b>\$ 10,637,970</b>	<b>\$ 11,190,000</b>	<b>\$ 11,145,700</b>	<b>\$ (44,300)</b>	<b>(0.4)%</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	192,906	887,600	423,000	(464,600)	(52.3)%
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 10,830,877</b>	<b>\$ 12,077,600</b>	<b>\$ 11,568,700</b>	<b>\$ (508,900)</b>	<b>(4.2)%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 2,453,881	\$ 2,252,200	\$ 2,387,600	\$ 135,400	6.0%
Overtime	30,858	25,600	25,600	—	0.0%
Burden	1,532,296	1,533,600	1,638,800	105,200	6.9%
Temporary Personnel	111,573	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 4,128,608</b>	<b>\$ 3,811,400</b>	<b>\$ 4,052,000</b>	<b>\$ 240,600</b>	<b>6.3%</b>

## Maritime

### EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS

DESCRIPTION	QTY	BUDGET FY 2020
6' X 20' YOKOHAMA FENDERS & HARDWARE	4	\$ 88,000
MOBILE RESTROOM AT NDC	1	150,000
RESTROOM AND OFFICE REFURBISHMENT TAMT	1	65,000
SHORE POWER JIB	1	100,000
TRADE SHOW EXHIBITION BOOTH	2	20,000
<b>TOTAL EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS</b>	<b>9</b>	<b>\$ 423,000</b>

**Maritime**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
MO - WHARFINGERS, MARINE TERM		\$ 25,600		\$ 25,600		
<b>Total:</b>	\$ 30,858	\$ 25,600	\$ 25,600	\$ 25,600	\$ —	0.0 %
600120 Temporary Personnel						
<b>Total:</b>	\$ 111,573	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 142,431	\$ 25,600	\$ 25,600	\$ 25,600	\$ —	0.0 %
610110 Books & Periodicals						
MARITIME/INDUSTRY PERIODICALS		\$ 2,800		\$ 2,500		
<b>Total:</b>	\$ 978	\$ 2,800	\$ 2,800	\$ 2,500	\$ (300)	(10.7)%
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 2,000		\$ 2,000		
<b>Total:</b>	\$ 1,847	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
610120 Memberships & Dues						
MEMBERSHIP & DUES		\$ 33,400		\$ 33,700		
<b>Total:</b>	\$ 43,550	\$ 33,400	\$ 33,400	\$ 33,700	\$ 300	0.9 %
610140 Seminars & Training						
PROFESSIONAL DEVELOPMENT		\$ 10,000		\$ 9,600		
TRAINING PROGRAMS		11,900		11,900		
<b>Total:</b>	\$ 9,298	\$ 21,900	\$ 21,900	\$ 21,500	\$ (400)	(1.8)%
615100 Mileage Reimbursement						
MILEAGE		\$ 8,000		\$ 5,000		
<b>Total:</b>	\$ 2,533	\$ 8,000	\$ 8,000	\$ 5,000	\$ (3,000)	(37.5)%
615110 Travel						
BUSINESS RETENTION / DEVP MISSIONS		\$ 12,800		\$ 12,800		
CRUISE CONFERENCE/SUMMIT		26,200		26,200		
DOMESTIC SALES TRIPS / CONF		39,100		27,000		
INTL SALES TRIPS/CONF		59,000		50,000		
PROFESSIONAL DEVELOPMENT		12,900		9,000		
<b>Total:</b>	\$ 138,609	\$ 150,000	\$ 150,000	\$ 125,000	\$ (25,000)	(16.7)%
620100 Services - Professional & Other						
CONSULTING SERVICES		\$ 140,000		\$ 90,000		
FACILITY SEC PLAN ASSESSMT/EXERCISE		58,700		50,000		
FOREIGN TRADE ZONE OPERATOR FEE		10,000		10,000		

**Maritime**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
INT'L SALES TRIP/TRADE MISSION		13,000		13,000		
LAND SURVEY		60,000		—		
MOTEMS STUDIES		95,000		95,000		
OFFICE RELOCATION		30,000		—		
PARTNER AGENCIES AGREEMENTS		50,000		50,000		
PROFESSIONAL SERVICES		2,000		2,000		
<b>Total:</b>	\$ 275,860	\$ 458,700	\$ 458,700	\$ 310,000	\$ (148,700)	(32.4)%
620125 Services - Security						
BOARD MEETING SECURITY	\$ 2,500			\$ 3,100		
CCTV WATCHSTANDER		252,000		289,800		
CRUISE SECURITY SCREENING		938,500		1,231,800		
MILITARY SECURITY		100,000		100,000		
PORT PAVILION SPECIAL EVENT SECURITY		28,000		32,000		
TAMT MAIN/BACK GATE SECURITY		450,000		595,500		
<b>Total:</b>	\$ 1,840,051	\$ 1,771,000	\$ 1,771,000	\$ 2,252,200	\$ 481,200	27.2 %
620130 Services - Operator Retention						
PASHA	\$ 3,585,400			\$ 2,780,500		
<b>Total:</b>	\$ 3,070,644	\$ 3,585,400	\$ 3,585,400	\$ 2,780,500	\$ (804,900)	(22.4)%
630110 Equipment & Systems						
CARGO/CRUISE TERMINAL EQUIPMENT	\$ 45,000			\$ 25,000		
<b>Total:</b>	\$ 2,581	\$ 45,000	\$ 45,000	\$ 25,000	\$ (20,000)	(44.4)%
630120 Equipment Rental/Leasing						
CRUISE EQUIPMENT/TENT RENTAL	\$ 6,000			\$ 6,000		
FURNITURE RENTAL		20,000		—		
OFFICE TRAILERS - MARITIME & FSC (TAMT)		60,000		103,400		
OFFICE TRAILERS - TENANT & SECURITY		6,900		6,900		
PORTA POTTIES RENTAL AT TAMT		—		48,000		
TRAILER - MARITIME COMPUTER SERVER		10,000		—		
<b>Total:</b>	\$ 7,634	\$ 102,900	\$ 102,900	\$ 164,300	\$ 61,400	59.7 %
630130 Office & Operating Supplies						
MO - SUPPLIES FOR 3 TERMINALS	\$ 12,000			\$ 12,000		
OFFICE SUPPLIES		5,000		5,000		
TWIC CARDS NEW/REPLACE		2,000		2,000		
<b>Total:</b>	\$ 14,383	\$ 19,000	\$ 19,000	\$ 19,000	\$ —	0.0 %

**Maritime**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630140 Postage & Shipping						
FEDEX (INT'L)		\$ 1,500		\$ 1,500		
POSTAGE		1,000		1,000		
<b>Total:</b>	\$ 1,890	\$ 2,500	\$ 2,500	\$ 2,500	\$ —	0.0 %
630150 Safety Equipment & Supplies						
SAFETY EQUIPMENT & SUPPLIES		\$ 6,000		\$ 6,000		
<b>Total:</b>	\$ 8,556	\$ 6,000	\$ 6,000	\$ 6,000	\$ —	0.0 %
640100 Space Rental						
CALIF SLC RENT, MOORING AREAS		\$ 20,000		\$ 20,000		
CRUISE PERSONNEL PARKING		20,000		10,000		
HS - CORONADO HOA LEASE		7,200		7,200		
HS ONE AMERICA PLAZA LEASE		47,300		48,700		
<b>Total:</b>	\$ 78,606	\$ 94,500	\$ 94,500	\$ 85,900	\$ (8,600)	(9.1)%
640130 Utilities-Water						
TERMINALS WATER METER/HYDRANT		\$ 1,000		\$ 1,000		
<b>Total:</b>	\$ —	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
640150 Facility Management Services						
NATIONAL DISTRIBUTION CENTER		\$ 488,000		\$ 610,900		
<b>Total:</b>	\$ 534,331	\$ 488,000	\$ 488,000	\$ 610,900	\$ 122,900	25.2 %
650100 Facilities Maintenance-Supplies						
CARGO/CRUISE TERMINALS		\$ 2,000		\$ 2,000		
<b>Total:</b>	\$ 12,618	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
650110 Facilities Maintenance-Outside Services						
GRAVEL - TAMT FRONT DIRT LOT		\$ 10,000		\$ 10,000		
JANITORIAL - B ST & BDWY TERMINALS		116,000		90,000		
K-RAIL		10,000		12,000		
TERMINAL CLEANING (MILITARY)		75,000		75,000		
<b>Total:</b>	\$ 143,072	\$ 211,000	\$ 211,000	\$ 187,000	\$ (24,000)	(11.4)%
650130 Equipment Maintenance-Outside Services						
OFFICE EQUIPMENT		\$ 10,600		\$ 10,600		
SHOREPOWER SYSTEMS		264,200		363,600		
<b>Total:</b>	\$ 227,140	\$ 274,800	\$ 274,800	\$ 374,200	\$ 99,400	36.2 %
660110 Promotional Services						
BREAKBULK CONF - US & INTL		\$ 10,700		\$ 14,500		

**Maritime**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS	ORIGINAL BUDGET	ADJUSTED BUDGET	BUDGET	CHANGE FROM ADJUSTED BUDGET	
	FY 2018	FY 2019	FY 2019	FY 2020	dollars	pct
CRUISE CONF/PROMOTIONS		10,800		10,800		
CUSTOMER RELATIONS MEETINGS / EVENT		15,000		10,000		
DOMESTIC & INTL PROMOTIONS		10,000		10,000		
INDUSTRY EVENT SPONSORSHIPS		20,000		11,000		
INDUSTRY/BUSINESS CONF - U.S. & INT'L		25,000		20,000		
INTERNATIONAL SALES CALLS		1,000		1,000		
MARITIME RETREAT		4,000		4,000		
<b>Total:</b>	\$ 87,205	\$ 96,500	\$ 96,500	\$ 81,300	\$ (15,200)	(15.8)%
660120 Promotional Materials						
<b>Total:</b>	\$ 1,646	\$ —	\$ —	\$ —	\$ —	N/A
670105 Bank & CC Fees						
<b>Total:</b>	\$ 57	\$ —	\$ —	\$ —	\$ —	N/A
670130 Permits/Certificates/License						
PERMITS/CERTIFICATES/LICENSE		\$ 1,500		\$ 1,500		
<b>Total:</b>	\$ 5,219	\$ 1,500	\$ 1,500	\$ 1,500	\$ —	0.0 %
670190 Other Miscellaneous Operating Expenses						
CRUISE TERMINALS - CITY POLICE		\$ 700		\$ 700		
<b>Total:</b>	\$ 1,058	\$ 700	\$ 700	\$ 700	\$ —	0.0 %
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 6,509,362	\$ 7,378,600	\$ 7,378,600	\$ 7,093,700	\$ (284,900)	(3.9)%
<b>GRAND TOTAL:</b>	\$ 6,651,793	\$ 7,404,200	\$ 7,404,200	\$ 7,119,300	\$ (284,900)	(3.8)%



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# Marketing & Communications

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## **MISSION**

Be a dynamic and trusted strategic partner, providing integrated marketing and communications services that clearly and creatively share the Port of San Diego's story and engage people in the Port experience.

## **VISION**

People and partners experience a thriving and inviting San Diego Bay waterfront; understand, appreciate and are motivated to join in the District's purpose; and are left with a sense of enduring pride and extraordinary potential.

## **GOALS**

- Create and sustain positive relationships with stakeholders, media and the community at large by educating and informing the public and others in a timely manner on District-related issues through updates to the website, press releases, emails and outreach meetings.
- Raise awareness of the District, its business lines, activities and regional value through comprehensive campaigns and outreach initiatives: Implement Destination Campaign, Cruise and Cargo Campaigns, and Public Safety Campaign.
- Provide effective community outreach to encourage public and stakeholder participation in the Port Master Plan Update through promoting opportunities to give public feedback.
- Attract visitors and residents to enjoy the waterfront as a public amenity by promoting access, public recreation, activation efforts, special events, and community organized events through a comprehensive Destination Marketing Campaign that will focus on two planning districts per year.
- Create a positive 21<sup>st</sup> Century Port culture through internal communications strategies that promote others-focused leadership by utilizing a new intranet and internal newsletter.

## **KEY SERVICES PROVIDED**

- Develop and oversee the District's brand and sub-brands.
- Oversee telling the District's story to the public and stakeholders in a consistent and deliberate manner.
- Develop, implement, and analyze integrated marketing campaigns for the District's business lines.
- Manage and implement creative services for the organization, including graphic design, photography, and video production.
- Manage the District's marketing sponsorships to ensure the District's brand is represented correctly and the District's messaging is consistent.
- Oversee content creation and design of the District's website and social media channels.
- Manage District Speaker's Bureau, giving tours, providing speaking points, and developing presentations.
- Handle all District media inquiries, media interviews and development of key messaging platforms.
- Maintain positive and transparent relationships with international, national, and local media.
- Manage community outreach for various District projects and initiatives to engage the public and stakeholders.
- Manage internal communications strategies for the organization, including the intranet.

## **STRATEGIC PROJECTS SUPPORTED**

- UID1 - Implement Leadership Development Program
- UID2 - Execute Internal Communications (IC) Strategy
- UID19 - Process Port Master Plan Update (PMPU)
- UID33 - Advance Coronado Bridge Lighting Project
- UID54 - Develop Baywide Signage Plan

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Demolition and Site Improvements of Transit Sheds 1 and 2 at TAMT
- Site Preparation at Chula Vista Bayfront
- Microgrid Infrastructure at TAMT
- Former Navy Pier Head House Demolition

## Marketing & Communications

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- Comfort Station & Street End Improvements at Beach Avenue
- Shelter Island Boat Launch Facility Improvements
- National City Marina District Vision Plan Preliminary Planning
- B Street Mooring Dolphin
- Chula Vista Bayfront - South Campus Pavement & Foundation Demolition
- Cruise Ship Terminal Shore Power

### **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Structural Repairs at Navy Pier
- Fender System Upgrade at North Berth of B Street Pier
- Roof Replacement at TAMT Warehouse B
- Structural Repairs at Tuna Harbor Dock #1
- Forklift Charger Electrical Connections at B Street Pier Cruise Ship Terminal
- Sand Replenishment at Kellogg Beach
- Structural Repairs at Tuna Harbor Dock 2 & 3
- Under Pier Structural Repairs to Navy Pier

### **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- Employee Portal

## Marketing & Communications

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Administrative Assistant II (Classified)	1	1
Director, Marketing & Communications	1	1
Executive Assistant I (Classified)	1	1
Manager, Marketing & Communications	1	1
Marketing/Public Relations Representative	2	2
Multi-Media Specialist	2	2
Principal, Marketing/Public Relations Representative	1	1
Public Information Officer	1	1
Senior Multi-Media Specialist	1	1
Senior Web Developer	1	1
<b>TOTAL</b>	<b>12</b>	<b>12</b>

## Marketing & Communications

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 1,440,243	\$ 1,395,700	\$ 1,377,200	\$ (18,500)	(1.3)%
Non-Personnel Expense	1,776,701	2,114,300	1,958,500	(155,800)	(7.4)%
<b>Total Direct Expense</b>	<b>\$ 3,216,944</b>	<b>\$ 3,510,000</b>	<b>\$ 3,335,700</b>	<b>\$ (174,300)</b>	<b>(5.0)%</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	240,000	300,000	60,000	25.0 %
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 3,216,944</b>	<b>\$ 3,750,000</b>	<b>\$ 3,635,700</b>	<b>\$ (114,300)</b>	<b>(3.0)%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 982,582	\$ 984,500	\$ 958,100	\$ (26,400)	(2.7)%
Overtime	7,130	15,000	15,000	—	0.0 %
Burden	399,444	396,200	404,100	7,900	2.0 %
Temporary Personnel	51,087	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 1,440,243</b>	<b>\$ 1,395,700</b>	<b>\$ 1,377,200</b>	<b>\$ (18,500)</b>	<b>(1.3)%</b>

## Marketing & Communications

### EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS

DESCRIPTION	QTY	BUDGET FY 2020
BAYWIDE WAYFINDING & SIGNAGE	1	\$ 300,000
<b>TOTAL EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS</b>	<b>1</b>	<b>\$ 300,000</b>

**Marketing & Communications**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME		\$ 15,000		\$ 15,000		
<b>Total:</b>	\$ 7,130	\$ 15,000	\$ 15,000	\$ 15,000	\$ —	0.0 %
600120 Temporary Personnel						
<b>Total:</b>	\$ 51,087	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 58,217	\$ 15,000	\$ 15,000	\$ 15,000	\$ —	0.0 %
610110 Books & Periodicals						
PROF & MEDIA PUBLICATIONS		\$ 2,000		\$ 2,000		
<b>Total:</b>	\$ 1,442	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 400		\$ 800		
<b>Total:</b>	\$ 281	\$ 400	\$ 400	\$ 800	\$ 400	100.0 %
610120 Memberships & Dues						
MEMBERSHIPS & DUES		\$ 6,500		\$ 6,500		
<b>Total:</b>	\$ 5,256	\$ 6,500	\$ 6,500	\$ 6,500	\$ —	0.0 %
610140 Seminars & Training						
SEMINARS & TRAINING		\$ 8,000		\$ 8,500		
<b>Total:</b>	\$ 8,149	\$ 8,000	\$ 8,000	\$ 8,500	\$ 500	6.3 %
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 2,300		\$ 2,000		
PARKING/CAR ALLOWANCE		1,100		1,000		
<b>Total:</b>	\$ 1,764	\$ 3,400	\$ 3,400	\$ 3,000	\$ (400)	(11.8)%
615110 Travel						
TECHNICAL/TRNG/PROFESSIONAL		\$ 8,000		\$ 8,500		
<b>Total:</b>	\$ 7,209	\$ 8,000	\$ 8,000	\$ 8,500	\$ 500	6.3 %
620100 Services - Professional & Other						
MARKET RESEARCH		\$ 100,000		\$ 100,000		
MEDIA MONITORING		35,000		35,000		
PUBLIC RELATIONS CONSULTANTS		165,000		180,000		
<b>Total:</b>	\$ 306,271	\$ 300,000	\$ 300,000	\$ 315,000	\$ 15,000	5.0 %
630110 Equipment & Systems						
<b>Total:</b>	\$ 365	\$ —	\$ —	\$ —	\$ —	N/A

**Marketing & Communications**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630130 Office & Operating Supplies						
OFFICE & GRAPHIC ART SUPPLIES		\$ 9,000		\$ 11,000		
<b>Total:</b>	\$ 10,820	\$ 9,000	\$ 9,000	\$ 11,000	\$ 2,000	22.2 %
630140 Postage & Shipping						
POSTAGE		\$ 2,000		\$ 3,200		
<b>Total:</b>	\$ 4,492	\$ 2,000	\$ 2,000	\$ 3,200	\$ 1,200	60.0 %
660105 Marketing/Outreach						
ARTS & CULTURE EVENT OUTREACH		\$ 10,000		\$ 10,000		
ARTS & CULTURE PROJECTS		5,000		10,000		
ARTS MONTH		5,000		10,000		
BAYWIDE SIGNAGE		210,000		75,000		
COMP. MKTG, COMM, & BRAND CAMPAIGN		175,000		170,000		
CORPORATE/COMMUNITY INTERNAL		15,000		25,000		
CORPORATE/COMMUNITY OUTREACH		150,000		150,000		
CORPORATE/COMMUNITY PUBLIC ASSETS		25,000		25,000		
GREEN PORT MONTH		10,000		25,000		
GREEN PORT OUTREACH		10,000		25,000		
HARBOR POLICE OUTREACH		10,000		25,000		
MARCOM MARKETING SERVICES		90,000		115,000		
MARCOM MEDIA RESEARCH		25,000		25,000		
MARITIME CARGO		100,000		110,000		
MARITIME CRUISE		150,000		150,000		
MARITIME MONTH		40,000		50,000		
MARITIME OUTREACH		5,000		5,000		
PLANNING PMPU		10,000		10,000		
REAL ESTATE DLVP SVC OUTREACH		5,000		—		
REAL ESTATE DESTINATION		315,000		325,000		
REAL ESTATE PLAN/DVLP PROJECTS		10,000		10,000		
<b>Total:</b>	\$ 1,192,932	\$ 1,375,000	\$ 1,375,000	\$ 1,350,000	\$ (25,000)	(1.8) %
660110 Promotional Services						
TABLES/BOOTH SPONSORSHIPS		\$ 125,000		\$ 150,000		
<b>Total:</b>	\$ 155,555	\$ 125,000	\$ 125,000	\$ 150,000	\$ 25,000	20.0 %
660120 Promotional Materials						
PHOTOS, PRINTS, & DISPLAYS		\$ 30,000		\$ 30,000		
PROMOTIONAL ITEMS/MATERIALS		40,000		40,000		



**Marketing & Communications**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS	ORIGINAL BUDGET	ADJUSTED BUDGET	BUDGET	CHANGE FROM ADJUSTED BUDGET	
	FY 2018	FY 2019	FY 2019	FY 2020	dollars	pct
SIGNAGE/SPECIAL EVENT MATERIALS		30,000		30,000		
<b>Total:</b>	\$ 82,165	\$ 100,000	\$ 100,000	\$ 100,000	\$ —	0.0 %
660135 Eligible Environmental Fund Expenditures						
ENVIRONMENTAL CHAMPIONS		\$ 175,000		\$ —		
<b>Total:</b>	\$ —	\$ 175,000	\$ 175,000	\$ —	\$ (175,000)	(100.0)%
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 1,776,701	\$ 2,114,300	\$ 2,114,300	\$ 1,958,500	\$ (155,800)	(7.4)%
<b>GRAND TOTAL:</b>	\$ 1,834,918	\$ 2,129,300	\$ 2,129,300	\$ 1,973,500	\$ (155,800)	(7.3)%

## MSA, Interest & Other

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ —	\$ —	\$ —	\$ —	N/A
Non-Personnel Expense	11,863,992	12,841,900	13,034,500	192,600	1.5%
<b>Total Direct Expense</b>	<b>\$ 11,863,992</b>	<b>\$ 12,841,900</b>	<b>\$ 13,034,500</b>	<b>\$ 192,600</b>	<b>1.5%</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 11,863,992</b>	<b>\$ 12,841,900</b>	<b>\$ 13,034,500</b>	<b>\$ 192,600</b>	<b>1.5%</b>

**MSA, Interest & Other  
EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
640100 Space Rental						
CALTRANS-(ADMIN BLDG PARKING)		\$ 22,500		\$ 22,500		
SDCRAA LEASE (EE PARKING)		149,500		149,500		
<b>Total:</b>	\$ 170,820	\$ 172,000	\$ 172,000	\$ 172,000	\$ —	0.0 %
650110 Facilities Maintenance-Outside Services						
IMPERIAL BEACH MAINTENANCE		\$ 1,011,200		\$ 1,026,700		
<b>Total:</b>	\$ 972,716	\$ 1,011,200	\$ 1,011,200	\$ 1,026,700	\$ 15,500	1.5 %
660130 Svcs - Fire, Police, Rescue, Emergency						
MUNICIPAL SERVICE AGREEMENTS		\$ 7,995,600		\$ 8,143,400		
<b>Total:</b>	\$ 7,777,781	\$ 7,995,600	\$ 7,995,600	\$ 8,143,400	\$ 147,800	1.8 %
670140 Legal Cost / Legal Settlements						
<b>Total:</b>	\$ 37,071	\$ —	\$ —	\$ —	\$ —	N/A
670190 Other Miscellaneous Operating Expenses						
CONTINGENCY		\$ 1,000,000		\$ 1,000,000		
<b>Total:</b>	\$ (270,716)	\$ 1,000,000	\$ 750,000	\$ 1,000,000	\$ 250,000	33.3 %
680120 Interest-SDCRAA, NEVP & Other Misc.						
CIVIC SAN DIEGO		\$ 70,000		\$ 40,200		
SDCRAA NOTE INTEREST		1,781,200		1,678,500		
<b>Total:</b>	\$ 1,987,535	\$ 1,851,200	\$ 1,851,200	\$ 1,718,700	\$ (132,500)	(7.2)%
680190 Other Misc Non-Operating Expense						
<b>Total:</b>	\$ 14,779	\$ —	\$ —	\$ —	\$ —	N/A
680621 Interest Expense - Series A 2004 Bonds						
INTEREST		\$ 124,400		\$ 17,900		
PREMIUM AMORTIZATION		(46,900)		(8,100)		
<b>Total:</b>	\$ 181,570	\$ 77,500	\$ 77,500	\$ 9,800	\$ (67,700)	(87.4)%
680623 Interest Expense - Series A 2013 Bonds						
INTEREST		\$ 1,236,900		\$ 1,236,900		
PREMIUM AMORTIZATION		(252,500)		(273,000)		
<b>Total:</b>	\$ 992,438	\$ 984,400	\$ 984,400	\$ 963,900	\$ (20,500)	(2.1)%
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$11,863,992	\$13,091,900	\$12,841,900	\$13,034,500	\$ 192,600	1.5 %
<b>GRAND TOTAL:</b>	\$11,863,992	\$13,091,900	\$12,841,900	\$13,034,500	\$ 192,600	1.5 %

# Office of the District Clerk

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## **MISSION**

We are dedicated to consistently providing exceptional and timely services to the public, our stakeholders, District staff, and the Board of Port Commissioners.

## **VISION**

We are an enterprising model of excellence, innovating to best meet the evolving needs of the public and a 21<sup>st</sup> Century Port.

## **GOALS**

- Complete department cross-training plan by the end of Q4 FY 2020.
  - Metric: Number of tasks identified for cross training vs number of staff already cross-trained on tasks to identify gaps.
- Implement a file plan that enables automated migration of and retention on records stored in SharePoint by the end of Q4 FY 2020.
  - Metric: Number of documents/categories migrated/indexed to SharePoint that are considered records and that have retention enabled.
- Develop District-wide education plan for Office of the District Clerk (ODC) operations by the end of Q4 FY 2020.
  - Metrics: Number of FAQs distributed regarding ODC's office functions.
  - Percent of departments visited during Municipal Clerks Month (May 2020).
  - Number of visitors to attend ODC's Open House in May 2020.
- Develop a plan for greater on-line access to Public Records by the end of Q4 FY 2020.
  - Metric: Number of historical, archival, or legislative records readily available to the public online.
  - If grant application for funds from the U. S. National Archives is successful, prepare plan for identifying, archiving, and digitizing key historical materials including photographs, dredging records, maps, as-builts, engineer drawings, and notes, etc.

## **KEY SERVICES PROVIDED**

- Process approximately 800 Public Records Requests annually in compliance with the California Public Records Act and the Constitution of the State of California.
- Ensure compliance with the requirements set forth by the Fair Political Practices Commission (FPPC).
  - Process Form 802s as per BPC Policy No. 070 and Administrative Procedure 106-115.
  - Manage Conflict of Interest Program and Statement of Economic Interest requirements (approximately 275 filers).
- Manage the electronic agenda and Board Meeting management system.
- Process and post agenda packages for approximately 35 meetings a year in accordance with the Brown Act (publication of the agenda is comprised of an average of 12,550 pages annually).
- Manage the Records and Information Management (RIM) Program, including documenting and preserving District records.
  - Note - if budget cuts to ODC are realized, we will not be able to move forward with a planned start on a photo preservation project. We will likely also be limited on the number of boxes that we are able to non-retain in FY 2020.
- Provide administrative support to the Board of Port Commissioners.
- Provide travel services for all District staff and Commissioners in accordance with BPC Policy No. 641.
- Prepare 52 weekly packages of information for distribution to the Board of Port Commissioners.
- Provide administration building customers with their first point of contact at the Customer Service Center located in the lobby.
- Provide Print Shop services through a consulting agreement with Xerox (on average 60,000 pages per month).
- Process all incoming and outgoing mail including registered mail and FedEx deliveries and pickups (approximately 450 lbs. of incoming mail and 200 lbs. of outgoing mail per month).

## **STRATEGIC PROJECTS SUPPORTED**

- Strategic Projects are indirectly supported as part of the department's Key Services provided.

# Office of the District Clerk

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## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Capital Improvement Program projects are indirectly supported as part of the department's Key Services provided.

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Major Maintenance projects are indirectly supported as part of the department's Key Services provided.
  - Note - the Boardroom will need repairs/upgrades within the next three to five years to address the aging dais and the floor behind the dais.

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- D2 Replacement
- Concur Travel Management

## Office of the District Clerk

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Administrative Assistant II (Classified)	2	2
Commissioner Services Assistant	2	2
Deputy District Clerk/Docket Coordinator	1	1
Deputy District Clerk/Records Manager	1	1
District Clerk	1	1
Document Management Assistant	1	1
Document Management Associate	2	2
Executive Assistant I (Classified)	1	1
Management Analyst	1	1
Manager, Commissioner & Executive Svcs	1	1
Office Assistant (Classified)	1	1
<b>TOTAL</b>	<b>14</b>	<b>14</b>

## Office of the District Clerk

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 1,503,212	\$ 1,496,300	\$ 1,547,800	\$ 51,500	3.4 %
Non-Personnel Expense	154,866	224,200	213,000	(11,200)	(5.0)%
<b>Total Direct Expense</b>	<b>\$ 1,658,077</b>	<b>\$ 1,720,500</b>	<b>\$ 1,760,800</b>	<b>\$ 40,300</b>	<b>2.3 %</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 1,658,077.15</b>	<b>\$ 1,720,500</b>	<b>\$ 1,760,800</b>	<b>\$ 40,300</b>	<b>2.3 %</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Regular Salaries & Wages	\$ 874,908	\$ 924,900	\$ 940,400	\$ 15,500	1.7%
Overtime	6,121	15,000	15,000	—	0.0%
Burden	552,012	556,400	592,400	36,000	6.5%
Temporary Personnel	70,171	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 1,503,212</b>	<b>\$ 1,496,300</b>	<b>\$ 1,547,800</b>	<b>\$ 51,500</b>	<b>3.4%</b>

**Office of the District Clerk**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME		\$ 15,000		\$ 15,000		
<b>Total:</b>	\$ 6,121	\$ 15,000	\$ 15,000	\$ 15,000	\$ —	0.0 %
600120 Temporary Personnel						
<b>Total:</b>	\$ 70,171	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 76,292	\$ 15,000	\$ 15,000	\$ 15,000	\$ —	0.0 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 500		\$ 500		
<b>Total:</b>	\$ 415	\$ 500	\$ 500	\$ 500	\$ —	0.0 %
610120 Memberships & Dues						
MEMBERSHIP & DUES		\$ 2,300		\$ 2,300		
<b>Total:</b>	\$ 2,600	\$ 2,300	\$ 2,300	\$ 2,300	\$ —	0.0 %
610140 Seminars & Training						
SEMINARS & TRAINING		\$ 10,200		\$ 10,200		
<b>Total:</b>	\$ 8,610	\$ 10,200	\$ 10,200	\$ 10,200	\$ —	0.0 %
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 1,000		\$ 1,000		
<b>Total:</b>	\$ 716	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
615110 Travel						
TRAVEL		\$ 9,700		\$ 9,700		
<b>Total:</b>	\$ 9,172	\$ 9,700	\$ 9,700	\$ 9,700	\$ —	0.0 %
620100 Services - Professional & Other						
ARC CLOUD STORAGE		\$ 2,000		\$ 2,000		
COPY CENTER SERVICES		72,000		72,000		
MICROFILM CONVERSION		6,000		6,000		
MICROFILMING		600		600		
OFF-SITE STORAGE		500		500		
ON-CALL RECORDS RETENTION SERVICES		500		500		
SERVICES PROFESSIONAL & OTHER		1,000		1,000		
SHREDDING		8,500		8,500		
TRANSCRIPTION SERVICES		2,000		2,000		
<b>Total:</b>	\$ 77,401	\$ 93,100	\$ 93,100	\$ 93,100	\$ —	0.0 %
630110 Equipment & Systems						



**Office of the District Clerk**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>Total:</b>	\$ 2,951	\$ —	\$ —	\$ —	—	N/A
630120 Equipment Rental/Leasing						
OFFSITE BOARD MEETINGS	\$	28,000		\$ 20,000		
<b>Total:</b>	\$ —	\$ 28,000	\$ 28,000	\$ 20,000	\$ (8,000)	(28.6)%
630130 Office & Operating Supplies						
OFFICE & OPERATING SUPPLIES	\$	58,000		\$ 58,000		
<b>Total:</b>	\$ 44,094	\$ 58,000	\$ 58,000	\$ 58,000	\$ —	0.0 %
630140 Postage & Shipping						
POSTAGE & SHIPPING	\$	2,400		\$ 2,400		
<b>Total:</b>	\$ 2,174	\$ 2,400	\$ 2,400	\$ 2,400	\$ —	0.0 %
650130 Equipment Maintenance - Outside Services						
EQUIPMENT MAINTENANCE OUTSIDE SERVICES	\$	3,000		\$ 3,000		
<b>Total:</b>	\$ —	\$ 3,000	\$ 3,000	\$ 3,000	\$ —	0.0 %
660100 Advertising						
ADVERTISING	\$	15,000		\$ 12,300		
<b>Total:</b>	\$ 6,733	\$ 15,000	\$ 15,000	\$ 12,300	\$ (2,700)	(18.0)%
660110 Promotional Services						
PROMOTIONAL SERVICES	\$	1,000		\$ 500		
<b>Total:</b>	\$ —	\$ 1,000	\$ 1,000	\$ 500	\$ (500)	(50.0)%
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 154,866	\$ 224,200	\$ 224,200	\$ 213,000	\$ (11,200)	(5.0)%
<b>GRAND TOTAL:</b>	\$ 231,158	\$ 239,200	\$ 239,200	\$ 228,000	\$ (11,200)	(4.7)%

# Office of the General Counsel

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## **MISSION**

To represent and provide legal expertise, analysis, support, and advice to the Board of Port Commissioners (Board), the District's Executive Leadership Group, and staff pertaining to all legal matters involving the District.

## **VISION**

To zealously advocate on behalf of the District and provide exceptional legal representation in a proactive and preventative manner.

## **GOALS**

- To better prepare District staff, conduct one to two trainings for the Real Estate Department, Development Services Department and Planning Department regarding closed session confidentiality and best practices by the end of Q4 FY 2020.
- For routine legal matters, reduce outside counsel costs by 5-10% in FY 2020 through the use of in-house counsel.
- Turn around legal review of uncomplicated contracts and uncontroversial Categorical Determinations within five business days in FY 2020.
- To better prepare for upcoming attorney retirements and to facilitate cross-expertise training, each attorney will participate in at least one cross-expertise legal training by the end of Q4 FY 2020.

## **KEY SERVICES PROVIDED**

District legal services, including without limitation:

- Representing the District in legal challenges, at Board meetings, and other hearings and meetings
- Reviewing of contracts, entitlements, agenda sheets, and other transactional matters
- Giving legal advice on a variety of matters
- Manage and run closed sessions
- Report and correspond to the Board on confidential matters
- Provide legal training on a variety of topics
- Review of documents for Public Record Act requests

## **STRATEGIC PROJECTS SUPPORTED**

- UID9 - Implement Stormwater Pollution Prevention Strategy
- UID19 - Process Port Master Plan Update (PMPU)
- UID20 - Develop a Port Mobility Strategy
- UID23 - Update Climate Action Plan (CAP) to Align with State of California
- UID24 - Circulate National City Balanced Land Use Plan Environmental Impact Report (EIR)
- UID27 - Enter into a Term Sheet for a Disposition and Development Agreement (DDA) for the Central Embarcadero
- UID32 - Execute Disposition and Development Agreement (DDA) w/RIDA and Commence Construction of Chula Vista Bayfront
- UID38 - Commence Legal Document Retention Project
- UID47 - Develop Small and Medium-Sized Aquaculture/Blue Tech Facility Concepts
- UID77 - Advance Mitigation Banking, Including Pond 20
- UID324 - Execute Cruise and Infrastructure Optimization
- Additional Strategic projects are indirectly supported as part of the department's Key Services provided.

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Microgrid Infrastructure at TAMT
- Former Navy Pier Head House Demolition
- National City Marina District Vision Plan Preliminary Planning
- B Street Mooring Dolphin

## Office of the General Counsel

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- Chula Vista Bayfront - South Campus Pavement & Foundation Demolition
- Additional Capital Improvement Program projects are indirectly supported as part of the department's Key Services provided.

### **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Major Maintenance projects are indirectly supported as part of the department's Key Services provided.

### **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- Technology Maintenance Program projects are indirectly supported as part of the department's Key Services provided.

## Office of the General Counsel

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Assistant General Counsel	1	1
Deputy General Counsel IV	2	2
Deputy General Counsel V	4	4
General Counsel	1	1
Legal Assistant	2	2
Manager, Office of General Counsel Admin	1	1
Paralegal	2	2
Senior Deputy General Counsel	1	1
<b>TOTAL</b>	<b>14</b>	<b>14</b>

## Office of the General Counsel

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 3,378,995	\$ 3,392,800	\$ 3,870,000	\$ 477,200	14.1%
Non-Personnel Expense	4,889,570	3,888,900	3,900,800	11,900	0.3%
<b>Total Direct Expense</b>	<b>\$ 8,268,565</b>	<b>\$ 7,281,700</b>	<b>\$ 7,770,800</b>	<b>\$ 489,100</b>	<b>6.7%</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	45,000	45,000	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 8,268,565</b>	<b>\$ 7,281,700</b>	<b>\$ 7,815,800</b>	<b>\$ 534,100</b>	<b>7.3%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 2,128,522	\$ 2,299,700	\$ 2,469,000	\$ 169,300	7.4%
Overtime	1,126	500	500	—	0.0%
Burden	1,238,898	1,092,600	1,400,500	307,900	28.2%
Temporary Personnel	10,449	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 3,378,995</b>	<b>\$ 3,392,800</b>	<b>\$ 3,870,000</b>	<b>\$ 477,200</b>	<b>14.1%</b>

## Office of the General Counsel

### EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS

DESCRIPTION	QTY	BUDGET FY 2020
OFFICE MODIFICATIONS	1	\$ 45,000
<b>TOTAL EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS</b>	<b>1</b>	<b>\$ 45,000</b>

**Office of the General Counsel**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 500		\$ 500		
<b>Total:</b>	\$ 1,126	\$ 500	\$ 500	\$ 500	\$ —	0.0%
600120 Temporary Personnel						
<b>Total:</b>	\$ 10,449	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 11,575	\$ 500	\$ 500	\$ 500	\$ —	0.0%
610110 Books & Periodicals BOOKS & PERIODICALS		\$ 27,200		\$ 30,600		
<b>Total:</b>	\$ 43,544	\$ 27,200	\$ 27,200	\$ 30,600	\$ 3,400	12.5%
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 500		\$ 600		
<b>Total:</b>	\$ 277	\$ 500	\$ 500	\$ 600	\$ 100	20.0%
610120 Memberships & Dues MEMBERSHIPS & DUES		\$ 11,000		\$ 12,400		
<b>Total:</b>	\$ 12,260	\$ 11,000	\$ 11,000	\$ 12,400	\$ 1,400	12.7%
610140 Seminars & Training SEMINARS & TRAINING		\$ 22,000		\$ 24,700		
<b>Total:</b>	\$ 12,550	\$ 22,000	\$ 22,000	\$ 24,700	\$ 2,700	12.3%
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 26,000		\$ 26,000		
<b>Total:</b>	\$ 22,681	\$ 26,000	\$ 26,000	\$ 26,000	\$ —	0.0%
615110 Travel TRAVEL		\$ 23,000		\$ 25,900		
<b>Total:</b>	\$ 16,021	\$ 23,000	\$ 23,000	\$ 25,900	\$ 2,900	12.6%
620100 Services - Professional & Other SERVICES - PROFESSIONAL & OTHER		\$ 873,600		\$ 873,600		
<b>Total:</b>	\$ 1,229,692	\$ 873,600	\$ 873,600	\$ 873,600	\$ —	0.0%
620110 Services - Legal - Port Attorney SERVICES - LEGAL		\$ 2,881,400		\$ 2,881,400		
<b>Total:</b>	\$ 3,530,137	\$ 2,881,400	\$ 2,881,400	\$ 2,881,400	\$ —	0.0%
630110 Equipment & Systems EQUIPMENT & SYSTEMS		\$ 2,000		\$ 2,000		

**Office of the General Counsel**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>Total:</b>	\$ —	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0%
630130 Office & Operating Supplies						
OFFICE & OPERATING SUPPLIES		\$ 11,300		\$ 12,700		
<b>Total:</b>	\$ 12,580	\$ 11,300	\$ 11,300	\$ 12,700	\$ 1,400	12.4%
630140 Postage & Shipping						
POSTAGE & SHIPPING		\$ 1,000		\$ 1,000		
<b>Total:</b>	\$ 780	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0%
640110 Telephone & Communication						
<b>Total:</b>	\$ 154	\$ —	\$ —	\$ —	\$ —	N/A
660110 Promotional Services						
PROMOTIONAL SERVICES		\$ 9,900		\$ 9,900		
<b>Total:</b>	\$ 8,894	\$ 9,900	\$ 9,900	\$ 9,900	\$ —	0.0%
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 4,889,570	\$ 3,888,900	\$ 3,888,900	\$ 3,900,800	\$ 11,900	0.3%
<b>GRAND TOTAL:</b>	\$ 4,901,144	\$ 3,889,400	\$ 3,889,400	\$ 3,901,300	\$ 11,900	0.3%



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# Office of the Port Auditor

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## **MISSION**

To provide independent, objective assurance and advisory services to the Board of Port Commissioners and District Management. To assist the Board of Port Commissioners and members of the organization in accomplishing its goals and objectives by bringing a systematic, disciplined approach to evaluating and improving the effectiveness of control, risk management, and governance processes.

## **VISION**

To be a regional model dedicated to providing professional world-class auditing services to advance the public's understanding and trust in the District.

## **GOALS**

- Complete 100% of the District's FY 2020 Audit Plan by the end of Q4 FY 2020.
- Complete 100% of required staff training by the end of Q4 FY 2020.
- Achieve an average audit satisfaction score of 4.5 (maximum score: 5.0) by the end of Q4 FY 2020.
- Achieve 98% stakeholder/management concurrence on audit observations (findings) by the end of Q4 FY 2020.
- Achieve 80% stakeholder/management implementation of audit recommendations by the end of Q4 FY 2020.

## **KEY SERVICES PROVIDED**

- Provide assurance services to assist the District in improving the effectiveness of internal control, governance, and risk management processes.
- Continuously improve business systems and processes through performance audits and recommendations to District management.
- Perform tenant audits to maintain the District's financial stability.
- Partner with District management to provide the highest quality advisory consulting services.
- Evaluate the District's compliance with applicable laws, policies, procedures, and mandates.
- Develop for Board approval a risk-based audit plan each fiscal year.
- Administer the District's Ethics Hotline and conduct investigations as necessary.

## **STRATEGIC PROJECTS SUPPORTED**

- Strategic projects are indirectly supported as part of the department's Key Services provided.

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Capital Improvement Program projects are indirectly supported as part of the department's Key Services provided.

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Major Maintenance projects are indirectly supported as part of the department's Key Services provided.

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- Technology Maintenance Program projects are indirectly supported as part of the department's Key Services provided.

## Office of the Port Auditor

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Assistant Port Auditor	1	1
Assistant to Port Auditor	1	1
Deputy Port Auditor I	2	2
Deputy Port Auditor II	2	2
Port Auditor	1	1
<b>TOTAL</b>	<b>7</b>	<b>7</b>

## Office of the Port Auditor

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 950,203	\$ 998,600	\$ 984,700	\$ (13,900)	(1.4)%
Non-Personnel Expense	243,088	311,900	299,600	(12,300)	(3.9)%
<b>Total Direct Expense</b>	<b>\$ 1,193,291</b>	<b>\$ 1,310,500</b>	<b>\$ 1,284,300</b>	<b>\$ (26,200)</b>	<b>(2.0)%</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 1,193,291</b>	<b>\$ 1,310,500</b>	<b>\$ 1,284,300</b>	<b>\$ (26,200)</b>	<b>(2.0)%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 660,459	\$ 702,600	\$ 715,900	\$ 13,300	1.9 %
Overtime	627	1,000	1,000	—	0.0 %
Burden	256,176	295,000	267,800	(27,200)	(9.2)%
Temporary Personnel	32,941	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 950,203</b>	<b>\$ 998,600</b>	<b>\$ 984,700</b>	<b>\$ (13,900)</b>	<b>(1.4)%</b>

**Office of the Port Auditor**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME		\$ 1,000		\$ 1,000		
<b>Total:</b>	\$ 627	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
600120 Temporary Personnel						
<b>Total:</b>	\$ 32,941	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 33,568	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
610110 Books & Periodicals						
PROFESSIONAL PUBLICATION		\$ 1,000		\$ 1,000		
<b>Total:</b>	\$ 680	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 300		\$ 300		
<b>Total:</b>	\$ 839	\$ 300	\$ 300	\$ 300	\$ —	0.0 %
610120 Memberships & Dues						
MEMBERSHIPS & DUES		\$ 3,200		\$ 3,200		
<b>Total:</b>	\$ 2,801	\$ 3,200	\$ 3,200	\$ 3,200	\$ —	0.0 %
610140 Seminars & Training						
SEMINARS		\$ 18,700		\$ 18,700		
<b>Total:</b>	\$ 15,100	\$ 18,700	\$ 18,700	\$ 18,700	\$ —	0.0 %
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 15,500		\$ 15,500		
<b>Total:</b>	\$ 13,934	\$ 15,500	\$ 15,500	\$ 15,500	\$ —	0.0 %
615110 Travel						
TRAVEL		\$ 11,000		\$ 11,000		
<b>Total:</b>	\$ 9,029	\$ 11,000	\$ 11,000	\$ 11,000	\$ —	0.0 %
620100 Services - Professional & Other						
EXTERNAL AUDITOR		\$ 118,000		\$ 121,400		
FRAUD/ETHICS HOTLINE		2,700		2,700		
OUTSOURCED AUDITS		135,900		120,100		
<b>Total:</b>	\$ 196,991	\$ 256,600	\$ 256,600	\$ 244,200	\$ (12,400)	(4.8)%
630110 Equipment & Systems						
EQUIPMENT & SYSTEMS		\$ 1,200		\$ 1,200		
<b>Total:</b>	\$ 919	\$ 1,200	\$ 1,200	\$ 1,200	\$ —	0.0 %

**Office of the Port Auditor**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630130 Office & Operating Supplies						
OFFICE SUPPLIES	\$	4,100		\$ 4,100		
<b>Total:</b>	\$ 2,709	\$ 4,100	\$ 4,100	\$ 4,100	\$ —	0.0 %
630140 Postage & Shipping						
POSTAGE & SHIPPING	\$	100		\$ 100		
<b>Total:</b>	\$ 37	\$ 100	\$ 100	\$ 100	\$ —	0.0 %
630150 Safety & Equipment						
SAFETY EQUIPMENT	\$	100		\$ 100		
<b>Total:</b>	\$ 47	\$ 100	\$ 100	\$ 100	\$ —	0.0 %
660110 Promotional Services						
PROMOTIONAL SERVICES	\$	100		\$ 200		
<b>Total:</b>	\$ 1	\$ 100	\$ 100	\$ 200	\$ 100	100.0 %
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 243,088	\$ 311,900	\$ 311,900	\$ 299,600	\$ (12,300)	(3.9)%
<b>GRAND TOTAL:</b>	\$ 276,656	\$ 312,900	\$ 312,900	\$ 300,600	\$ (12,300)	(3.9)%

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# People Strategies

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## **MISSION**

We design, develop, and deliver strategies in partnership with Human Resources creating a workplace where Port of San Diego employees can do the greatest good, by doing remarkably well at work. We build a sustainable 21<sup>st</sup> Century Port Culture through Others-Focused Leadership ensuring organizational strategies, projects, and services are delivered.

## **VISION**

To build a sustainable 21<sup>st</sup> Century Constructive Culture through Others-Focused Leadership.

## **GOALS**

- Foster a culture of constructive behaviors for all current and future employees by integrating our District-wide and leadership competencies into:
  - Leadership development (Charting Your Course - Phase II FY 2020).
  - Talent selection (Implementation FY 2020).
  - Workforce planning (Implementation FY 2020).
  - Updated performance management system/process (FY 2020).
  - 360 assessments (FY 2020).
- Measure effectiveness of cultural strategies through an annual engagement assessment (FY 2020).
- Finalize design and implement Leadership Coaching program Phase I: Senior Staff (FY 2020).
- Continuously evaluate, improve, and build business programs and systems (i.e. Organizational Strategy) to increase individual, departmental, and organizational performance and streamline processes (FY 2020).

## **KEY SERVICES PROVIDED**

- Retain and develop a highly skilled, engaged, culturally fit, and diverse workforce from hire to retire via the re-evaluation of current programs/processes and future needs of the District:
  - Orientation
  - On-Boarding
  - Performance Management
  - Comprehensive Training Program(s)
  - Rewards and Recognition
  - Telecommuting
- Document processes for sustainability purposes and consistency in deliveries and messaging to:
  - Focus on Operational Excellence
  - Support Management to implement improvements
  - Support other District departments in strategically running their departments
  - Support the District's financial and operational goals
  - Retain and develop a highly skilled, diverse workforce
  - Encourage a culture of constructive behaviors
  - Retain intellectual assets and corporate knowledge of the District
  - Track and implement new trends in the industry
- Utilize and implement District-wide Competencies in Leadership Development (CYC), Talent Selection, Workforce Planning, Performance Management/Reviews, 360 Assessments, etc.
- District Assessments/Surveys - currently District-wide
- Port Life Series - currently District-wide
- Port Learning Center (PLC) District-specific classes/trainings
- Additional Programs:
  - Knowledge Management and Transfer for Retiring Employees
  - Intern Program
  - Enterprise Strategic/Budget Planning - FY 2017, FY 2018, FY 2019, FY 2020 (On-Going)
  - Org Review and Development - FY 2019 (On-going)



# People Strategies

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## **STRATEGIC PROJECTS SUPPORTED**

- UID1 - Implement Leadership Development Program
- UID2 - Execute Internal Communications (IC) Strategy
- UID3 - Redesign Talent Selection
- UID5 - Develop Strategic Workforce Planning (SWFP)
- UID17 - Develop Plan to Improve Workplace Environment

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Capital Improvement Program projects are indirectly supported as part of the department's Key Services provided.

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Major Maintenance projects are indirectly supported as part of the department's Key Services provided.

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- D2 Replacement
- Employee Portal
- Centralized Authentication

## People Strategies

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Administrative Asst I (Unclassified)	1	1
Director, People Strategies	1	1
Manager, People Strategies	1	1
People Strategies Business Partner	2	2
<b>TOTAL</b>	<b>5</b>	<b>5</b>

## People Strategies

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 907,813	\$ 775,300	\$ 820,200	\$ 44,900	5.8 %
Non-Personnel Expense	289,119	388,300	368,900	(19,400)	(5.0)%
<b>Total Direct Expense</b>	<b>\$ 1,196,932</b>	<b>\$ 1,163,600</b>	<b>\$ 1,189,100</b>	<b>\$ 25,500</b>	<b>2.2 %</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 1,196,932</b>	<b>\$ 1,163,600</b>	<b>\$ 1,189,100</b>	<b>\$ 25,500</b>	<b>2.2 %</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 635,554	\$ 511,600	\$ 528,800	\$ 17,200	3.4%
Overtime	71	—	—	—	N/A
Burden	272,188	263,700	291,400	27,700	10.5%
Temporary Personnel	—	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 907,813</b>	<b>\$ 775,300</b>	<b>\$ 820,200</b>	<b>\$ 44,900</b>	<b>5.8%</b>

**People Strategies**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
<b>Total:</b>	\$ 71	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 71	\$ —	\$ —	\$ —	\$ —	N/A
610110 Books & Periodicals PUBLICATIONS	\$ 5,000			\$ 2,000		
<b>Total:</b>	\$ 1,815	\$ 5,000	\$ 5,000	\$ 2,000	\$ (3,000)	(60.0)%
610115 Employee Recognition EMPLOYEE RECOGNITION	\$ 1,000			\$ 200		
<b>Total:</b>	\$ 1,301	\$ 1,000	\$ 1,000	\$ 200	\$ (800)	(80.0)%
610120 Memberships & Dues MEMBERSHIPS	\$ 5,000			\$ 1,000		
<b>Total:</b>	\$ 339	\$ 5,000	\$ 5,000	\$ 1,000	\$ (4,000)	(80.0)%
610140 Seminars & Training SEMINARS & TRAINING	\$ 112,000			\$ 112,000		
<b>Total:</b>	\$ 68,448	\$ 112,000	\$ 112,000	\$ 112,000	\$ —	0.0 %
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT	\$ 1,000			\$ 500		
<b>Total:</b>	\$ 358	\$ 1,000	\$ 1,000	\$ 500	\$ (500)	(50.0)%
615110 Travel TRAVEL	\$ 5,000			\$ 5,000		
<b>Total:</b>	\$ —	\$ 5,000	\$ 5,000	\$ 5,000	\$ —	0.0 %
620100 Services - Professional & Other LEADERSHIP DEVELOPMENT	\$ 140,000			\$ 124,700		
PROFESSIONAL SERVICES	106,800			120,000		
<b>Total:</b>	\$ 209,412	\$ 246,800	\$ 246,800	\$ 244,700	\$ (2,100)	(0.9)%
630110 Equipment & Systems FURNITURE	\$ 5,000			\$ 500		
<b>Total:</b>	\$ —	\$ 5,000	\$ 5,000	\$ 500	\$ (4,500)	(90.0)%
630130 Office & Operating Supplies OFFICE SUPPLIES	\$ 5,000			\$ 500		
<b>Total:</b>	\$ 6,082	\$ 5,000	\$ 5,000	\$ 500	\$ (4,500)	(90.0)%

**People Strategies**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630140 Postage & Shipping POSTAGE		\$ 500		\$ 500		
<b>Total:</b>	\$ 60	\$ 500	\$ 500	\$ 500	\$ —	0.0 %
660110 Promotional Services PROMOTIONAL SERVICE		\$ 1,000		\$ 1,000		
<b>Total:</b>	\$ 301	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
660120 Promotional Materials PROMOTIONAL MATERIALS		\$ 1,000		\$ 1,000		
<b>Total:</b>	\$ 1,004	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 289,119	\$ 388,300	\$ 388,300	\$ 368,900	\$ (19,400)	(5.0)%
<b>GRAND TOTAL:</b>	\$ 289,190	\$ 388,300	\$ 388,300	\$ 368,900	\$ (19,400)	(5.0)%

# Planning

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## **MISSION**

Create and support a well-planned and integrated waterfront through strategic initiatives, policy formation, and agency coordination.

## **VISION**

Advance a holistically-planned waterfront that is welcoming, sustainable, prosperous, and improves the quality of life for present and future generations.

## **GOALS**

- Complete the Port Master Plan Update (PMPU) by late FY 2020.
- Progress entitlement efforts for the National City Bayfront Projects for completion in FY 2020.
- Implement the Tenth Avenue Marine Terminal (TAMT) Redevelopment Program EIR mitigation measures as required by FY 2020, FY 2025 and FY 2030.

## **KEY SERVICES PROVIDED**

The primary functions of the Planning department involve master planning, environmental planning and special projects, along with a multitude of District-wide initiatives that integrate with long-range planning. To achieve the department's mission and vision statements and goals, staff is committed to providing the following Key Services:

- Advancing key policy formation in the areas of climate sustainability, greenhouse gas reductions, and air quality improvements.
- Creating and sustaining positive relationships with stakeholders and the community at large on environmental and planning issues.
- Coordinating with local, regional, state, and federal agencies on District-wide planning initiatives (e.g., California Coastal Commission, San Diego International Airport Authority, SANDAG, member cities, etc.).
- Master planning at the Planning district and Sub-district level in a manner that integrates all District tidelands and submerged lands.
- Advance mobility efforts to address baywide connectivity with all modes, including pedestrian, bicycle, vehicular, transit, and water-borne activities.
- Ensure compliance with BPC Policy No. 752, Guidelines for Conducting Project Consistency Review Related to the Integrated Port Master Plan Update.

The Planning Department also houses the administrative, financial, mapping, outreach, and overall operations support functions for the Planning & Green Port (PGP) departments and teams, which includes a total of five cost centers.

## **STRATEGIC PROJECTS SUPPORTED**

- UID19 - Process Port Master Plan Update (PMPU)
- UID20 - Develop a Port Mobility Strategy
- UID23 - Update Climate Action Plan (CAP) to Align with State of California
- UID24 - Circulate National City Balanced Land Use Plan Environmental Impact Review (EIR)
- UID25 - Identify Concept for Redevelopment of Harbor Island
- UID77 - Advance Mitigation Banking, Including Pond 20
- UID94 - Implement Lower Cost Visitor Serving and Recreational Facilities Overnight Accommodations
- UID356 - Implement Tenth Avenue Marine Terminal (TAMT) Growth Strategy and Mitigation Measures
- Additional Strategic projects are indirectly supported as part of the department's Key Services provided.

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Demolition and Site Improvements of Transit Sheds 1 and 2 at TAMT
- National City Marina District Vision Plan Preliminary Planning

# Planning

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- Additional Capital Improvement Program projects are indirectly supported as part of the department's Key Services provided.

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Major Maintenance projects are indirectly supported as part of the department's Key Services provided.

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- Technology Management Program projects are indirectly supported as part of the department's Key Services provided.

## Planning

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Associate Planner	1	1
Department Administrative Manager	1	1
Director, Planning	1	1
Lead Mapping and Outreach	1	1
Management Analyst	2	2
Program Manager, Planning & Green Port	3	3
Senior Planner	1	1
Staff Assistant II	1	1
<b>TOTAL</b>	<b>11</b>	<b>11</b>



## Planning

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 1,452,122	\$ 1,576,900	\$ 1,644,200	\$ 67,300	4.3 %
Non-Personnel Expense	1,170,134	1,397,300	1,327,400	(69,900)	(5.0)%
<b>Total Direct Expense</b>	<b>\$ 2,622,256</b>	<b>\$ 2,974,200</b>	<b>\$ 2,971,600</b>	<b>\$ (2,600)</b>	<b>(0.1)%</b>
Less: Capitalized Expense	(19,543)	(19,700)	(29,000)	(9,300)	47.2 %
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 2,602,713</b>	<b>\$ 2,954,500</b>	<b>\$ 2,942,600</b>	<b>\$ (11,900)</b>	<b>(0.4)%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 898,151	\$ 966,000	\$ 988,600	\$ 22,600	2.3%
Overtime	2,114	1,300	1,300	—	—%
Burden	540,951	609,600	654,300	44,700	7.3%
Temporary Personnel	10,906	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 1,452,122</b>	<b>\$ 1,576,900</b>	<b>\$ 1,644,200</b>	<b>\$ 67,300</b>	<b>4.3%</b>

**Planning**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME		\$ 1,300		\$ 1,300		
<b>Total:</b>	\$ 2,114	\$ 1,300	\$ 1,300	\$ 1,300	\$ —	0.0 %
600120 Temporary Personnel						
<b>Total:</b>	\$ 10,906	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 13,020	\$ 1,300	\$ 1,300	\$ 1,300	\$ —	0.0 %
610110 Books & Periodicals						
PROFESSIONAL PUBLICATIONS		\$ 300		\$ 300		
<b>Total:</b>	\$ 792	\$ 300	\$ 300	\$ 300	\$ —	0.0 %
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 1,000		\$ 1,000		
<b>Total:</b>	\$ 1,904	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
610120 Memberships & Dues						
MEMBERSHIPS & DUES		\$ 2,700		\$ 2,700		
<b>Total:</b>	\$ (729)	\$ 2,700	\$ 2,700	\$ 2,700	\$ —	0.0 %
610140 Seminars & Training						
SEMINARS & TRAINING		\$ 6,600		\$ 6,600		
<b>Total:</b>	\$ 7,315	\$ 6,600	\$ 6,600	\$ 6,600	\$ —	0.0 %
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 2,900		\$ 2,900		
<b>Total:</b>	\$ 1,891	\$ 2,900	\$ 2,900	\$ 2,900	\$ —	0.0 %
615110 Travel						
TRAVEL		\$ 8,800		\$ 8,800		
<b>Total:</b>	\$ 3,003	\$ 8,800	\$ 8,800	\$ 8,800	\$ —	0.0 %
620100 Services - Professional & Other						
INTEGRATED PLANNING		\$ 900,000		\$ 897,000		
MARITIME / INDUSTRIAL PLANNING		20,000		35,000		
ON-CALL PLANNING CONSULTANT		360,000		341,300		
<b>Total:</b>	\$ 1,113,870	\$ 1,280,000	\$ 1,280,000	\$ 1,273,300	\$ (6,700)	(0.5)%
630110 Equipment & Systems						
OFFICE RECONFIGURATION		\$ 5,000		\$ 5,000		

**Planning**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>Total:</b>	\$ 12,038	\$ 5,000	\$ 5,000	\$ 5,000	\$ —	0.0 %
630130 Office & Operating Supplies						
OFFICE & OPERATING SUPPLIES		\$ 17,500		\$ 17,500		
<b>Total:</b>	\$ 17,565	\$ 17,500	\$ 17,500	\$ 17,500	\$ —	0.0 %
630140 Postage & Shipping						
POSTAGE & SHIPPING		\$ 1,500		\$ 1,500		
<b>Total:</b>	\$ 1,944	\$ 1,500	\$ 1,500	\$ 1,500	\$ —	0.0 %
660100 Advertising						
ADVERTISING		\$ 800		\$ 800		
<b>Total:</b>	\$ —	\$ 800	\$ 800	\$ 800	\$ —	0.0 %
660110 Promotional Services						
<b>Total:</b>	\$ 96	\$ —	\$ —	\$ —	\$ —	N/A
660120 Promotional Materials						
<b>Total:</b>	\$ (43)	\$ —	\$ —	\$ —	\$ —	N/A
660135 Eligible Environmental Fund Expenditures						
CA SEA GRANT FELLOWS		\$ 67,000		\$ —		
<b>Total:</b>	\$ 12,065	\$ 67,000	\$ 67,000	\$ —	\$ (67,000)	(100.0)%
670130 Permits/Certificates/License						
PERMITS & LICENCES		\$ 3,200		\$ 7,000		
<b>Total:</b>	\$ (1,576)	\$ 3,200	\$ 3,200	\$ 7,000	\$ 3,800	118.8 %
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 1,170,134	\$ 1,397,300	\$ 1,397,300	\$ 1,327,400	\$ (69,900)	(5.0)%
<b>GRAND TOTAL:</b>	\$ 1,183,154	\$ 1,398,600	\$ 1,398,600	\$ 1,328,700	\$ (69,900)	(5.0)%

# Port as a Service - Parking

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## **MISSION**

To develop, manage, and grow the District's parking assets to their highest and best use based on market rates and demand within the District's planning and regulatory framework.

## **VISION**

Creating America's finest waterfront with public-accessible parking options supported with current technology for a fair value to visitors, tenants, their employees, and customers.

## **GOALS**

- Achieve \$16.3M of Revenue and \$3.0M of Non-Personnel Expense.
- Partner with Harbor Police Department (HPD) to deploy license plate recognition technology to Community Service Officers (CSO) for parking enforcement by the end of Q2 FY 2020.
- Complete parking technology upgrade assessment and recommendation for Shelter Island by the end of Q3 FY 2020.
- Develop a Curb Management program encompassing rideshare, scooter, bike, taxi, truck delivery, etc. impacts by the end of Q4 FY 2020.
- Bring Master Agreement for IPS group to the Board of Commissioners for approval by the end of Q2 FY 2020.

## **KEY SERVICES PROVIDED**

- Parking asset and operations management
- Parking financial management
- Contract and Tideland Use and Occupancy Permit (TUOP) negotiations, administration, obligation monitoring, and enforcement
- Tenant and contractor relationship management
- Tenant/stakeholder notifications for upcoming events affecting traffic and parking
- Parking asset inspections and improvement planning
- Cruise parking coordination (customers, tenants, and Maritime staff)
- Special event coordination for parking inclusive of annual collaboration and assistance related to parking for the Tidelands Activation Program (TAP)
- Citation and parking coordination with HPD and CSO team
- Feasibility studies for new parking assets and programs
- Customer service for the public and visitors to tideland's parking
  - 80+ phone calls/month; 15+ emails/month
- Request For Proposals (RFP) - solicitations for new operators
- Interdepartmental and inter-agency coordination
- Consultant management
- Marketing of available parking locations
- Project management
- Tenant redevelopment proposal review

### **Current TUOPs:**

- ABM Parking Services
- Budget Rent A Car
- JAMR Properties, LLC
- Park 'N Fly
- USS Midway Museum
- City of Imperial Beach
- State of California, Department of Transportation (Caltrans)

### **Current Operating Contracts**

- ABM Parking Services
- Ace Parking Management, Inc.

# Port as a Service - Parking

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## **Current Agreements**

- IPS Group, Inc.
- Data Ticket
- Convention Center Corporation

## **STRATEGIC PROJECTS SUPPORTED**

- UID19 - Process Port Master Plan Update (PMPU)
- UID20 - Develop a Port Mobility Strategy
- UID32 - Execute Disposition and Development Agreement (DDA) w/RIDA and Commence Construction of Chula Vista Bayfront
- UID46 - Develop a Smart Port Energy Framework
- UID54 - Develop Baywide Signage Plan

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Former Navy Pier Head House Demolition
- Shelter Island Boat Launch Facility Improvements

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Structural Repairs at Navy Pier
- Structural Repairs at Tuna Harbor Dock #1
- Structural Repair at Tuna Harbor Dock 2 & 3
- Under Pier Structural Repairs to Navy Pier
- Pavement Replacement at Shelter Island Parking Lots

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- GIS Roadmap Implementation

## Port as a Service - Parking

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Assistant Parking Manager	1	1
Parking Manager	1	1
<b>TOTAL</b>	<b>2</b>	<b>2</b>

## Port as a Service - Parking

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 720,068	\$ 388,800	\$ 355,400	\$ (33,400)	(8.6)%
Non-Personnel Expense	2,736,867	2,963,400	3,064,100	100,700	3.4 %
<b>Total Direct Expense</b>	<b>\$ 3,456,935</b>	<b>\$ 3,352,200</b>	<b>\$ 3,419,500</b>	<b>\$ 67,300</b>	<b>2.0 %</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	5,723	162,500	—	(162,500)	(100.0)%
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 3,462,658</b>	<b>\$ 3,514,700</b>	<b>\$ 3,419,500</b>	<b>\$ (95,200)</b>	<b>(2.7)%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 456,801	\$ 180,900	\$ 184,900	\$ 4,000	2.2 %
Overtime	397	—	—	—	N/A
Burden	262,870	207,900	170,500	(37,400)	(18.0)%
Temporary Personnel	—	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 720,068</b>	<b>\$ 388,800</b>	<b>\$ 355,400</b>	<b>\$ (33,400)</b>	<b>(8.6)%</b>

**Port as a Service - Parking**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
<b>Total:</b>	\$ 397	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 397	\$ —	\$ —	\$ —	\$ —	N/A
610110 Books & Periodicals BOOKS & PERIODICALS	\$ 100			\$ 100		
<b>Total:</b>	\$ 55	\$ 100	\$ 100	\$ 100	\$ —	0.0 %
610115 Employee Recognition EMPLOYEE RECOGNITION	\$ 300			\$ 300		
<b>Total:</b>	\$ 300	\$ 300	\$ 300	\$ 300	\$ —	0.0 %
610120 Memberships & Dues CA PARKING ASSOCIATION INTERNATIONAL INSTITUTE	\$ 200 500			\$ 200 500		
<b>Total:</b>	\$ 865	\$ 700	\$ 700	\$ 700	\$ —	0.0 %
610140 Seminars & Training COURSES & SEMINARS MICROSOFT OFFICE SUITE TRAINING PARKING CONFERENCE	\$ 1,800 300 5,400			\$ 1,500 — 5,400		
<b>Total:</b>	\$ 3,047	\$ 7,500	\$ 7,500	\$ 6,900	\$ (600)	(8.0)%
615100 Mileage Reimbursement MILEAGE & PARKING	\$ 400			\$ 200		
<b>Total:</b>	\$ 22	\$ 400	\$ 400	\$ 200	\$ (200)	(50.0)%
615110 Travel COURSES & SEMINARS PARKING BUSINESS TRAVEL TRAVEL	\$ 700 7,000 2,900			\$ 500 7,000 2,800		
<b>Total:</b>	\$ 7,187	\$ 10,600	\$ 10,600	\$ 10,300	\$ (300)	(2.8)%
620100 Services - Professional & Other AS-NEEDED REVIEW/CONSULTANT	\$ 116,300			\$ 73,000		
<b>Total:</b>	\$ 49,417	\$ 116,300	\$ 116,300	\$ 73,000	\$ (43,300)	(37.2)%
630110 Equipment & Systems HANDHELD TICKET WRITERS & SUPPLIES MISC EQUIP & FURNITURE	\$ 16,100 1,800			\$ 16,100 1,500		
<b>Total:</b>	\$ 538	\$ 17,900	\$ 17,900	\$ 17,600	\$ (300)	(1.7)%



**Port as a Service - Parking**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
630120 Equipment Rental/Leasing						
WATER COOLERS & COFFEE MAKER	\$	200		\$ —		
<b>Total:</b>	\$ —	\$ 200	\$ 200	\$ —	\$ (200)	(100.0)%
630130 Office & Operating Supplies						
OFFICE & OPERATING SUPPLIES	\$	2,700		\$ 3,000		
<b>Total:</b>	\$ 3,370	\$ 2,700	\$ 2,700	\$ 3,000	\$ 300	11.1 %
630140 Postage & Shipping						
POSTAGE & SHIPPING	\$	200		\$ 200		
<b>Total:</b>	\$ 214	\$ 200	\$ 200	\$ 200	\$ —	0.0 %
630180 Parking Meter Supplies						
PARKING METER SUPPLIES	\$	—		\$ 12,000		
<b>Total:</b>	\$ 3,498	\$ —	\$ —	\$ 12,000	\$ 12,000	N/A
640100 Space Rental						
I.B. PARKING LOT AMORTIZATION	\$	7,700		\$ 7,700		
PARKING LEASE - 3275 PAC HWY		114,500		115,000		
PARKING LEASE - 3405 PAC HWY		26,600		26,700		
<b>Total:</b>	\$ 145,222	\$ 148,800	\$ 148,800	\$ 149,400	\$ 600	0.4 %
640150 Facility Management Services						
B STREET PIER	\$	102,700		\$ 122,000		
CONV CTR HOTEL PKNG STRUCTURE		512,800		514,400		
CONVENTION CENTER PARKING		1,334,200		1,428,000		
CONVENTION CTR GARAGE		40,400		40,400		
EMBARC CIRCULAR SHUTTLE SYSTEM		25,000		25,000		
NAVY PIER LOT		209,200		190,600		
PARKING METER MANAGEMENT		134,100		122,900		
<b>Total:</b>	\$ 2,218,551	\$ 2,358,400	\$ 2,358,400	\$ 2,443,300	\$ 84,900	3.6 %
650100 Facilities Maintenance - Supplies						
PARKING SIGNS	\$	—		\$ 15,000		
<b>Total:</b>	\$ —	\$ —	\$ —	\$ 15,000	\$ 15,000	N/A
650110 Facility Maintenance						
<b>Total:</b>	\$ 10,418	\$ —	\$ —	\$ —	\$ —	N/A
650130 Equipment Maintenance - Outside Services						
CONV CTR GARAGE MAINT	\$	10,800		\$ 20,000		
<b>Total:</b>	\$ —	\$ 10,800	\$ 10,800	\$ 20,000	\$ 9,200	85.2 %

**Port as a Service - Parking**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
660110 Promotional Services						
TENANT & PUBLIC OUTREACH	\$	200		\$ 200		
<b>Total:</b>	\$ —	\$ 200	\$ 200	\$ 200	\$ —	0.0 %
670105 Bank & Credit Card Fees						
B STREET PIER CREDIT CARD FEES	\$	24,200		\$ 30,300		
CONVENTION CTR PARKING CREDIT CARD		86,200		97,900		
CREDIT CARD FEES FOR EVENT PARKING		114,700		1,000		
CREDIT CARD FEES FOR SMART METERS		40,200		124,600		
HILTON GARAGE CREDIT CARD FEES		22,000		40,200		
NAVY PIER LOT CREDIT CARD FEES		1,000		17,900		
<b>Total:</b>	\$ 294,162	\$ 288,300	\$ 288,300	\$ 311,900	\$ 23,600	8.2 %
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 2,736,867	\$ 2,963,400	\$ 2,963,400	\$ 3,064,100	\$ 100,700	3.4 %
<b>GRAND TOTAL:</b>	\$ 2,737,264	\$ 2,963,400	\$ 2,963,400	\$ 3,064,100	\$ 100,700	3.4 %

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# Procurement Services

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## **MISSION**

To partner with our internal customers to develop business solutions, to provide a level playing field for our vendors and contractors, and to maximize fiscal resources through cost-effective and efficient operations.

## **VISION**

Procurement Services is a valued, integrated, one-stop shop staffed by a talented, innovative, dedicated, and ethical team.

## **GOALS**

- As an effort to collaborate and assist our internal customers, Procurement Services will provide procurement-based training to District staff over the next two years and measure progress on a quarterly basis.
- Develop department Business Process Maps (BPMs) in order to increase efficiency and identify areas of improvement. Procurement will complete as-is BMPs by the end of Q4 FY 2020 and complete improved BMPs by the end of Q4 FY 2021.
- In order to bring more value to the organization and promote a culture of learning and growth, every fiscal year, at least six Procurement staff members will attend national and state level key procurement conferences (National Procurement Institute, National Institute of Government Procurement, and California Association of Public Procurement Officials).

## **KEY SERVICES PROVIDED**

- Perform competitive solicitations for procurement of supplies, materials, equipment, services, and public works contracts.
- Draft and process professional and consulting services agreements, maintenance services agreement, Tidelands Activation Program agreements, and public works contracts.
- Administer the District's procurement card program.
- Maintain an effective database of vendors, suppliers, and contractors who are interested in doing business with the District.
- Perform centralized receipt, inspection, acceptance, and distribution of materials and equipment.
- Process damaged goods and lost in shipment claims with freight carriers.
- Collect, store, redistribute, and sell or dispose of excess and surplus material and equipment, and manage all associated inventory records and reports.
- Perform distribution of interoffice and U.S. mail to and from outlying facilities.
- Manage District vehicle and vessel fleet title and registration documents.
- Participate in business outreach events for current and potential vendors and contractors.
- Provide internal training on District procurement processes.

## **STRATEGIC PROJECTS SUPPORTED**

- Strategic projects are indirectly supported as part of the department's Key Services provided.

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Capital Improvement Program projects are indirectly supported as part of the department's Key Services provided.

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Major Maintenance Program projects are indirectly supported as part of the department's Key Services provided.

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- Technology Management Program projects are indirectly supported as part of the department's Key Services provided.

## Procurement Services

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Director, Procurement Services/Chief Procurement Officer	1	1
Distribution & Storage Technician I	1	1
Distribution & Storage Technician II	2	2
Executive Assistant I (Classified)	1	1
Lead Distribution & Storage Technician	1	1
Manager, Distribution & Storage	1	1
Manager, Procurement Services	1	1
Procurement Analyst I	2	2
Procurement Analyst II	5	5
Procurement Supervisor	1	1
Staff Assistant II	2	2
<b>TOTAL</b>	<b>18</b>	<b>18</b>

## Procurement Services

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 1,840,054	\$ 2,016,500	\$ 2,102,000	\$ 85,500	4.2 %
Non-Personnel Expense	48,949.36	78,200	74,300	(3,900)	(5.0)%
<b>Total Direct Expense</b>	<b>\$ 1,889,004</b>	<b>\$ 2,094,700</b>	<b>\$ 2,176,300</b>	<b>\$ 81,600</b>	<b>3.9 %</b>
Less: Capitalized Expense	(5,633)	(5,200)	(5,200)	—	0.0 %
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 1,883,371</b>	<b>\$ 2,089,500</b>	<b>\$ 2,171,100</b>	<b>\$ 81,600</b>	<b>3.9 %</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 1,073,520	\$ 1,187,900	\$ 1,222,400	\$ 34,500	2.9%
Overtime	1,496	2,000	2,000	—	0.0%
Burden	732,679	826,600	877,600	51,000	6.2%
Temporary Personnel	32,360	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 1,840,054</b>	<b>\$ 2,016,500</b>	<b>\$ 2,102,000</b>	<b>\$ 85,500</b>	<b>4.2%</b>

**Procurement Services**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
OVERTIME		\$ 2,000		\$ 2,000		
<b>Total:</b>	\$ 1,496	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
600120 Temporary Personnel						
<b>Total:</b>	\$ 32,360	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 33,855	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
610110 Books & Periodicals						
<b>Total:</b>	\$ 68	\$ —	\$ —	\$ —	\$ —	N/A
610115 Employee Recognition						
EMPLOYEE RECOGNITION		\$ 800		\$ 800		
<b>Total:</b>	\$ 494	\$ 800	\$ 800	\$ 800	\$ —	0.0 %
610150 Tuition Reimbursement						
<b>Total:</b>	\$ 435	\$ —	\$ —	\$ —	\$ —	N/A
610120 Memberships & Dues						
CAPPO MEMBERSHIP		\$ 2,400		\$ 3,000		
MEMBERSHIPS & DUES		1,000		1,000		
<b>Total:</b>	\$ 3,675	\$ 3,400	\$ 3,400	\$ 4,000	\$ 600	17.6 %
610140 Seminars & Training						
ADDITIONAL PROCUREMENT TRAINING		\$ 2,000		\$ —		
CAPPO MEETINGS		1,800		—		
CMAA CONSTRUCTION LAW UPDATE		500		—		
NIGP NATIONAL CONFERENCE		2,000		—		
NPI NATIONAL CONFERENCE		1,200		—		
SEMINARS & TRAINING		—		7,000		
<b>Total:</b>	\$ 5,686	\$ 7,500	\$ 7,500	\$ 7,000	\$ (500)	(6.7) %
615100 Mileage Reimbursement						
MILEAGE REIMBURSEMENT		\$ 2,500		\$ 2,400		
TRANSIT PASSES		200		—		
<b>Total:</b>	\$ 1,136	\$ 2,700	\$ 2,700	\$ 2,400	\$ (300)	(11.1) %
615110 Travel						
TRAINING		\$ 18,000		\$ 19,000		
<b>Total:</b>	\$ 6,875	\$ 18,000	\$ 18,000	\$ 19,000	\$ 1,000	5.6 %
630100 Breakage & Obsolescence						

**Procurement Services**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>Total:</b>	\$ (168)	\$ —	\$ —	\$ —	\$ —	N/A
630120 Equipment Rental/Leasing EQUIPMENT RENTAL/LEASING		\$ 200		\$ —		
<b>Total:</b>	\$ —	\$ 200	\$ 200	\$ —	\$ (200)	(100.0)%
630130 Office & Operating Supplies OPERATING SUPPLIES		\$ 22,000		\$ 20,000		
<b>Total:</b>	\$ 17,880	\$ 22,000	\$ 22,000	\$ 20,000	\$ (2,000)	(9.1)%
630140 Postage & Shipping POSTAGE & SHIPPING		\$ 4,000		\$ 3,500		
<b>Total:</b>	\$ 1,577	\$ 4,000	\$ 4,000	\$ 3,500	\$ (500)	(12.5)%
630150 Safety Equipment & Supplies SAFETY SUPPLIES & EQUIPMENT		\$ 1,000		\$ 1,500		
<b>Total:</b>	\$ 847	\$ 1,000	\$ 1,000	\$ 1,500	\$ 500	50.0 %
630200 Uniforms LOSS/DAMAGE ALLOWANCE UNIFORM SERVICE		\$ 200 3,000		\$ — 3,200		
<b>Total:</b>	\$ 1,812	\$ 3,200	\$ 3,200	\$ 3,200	\$ —	0.0 %
660100 Advertising ADVERTISING		\$ 15,000		\$ 12,000		
<b>Total:</b>	\$ 8,550	\$ 15,000	\$ 15,000	\$ 12,000	\$ (3,000)	(20.0)%
660120 Promotional Materials PROMOTIONAL MATERIALS		\$ —		\$ 500		
<b>Total:</b>	\$ 82	\$ —	\$ —	\$ 500	\$ 500	N/A
670130 Permits/Certificates/License PERMIT/CERT/LICENSE		\$ 400		\$ 400		
<b>Total:</b>	\$ —	\$ 400	\$ 400	\$ 400	\$ —	0.0 %
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 48,949	\$ 78,200	\$ 78,200	\$ 74,300	\$ (3,900)	(5.0)%
<b>GRAND TOTAL:</b>	\$ 82,805	\$ 80,200	\$ 80,200	\$ 76,300	\$ (3,900)	(4.9)%



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# Real Estate

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## **MISSION**

Real Estate manages the District's commercial and maritime industrial lease portfolio from end to end. The department solicits new development, negotiates complex real estate transactions and agreements, partners with prospective and existing tenants during the entitlement process, and manages the District's leased assets.

## **VISION**

To build a best in class commercial and maritime industrial lease portfolio with internationally recognized amenities, attractions, and developments.

## **GOALS**

- Effectively advance and support the District's three major redevelopment initiatives at the Chula Vista Bayfront, Central Embarcadero, and Harbor Island.
- Increase occupancy at Seaport Village to 90% of gross leasable area by Q4 of FY 2020.
- Reduce number of lease administration items requiring Board approval by 10% by Q4 of FY 2020.

## **KEY SERVICES PROVIDED**

### **Asset Management**

- Administer and manage commercial and maritime industrial lease portfolio.
- Monitor and enforce tenant lease obligations.
- Conduct rent reviews and process rent adjustments to achieve market rent for District.
- Increase awareness of and promote the District's real estate portfolio through marketing and relationship building within the development community.
- Manage solicitation process for District development and redevelopment opportunities.

### **Redevelopment**

- Negotiate new and amended leases associated with development projects.
- Manage development and redevelopment projects through the entitlement process.
- Analyze the financial feasibility of development projects.
- Conduct and analyze market studies for development projects.

## **STRATEGIC PROJECTS SUPPORTED**

- UID14 - Define Port as Developer Business Plan
- UID17 - Develop Plan to Improve Workplace Environment
- UID24 - Circulate National City Balanced Land Use Plan Environmental Impact Review (EIR)
- UID25 - Identify Concept for Redevelopment of Harbor Island
- UID27 - Enter into a Term Sheet for a Disposition and Development Agreement (DDA) for the Central Embarcadero
- UID32 - Execute Disposition and Development Agreement (DDA) w/ RIDA and Commence Construction of Chula Vista Bayfront
- UID52 - Identify Comprehensive Approach to Remnant Tideland Parcels
- UID92 - Use Good Faith Efforts to Acquire the 1220 Pacific Highway Leasehold from the US Navy
- UID94 - Implement Lower Cost Visitor Serving and Recreational Facilities Overnight Accommodations
- Additional Strategic projects are indirectly supported as part of the department's Key Services provided.

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Demolition and Site Improvements of Transit Sheds 1 and 2 at TAMT
- Site Preparation at Chula Vista Bayfront
- Microgrid Infrastructure at TAMT
- Shelter Island Boat Launch Facility Improvements
- National City Marina District Vision Plan Preliminary Planning

## Real Estate

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- Setback Park/Plaza
- Chula Vista Bayfront - South Campus Pavement & Foundation Demolition

### **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Roof Replacement at TAMT Warehouse B
- Forklift Charger Electrical Connections at B Street Pier Cruise Ship Terminal
- New Water Service at TAMT Warehouse B
- Sand Replenishment at Kellogg Beach

### **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- Technology Management Program projects are indirectly supported as part of the department's Key Services provided.

## Real Estate

**Reclass:** 1 Staff Assistant II to Management Analyst

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Administrative Assistant II (Classified)	3	3
Asset Manager	7	7
Department Manager, Real Estate	7	7
Director, Real Estate	1	1
Management Analyst	0	1
Program Manager, Real Estate	5	5
Staff Assistant II	1	0
<b>TOTAL</b>	<b>24</b>	<b>24</b>

## Real Estate

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 3,097,705	\$ 3,709,500	\$ 3,691,500	\$ (18,000)	(0.5)%
Non-Personnel Expense	1,125,815	4,036,100	6,766,500	2,730,400	67.6 %
<b>Total Direct Expense</b>	<b>\$ 4,223,520</b>	<b>\$ 7,745,600</b>	<b>\$ 10,458,000</b>	<b>\$ 2,712,400</b>	<b>35.0 %</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 4,223,520</b>	<b>\$ 7,745,600</b>	<b>\$ 10,458,000</b>	<b>\$ 2,712,400</b>	<b>35.0 %</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Regular Salaries & Wages	\$ 2,068,744	\$ 2,343,600	\$ 2,391,100	\$ 47,500	2.0 %
Overtime	221	—	—	—	N/A
Burden	1,028,740	1,365,900	1,300,400	(65,500)	(4.8)%
Temporary Personnel	—	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 3,097,705</b>	<b>\$ 3,709,500</b>	<b>\$ 3,691,500</b>	<b>\$ (18,000)</b>	<b>(0.5)%</b>

**Real Estate**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime						
Total: \$	221	\$ —	\$ —	\$ —	\$ —	N/A
SUBTOTAL: OVERTIME & TEMPS	\$ 221	\$ —	\$ —	\$ —	\$ —	N/A
610115 Employee Recognition EMPLOYEE RECOGNITION	\$ 800			\$ 800		
Total: \$	592	\$ 800	\$ 800	\$ 800	\$ —	0.0 %
610120 Memberships & Dues MEMBERSHIP & DUES	\$ 5,800			\$ 5,200		
Total: \$	2,817	\$ 5,800	\$ 5,800	\$ 5,200	\$ (600)	(10.3)%
610140 Seminars & Training SEMINARS & TRAINING	\$ 59,000			\$ 56,000		
Total: \$	33,081	\$ 59,000	\$ 59,000	\$ 56,000	\$ (3,000)	(5.1)%
615100 Mileage Reimbursement MILEAGE & PARKING	\$ 3,000			\$ 2,800		
Total: \$	1,798	\$ 3,000	\$ 3,000	\$ 2,800	\$ (200)	(6.7)%
615110 Travel TRAVEL	\$ 53,800			\$ 51,100		
Total: \$	34,218	\$ 53,800	\$ 53,800	\$ 51,100	\$ (2,700)	(5.0)%
620100 Services - Professional & Other						
BROKERAGE SERVICE - SEAPORT VILLAGE	\$ —			\$ 200,000		
FINANCIAL ADVISORS		450,000		227,500		
HOSPITALITY CONSULTING SERVICES		370,000		276,500		
INDUSTRY REPORTS		5,000		4,800		
LOOP NET DATA SERVICES		4,500		4,300		
MISCELLANEOUS STUDIES		100,000		95,000		
REPL COST & REVERSION INTEREST ANALYSIS		25,000		23,700		
RIDA LEGAL & FINANCE		—		150,000		
Total: \$	962,995	\$ 954,500	\$ 954,500	\$ 981,800	\$ 27,300	2.9 %
640100 Space Rental						
SLC LEASE, E HARBOR ISLND AREA	\$ 25,000			\$ 23,700		
Total: \$	30,618	\$ 25,000	\$ 25,000	\$ 23,700	\$ (1,300)	(5.2)%
640137 Common Area Maintenance SEAPORT VILLAGE	\$ —			\$ 3,187,500		

**Real Estate**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
Total: \$	—	\$	—	\$	3,187,500	N/A
640139 Marketing Fee						
SEAPORT VILLAGE		\$	—	\$	788,600	
Total: \$	—	\$	—	\$	788,600	N/A
640140 Tenant Improvements/Removals						
ACTIVATION - SEAPORT VILLAGE		\$	—	\$	539,600	
SITE ENHANCEMENTS - SEAPORT VILLAGE			—		997,600	
Total: \$	—	\$	—	\$	1,537,200	N/A
640150 Facility Management Services						
SEAPORT VILLAGE OPERATOR		\$	2,664,000	\$	—	
Total: \$	—	\$	2,664,000	\$	2,664,000	—
660100 Advertising						
ADVERTISING		\$	25,000	\$	23,800	
Total: \$	7,895	\$	25,000	\$	25,000	23,800
					\$	(1,200) (4.8)%
660105 Marketing/Outreach						
MARKETING/OUTREACH		\$	225,000	\$	88,800	
Total: \$	48,986	\$	225,000	\$	225,000	88,800
					\$	(136,200) (60.5)%
660110 Promotional Services						
TENANT & PUBLIC OUTREACH		\$	10,000	\$	9,500	
Total: \$	886	\$	10,000	\$	10,000	9,500
					\$	(500) (5.0)%
670105 Bank & Credit Card Fees						
BANK & CREDIT CARD FEES		\$	10,200	\$	9,700	
Total: \$	1,929	\$	10,200	\$	10,200	9,700
					\$	(500) (4.9)%
SUBTOTAL: NON-PERSONNEL EXPENSE	\$ 1,125,815	\$	4,036,100	\$	4,036,100	\$ 6,766,500
					\$	2,730,400 67.6 %
GRAND TOTAL: \$	1,126,036	\$	4,036,100	\$	4,036,100	\$ 6,766,500
					\$	2,730,400 67.6 %

# Real Estate & Development Services - Performance & Reporting

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## **MISSION**

The Real Estate & Development Services - Performance & Reporting team administers the revenue and expense budgets of the Real Estate and Development Services departments with an emphasis on clear and accurate reporting and consistency, including the identification, reporting, and analysis of metrics and key performance indicators for continuous improvement.

## **VISION**

To sustain and grow a best in class commercial and industrial real estate portfolio with internationally recognized amenities, attractions, and development.

## **GOALS**

- Manage the District's lease administration and task reporting systems and produce all reports within the timelines requested.
- Manage all expense budgets and performance metrics within the fiscal year to perform at budget.
- Manage all contracts and task authorizations to remain on schedule and on budget.

## **KEY SERVICES PROVIDED**

- Serve as the finance, budget, and administrative team for the Real Estate Department and Development Services Department, reporting directly to the Assistant Vice President, Real Estate & Development Services.
- Administer the District's largest revenue budget with annual revenues of approximately \$97M.
- Abstract leases and invoice tenants from agreements negotiated by Real Estate and input them into the Real Estate module in SAP to ensure that critical information about the tenant's leasehold is properly documented.
- Input Cost Recovery fees and invoice tenants based on negotiated numbers prepared by Real Estate staff members, identify and report monthly variances to Finance, process accruals, and enter sublease information into SAP.
- Prepare, manage, and execute the expense budgets for the Real Estate and Development Services Departments.
- Prepare vendor contracts and task authorizations (TA) and ensure that the requisitions are input into SAP at the time of execution of the contract or TA so that invoices will be paid in a timely manner.

## **STRATEGIC PROJECTS SUPPORTED**

- Strategic Projects are indirectly supported as part of the department's Key Services provided.

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Capital Improvement Program projects are indirectly supported as part of the department's Key Services provided.

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Major Maintenance projects are indirectly supported as part of the department's Key Services provided.

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- Technology Management Program projects are indirectly supported as part of the department's Key Services provided.



## Real Estate & Development Services - Performance & Reporting

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Department Administrative Manager	1	1
Management Analyst	1	1
Office Manager	1	1
Staff Assistant II	1	1
<b>TOTAL</b>	<b>4</b>	<b>4</b>

## Real Estate & Development Services - Performance & Reporting

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 543,880	\$ 567,400	\$ 598,200	\$ 30,800	5.4 %
Non-Personnel Expense	46,577	66,500	63,100	(3,400)	(5.1)%
<b>Total Direct Expense</b>	<b>\$ 590,457</b>	<b>\$ 633,900</b>	<b>\$ 661,300</b>	<b>\$ 27,400</b>	<b>4.3 %</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 590,457</b>	<b>\$ 633,900</b>	<b>\$ 661,300</b>	<b>\$ 27,400</b>	<b>4.3 %</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Regular Salaries & Wages	\$ 295,824	\$ 300,700	\$ 308,500	\$ 7,800	2.6%
Overtime	9	200	200	—	0.0%
Burden	248,048	266,500	289,500	23,000	8.6%
Temporary Personnel	—	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 543,880</b>	<b>\$ 567,400</b>	<b>\$ 598,200</b>	<b>\$ 30,800</b>	<b>5.4%</b>

**Real Estate & Development Services - Performance & Reporting**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 200		\$ 200		
<b>Total:</b>	\$ 9	\$ 200	\$ 200	\$ 200	\$ —	0.0 %
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 9	\$ 200	\$ 200	\$ 200	\$ —	0.0 %
610110 Books & Periodicals BOOKS & PERIODICALS		\$ 200		\$ 200		
<b>Total:</b>	\$ 1,017	\$ 200	\$ 200	\$ 200	\$ —	0.0 %
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 200		\$ 200		
<b>Total:</b>	\$ 100	\$ 200	\$ 200	\$ 200	\$ —	0.0 %
610140 Seminars & Training COURSES & SEMINARS		\$ 2,500		\$ 2,300		
<b>Total:</b>	\$ —	\$ 2,500	\$ 2,500	\$ 2,300	\$ (200)	(8.0)%
615100 Mileage Reimbursement MILEAGE/PARKING		\$ 1,000		\$ 1,000		
<b>Total:</b>	\$ —	\$ 1,000	\$ 1,000	\$ 1,000	\$ —	0.0 %
630110 Equipment & Systems MISC EQUIPMENT & OFFICE FURNITURE		\$ 34,200		\$ 32,500		
	\$ 17,084	\$ 34,200	\$ 34,200	\$ 32,500	\$ (1,700)	(5.0)%
630130 Office & Operating Supplies OFFICE SUPPLIES		\$ 24,400		\$ 23,100		
<b>Total:</b>	\$ 25,567	\$ 24,400	\$ 24,400	\$ 23,100	\$ (1,300)	(5.3)%
630140 Postage & Shipping POSTAGE		\$ 4,000		\$ 3,800		
<b>Total:</b>	\$ 2,810	\$ 4,000	\$ 4,000	\$ 3,800	\$ (200)	(5.0)%
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 46,577	\$ 66,500	\$ 66,500	\$ 63,100	\$ (3,400)	(5.1)%
<b>GRAND TOTAL:</b>	\$ 46,586	\$ 66,700	\$ 66,700	\$ 63,300	\$ (3,400)	(5.1)%

## Technology Management Program

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ —	\$ —	\$ —	\$ —	N/A
Non-Personnel Expense	6,717,492	6,928,300	6,373,900	(554,400)	(8.0)%
<b>Total Direct Expense</b>	<b>\$ 6,717,492</b>	<b>\$ 6,928,300</b>	<b>\$ 6,373,900</b>	<b>\$ (554,400)</b>	<b>(8.0)%</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 6,717,492</b>	<b>\$ 6,928,300</b>	<b>\$ 6,373,900</b>	<b>\$ (554,400)</b>	<b>(8.0)%</b>

**Technology Management Program**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
620100 Services - Professional & Other						
ACCESS CONTROL		\$ 30,000		\$ 30,000		
BUS WHSE - LOAD MONITORING		9,000		10,000		
CONSULTING FEES		440,000		590,600		
ENTERPRISE DESKTOP MGT & ENG		6,000		—		
ENTERPRISE SERVER ENG SVCS		10,000		—		
IT TECHNICAL SERVICES		176,000		155,000		
MICROSOFT PREMIER SERVICES		325,000		175,000		
NETWORK TIER 3 SUPPORT		137,000		140,000		
OFFICE RELOCATION		100,000		—		
PROJECT ASSISTANT SERVICES		45,000		80,000		
SAP ADMINISTRATION		100,000		84,000		
SAP DEVELOPER SERVICES		182,000		220,000		
SECURITY SERVICE		100,000		—		
STORMWATER DATABASE MANAGEMENT		154,000		200,000		
VESSEL COPPER REDUCTION MAINT		20,000		—		
VESSEL COPPER/SPEED REDUCTION		10,000		—		
<b>Total:</b>	\$ 2,553,184	\$ 1,844,000	\$ 1,844,000	\$ 1,684,600	\$ (159,400)	(8.6)%
630110 Equipment & Systems						
BIOMETRIC READER		\$ 85,000		\$ —		
CELL PHONES		15,000		15,000		
COMPUTERS/LAPTOPS		500,000		250,000		
DATA STORAGE		60,000		—		
DOCUMENT MANAGEMENT		5,000		—		
INFRASTRUCTURE AS A SERVICE		30,000		210,000		
IT SECURITY PROGRAM SUBSCRIPTIONS		120,000		—		
LOGIKCULL SUBSCRIPTION		125,000		148,800		
NETWORK MONITORING		14,000		41,000		
ONLINE TRAINING		10,000		8,200		
PERIPHERAL		33,600		33,600		
PHOTO & VIDEO ARCHIVING		30,000		—		
RECRUITER RENEWAL		50,000		59,400		
SOFTWARE AS A SERVICE		403,500		106,500		
SOFTWARE/SUBSCRIPTIONS		489,700		1,042,100		
UPS BATTERIES		10,000		25,000		

**Technology Management Program**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
VIDEO ACCESS CONTROL MAINTENANCE		—		55,000		
WEB HOSTING		4,500		2,700		
<b>Total:</b>	<b>\$ 1,420,426</b>	<b>\$ 1,985,300</b>	<b>\$ 1,985,300</b>	<b>\$ 1,997,300</b>	<b>\$ 12,000</b>	<b>0.6 %</b>
640110 Telephone & Communications						
CELLULAR - VOICE/DATA SERVICES	\$ 150,000			\$ 176,100		
HS - RCS SYSTEM FEES	55,000			23,000		
INTERNET CIRCUITS	323,000			—		
INTERNET CONNECTIVITY	30,000			—		
LOCAL/LONG DIST & TEL CONNECTIVITY	336,000			—		
SATELLITE TELEVISION SERVICES	6,000			1,500		
VOICE & DATA TELCO	—			546,600		
<b>Total:</b>	<b>\$ 1,213,060</b>	<b>\$ 900,000</b>	<b>\$ 900,000</b>	<b>\$ 747,200</b>	<b>\$ (152,800)</b>	<b>(17.0)%</b>
650130 Equipment Maintenance - Outside Services						
AUTOMATED LIC PLATE READER MAINT	\$ 12,000			\$ —		
BOARD ROOM MAINTENANCE	6,000			10,000		
CCTV MAINTENANCE	570,000			—		
CONFERENCE EQUIPMENT MAINT	30,000			30,000		
DATA CTR FIRES SUPPRESSION MAINT	5,000			15,000		
FIBER OPTIC MAINTENANCE	30,000			30,000		
FIREWALL MAINTENANCE	45,000			68,900		
HARDWARE STORAGE	50,000			50,000		
PRINTER/COPIER/METER MAINT	320,000			248,700		
REGIONAL SAFETY DATA	6,000			20,500		
SECURITY SYS MAINT - GS BLDG	25,000			—		
SENSORS MAINTENANCE	4,500			—		
SMARTNET MAINTENANCE	170,000			200,100		
VAC HARDWARE MAINTENANCE	—			390,000		
VIDEO CONFERENCING MAINTENANCE	15,000			—		
WAV CAM	45,000			45,000		
<b>Total:</b>	<b>\$ 548,941</b>	<b>\$ 1,333,500</b>	<b>\$ 1,333,500</b>	<b>\$ 1,108,200</b>	<b>\$ (225,300)</b>	<b>(16.9)%</b>
650140 Software Maintenance						
ACCESS CONTROL MAINTENANCE	\$ 9,000			\$ —		
ANTI-VIRUS END POINT PROTECTION	40,000			—		
ART CATALOG MANAGEMENT	30,000			36,000		
BACKUP & RECOVERY	41,000			50,000		
CITRIX LICENSE/SUPPORT/MAINTENANCE	10,000			—		

**Technology Management Program**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
DOCUMENT MANAGEMENT		150,000		160,000		
DS METER/RAZOR MAINTENANCE		4,000		—		
EMAIL FORWARDING SERVICES		20,000		20,000		
ERP MAINTENANCE		250,000		380,900		
GIS MAINTENANCE		65,000		—		
INFORMATION MANAGEMENT MAINT		50,000		—		
NETWORK MONITORING		34,000		—		
SECURITY SOFTWARE MAINT		32,000		76,100		
SECURITY SYSTEM MAINTENANCE		70,000		—		
SOFTWARE MAINTENANCE		10,500		83,600		
VIRTUAL MACHINE MAINTENANCE		50,000		30,000		
<b>Total:</b>	\$ 981,881	\$ 865,500	\$ 865,500	\$ 836,600	\$ (28,900)	(3.3)%
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 6,717,492	\$ 6,928,300	\$ 6,928,300	\$ 6,373,900	\$ (554,400)	(8.0)%
<b>GRAND TOTAL:</b>	\$ 6,717,492	\$ 6,928,300	\$ 6,928,300	\$ 6,373,900	\$ (554,400)	(8.0)%

## Utilities

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ —	\$ —	\$ —	\$ —	N/A
Non-Personnel Expense	3,052,092	2,865,700	3,123,100	257,400	9.0 %
<b>Total Direct Expense</b>	<b>\$ 3,052,092</b>	<b>\$ 2,865,700</b>	<b>\$ 3,123,100</b>	<b>\$ 257,400</b>	<b>9.0 %</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 3,052,092</b>	<b>\$ 2,865,700</b>	<b>\$ 3,123,100</b>	<b>\$ 257,400</b>	<b>9.0 %</b>



**Utilities**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ —	\$ —	\$ —	\$ —	\$ —	N/A
640120 Utilities-Gas & Electric						
UTILITIES-GAS & ELECTRIC		\$ 1,600,000		\$ 1,696,300		
<b>Total:</b>	\$ 1,658,156	\$ 1,600,000	\$ 1,600,000	\$ 1,696,300	\$ 96,300	6.0 %
640130 Utilities-Water						
UTILITIES-WATER		\$ 1,265,700		\$ 1,426,800		
<b>Total:</b>	\$ 1,393,936	\$ 1,265,700	\$ 1,265,700	\$ 1,426,800	\$ 161,100	12.7 %
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 3,052,092	\$ 2,865,700	\$ 2,865,700	\$ 3,123,100	\$ 257,400	9.0 %
<b>GRAND TOTAL:</b>	\$ 3,052,092	\$ 2,865,700	\$ 2,865,700	\$ 3,123,100	\$ 257,400	9.0 %

## Variable Staffing

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ —	\$ 5,013,300	\$ 4,565,700	\$ (447,600)	(8.9)%
Non-Personnel Expense	—	—	—	—	N/A
<b>Total Direct Expense</b>	<b>\$ —</b>	<b>\$ 5,013,300</b>	<b>\$ 4,565,700</b>	<b>\$ (447,600)</b>	<b>(8.9)%</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	—	—	—	—	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ —</b>	<b>\$ 5,013,300</b>	<b>\$ 4,565,700</b>	<b>\$ (447,600)</b>	<b>(8.9)%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ —	\$ 3,660,100	\$ 3,560,700	\$ (99,400)	(2.7)%
Overtime	—	—	—	—	N/A
Burden	—	1,010,900	662,700	(348,200)	(34.4)%
Temporary Personnel	—	342,300	342,300	—	0.0 %
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ —</b>	<b>\$ 5,013,300</b>	<b>\$ 4,565,700</b>	<b>\$ (447,600)</b>	<b>(8.9)%</b>

The District personnel expenses consist of limited, temporary, interns, and student workers, along with regular employees. The District continues to manage the increasing demands for resources along with executing the strategic goals presented herein by relying more on the flexibility of having variable staff. Services of limited, temporary, intern, and student workers may be reduced at any time as the nature of the services are limited in duration. For instance, by Board Policy, in the event of an economic downturn in finances, reductions would first occur in this variable subset of staffing.

The variable personnel expense will still be included as part of the Total Personnel Expense Appropriation, consistent with prior year's budget.

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# Waterfront Arts & Activation

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## **MISSION**

To create a vibrant waterfront experience through extraordinary art, events, and programming.

*Tagline:* We create extraordinary waterfront experiences daily.

## **VISION**

A waterfront that is the most enjoyed and admired in the world.

## **GOALS**

- Improve the user experience for the Tidelands Activation Program (TAP) sponsorship application in two key areas for the FY 2021 TAP cycle: 1) Provide applicants the option to manage multiple application submittals simultaneously; and 2) Reduce the back-end processing of applicant data by staff by 15%.
- Improve the accuracy of the department's Business Negotiated Events forecasting by developing/releasing the first generation (Version 1- V1) Event Forecasting Tool by April 2020. The tool shall estimate the range of costs and services associated with complex business negotiated events as well as the range of revenues including direct and indirect.
- Complete the second artistic lighting study on the San Diego - Coronado Bay Bridge by December 2019. Study shall occur over water and illuminate at least three major piers using the technology envisioned for the program and will leverage the land-based study conducted in FY 2019.
- Expand community-focused creative placemaking from one location in FY 2019 to at least three Bay-wide locations in FY 2020.
- Measure the effectiveness of two key FY 2020 Waterfront Arts & Activation department-managed installations, one artwork installation and one creative placemaking installation, by tracking social sentiment, attendance levels, and visitorship to the District.

## **KEY SERVICES PROVIDED**

- Steward of the "Tidelands Collection" of 70+ artworks, a "free-to-the-public" regional cultural asset valued at over \$14M.
- Responsible for issuing 1,200 special event, filming, and temporary commercial activity permits annually.
- Handle over 3,000 public inquiries for special event permitting.
- Issue 150+ film permits of varying levels of logistical complexity annually.
- Administer the annual Tidelands Activation Program (TAP) with over 70 sponsorships .
- Administer the Tenant Percent for Art Program (T1PA) that provides artwork funded and maintained by District tenants for public benefit around the waterfront.
- Administer the Curatorial Program, a community-based artwork program where artists engage with the community to install temporary pop-up exhibitions around the waterfront.
- Manage the production of internal District special events including entertainment, equipment rentals, ceremonies, logistics, and program planning.
- Manage the District's event facilities and public parks including usage, facility rental, permitting, community-organized event sponsorships, and major/city-wide special event coordination.
- Initiate and participate in the planning and completion of improvements and repairs to the District's special event venues.
- Negotiate agreements between the District and the producers and facilitate the production of large, complex, and high-impact events to maximize revenue and promotional benefits to the District.
- Develop large-scale monumental signature artworks for national recognition.
- Curate the display of historic objects and cultural gifts.
- Oversee sponsor requests to exhibit items for public display on tidelands.
- Provide fiscal management of the Public Art Fund.
- Provide on-going stewardship of the "Tidelands Collection" through professional conservation, maintenance, and collections management programs.
- Sponsor artist "working sessions" to engage the community in the development of art projects.

### **Administer the following BPC Policies:**

- BPC Policy No. 452 - Permit Fees for Use of District Parks

# Waterfront Arts & Activation

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- BPC Policy No. 608 - Tenant Percent for Art Program
- BPC Policy No. 609 - Public Art Programs
- BPC Policy No. 771 - Tidelands Activation Program

## **Maintain the following sections of the Port District Code:**

- Monitor 8.02 Parks Ordinance
- Monitor and assist with oversight 8.05 Vending & Expressive Activities

## **Manage the following Board Advisory Committees:**

- Tidelands Activation Program Advisory Committee (TAPAC)
- Arts, Culture & Design Committee (ACDC)

## **STRATEGIC PROJECTS SUPPORTED**

- UID2 - Execute Internal Communications (IC) Strategy
- UID6 - Implement Geographical Information System (GIS) Management
- UID8 - Develop a Project Management and Governance Approach (PMO)
- UID17 - Develop Plan to Improve Workplace Environment
- UID25 - Identify Concept for Redevelopment of Harbor Island
- UID27 - Enter into a Term Sheet for a Disposition and Development Agreement (DDA) for Central Embarcadero
- UID32 - Execute Disposition and Development Agreement (DDA) w/RIDA and Commence Construction of Chula Vista Bayfront
- UID33 - Advance Coronado Bridge Lighting Project
- UID54 - Develop Baywide Signage Plan
- UID94 - Implement Lower Cost Visitor Serving and Recreational Facilities Overnight Accommodations
- UID324 - Execute Cruise and Infrastructure Optimization

## **CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS SUPPORTED**

- Microgrid Infrastructure at TAMT
- Comfort Station & Street End Improvements at Beach Avenue
- Shelter Island Boat Launch Facility Improvements
- National City Marina District Vision Plan Preliminary Planning
- Setback Park/Plaza

## **MAJOR MAINTENANCE (MM) PROJECTS SUPPORTED**

- Fender System Upgrade at North Berth of B Street Pier
- Light Fixture Replacement at Embarcadero Marina Park South Fishing Pier
- Structural Repairs at Imperial Beach Fishing Pier

## **TECHNOLOGY MANAGEMENT PROGRAM (TMP) PROJECTS SUPPORTED**

- D2 Replacement
- Employee Portal
- GIS Roadmap Implementation
- Enterprise Asset Management System (salesforce module)
- Enterprise Audio Visual Upgrade

## Waterfront Arts & Activation

### REGULAR POSITIONS

POSITION TITLE	ADJUSTED BUDGET FY 2019	BUDGET FY 2020
Administrative Assistant II (Classified)	1	1
Director, Waterfront Arts & Activation	1	1
Management Analyst	1	1
Program Manager	3	3
Project Manager, Waterfront Arts & Activation	2	2
Senior Project Manager, Waterfront Arts & Activation	1	1
<b>TOTAL</b>	<b>9</b>	<b>9</b>

## Waterfront Arts & Activation

### SUMMARY OF DEPARTMENTAL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Personnel Expense	\$ 1,199,897	\$ 1,254,400	\$ 1,313,600	\$ 59,200	4.7 %
Non-Personnel Expense	1,995,698	2,966,000	2,557,200	(408,800)	(13.8)%
<b>Total Direct Expense</b>	<b>\$ 3,195,595</b>	<b>\$ 4,220,400</b>	<b>\$ 3,870,800</b>	<b>\$ (349,600)</b>	<b>(8.3)%</b>
Less: Capitalized Expense	—	—	—	—	N/A
Equipment Outlay and Other Capital Projects	10,579	—	205,000	205,000	N/A
<b>TOTAL DEPARTMENTAL EXPENSE</b>	<b>\$ 3,206,174</b>	<b>\$ 4,220,400</b>	<b>\$ 4,075,800</b>	<b>\$ (144,600)</b>	<b>(3.4)%</b>

### PERSONNEL EXPENSE

	ACTUAL RESULTS FY 2018	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FY 2020-2019 BUDGET	% CHANGE
Salaries and Wages	\$ 740,832	\$ 778,300	\$ 793,700	\$ 15,400	2.0%
Overtime	856	2,000	2,000	—	0.0%
Burden	427,453	474,100	517,900	43,800	9.2%
Temporary Personnel	30,757	—	—	—	N/A
<b>TOTAL PERSONNEL EXPENSE</b>	<b>\$ 1,199,897</b>	<b>\$ 1,254,400</b>	<b>\$ 1,313,600</b>	<b>\$ 59,200</b>	<b>4.7%</b>

## Waterfront Arts & Activation

### EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS

DESCRIPTION	QTY	BUDGET FY 2020
ART WORKS <sup>(1)</sup>	2	\$ 110,000
BAYWIDE ACTIVATION FIXTURE	1	20,000
IB PIER NEAR TERM ENHANCEMENTS	1	75,000
<b>TOTAL EQUIPMENT OUTLAY AND OTHER CAPITAL PROJECTS</b>	<b>4</b>	<b>\$ 205,000</b>

**Note:**

<sup>(1)</sup> Funded by Public Art Fund



**Waterfront Arts & Activation**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
600110 Overtime OVERTIME		\$ 2,000		\$ 2,000		
<b>Total:</b>	\$ 856	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
600120 Temporary Personnel						
<b>Total:</b>	\$ 30,757	\$ —	\$ —	\$ —	\$ —	N/A
<b>SUBTOTAL: OVERTIME &amp; TEMPS</b>	\$ 31,613	\$ 2,000	\$ 2,000	\$ 2,000	\$ —	0.0 %
610110 Books & Periodicals PROFESSIONAL PUBLICATIONS		\$ 200		\$ 100		
<b>Total:</b>	\$ 133	\$ 200	\$ 200	\$ 100	\$ (100)	(50.0)%
610115 Employee Recognition EMPLOYEE RECOGNITION		\$ 300		\$ 300		
<b>Total:</b>	\$ —	\$ 300	\$ 300	\$ 300	\$ —	0.0 %
610120 Memberships & Dues MEMBERSHIPS		\$ 1,600		\$ 1,600		
<b>Total:</b>	\$ 3,478	\$ 1,600	\$ 1,600	\$ 1,600	\$ —	0.0 %
610140 Seminars & Training SEMINARS & TRAINING		\$ 600		\$ 600		
<b>Total:</b>	\$ 1,770	\$ 600	\$ 600	\$ 600	\$ —	0.0 %
615100 Mileage Reimbursement MILEAGE REIMBURSEMENT		\$ 2,800		\$ 2,800		
<b>Total:</b>	\$ 3,367	\$ 2,800	\$ 2,800	\$ 2,800	\$ —	0.0 %
615110 Travel ART CONFERENCES CONFERENCES		\$ 9,500 —		\$ — 9,000		
<b>Total:</b>	\$ 2,180	\$ 9,500	\$ 9,500	\$ 9,000	\$ (500)	(5.3)%
620100 Services - Professional & Other ARTS & ACTIVATION CONSULTANTS		\$ 100,000		\$ 100,000		
<b>Total:</b>	\$ 671,829	\$ 100,000	\$ 100,000	\$ 100,000	\$ —	0.0 %
620125 Services - Security						
<b>Total:</b>	\$ 163	\$ —	\$ —	\$ —	\$ —	N/A
630110 Equipment & Systems EQUIPMENT & SYSTEMS		\$ 2,500		\$ 2,500		

**Waterfront Arts & Activation**  
**EXPENSE BUDGET BREAKDOWN**

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>Total:</b>	\$ 13,375	\$ 2,500	\$ 2,500	\$ 2,500	\$ —	0.0 %
630120 Equipment & Systems						
SPECIAL EVENTS RENTAL		\$ 40,000		\$ 35,000		
<b>Total:</b>	\$ 17,559	\$ 40,000	\$ 40,000	\$ 35,000	\$ (5,000)	(12.5)%
630130 Office & Operating Supplies						
OFFICE SUPPLIES		\$ 5,000		\$ 5,000		
<b>Total:</b>	\$ 8,223	\$ 5,000	\$ 5,000	\$ 5,000	\$ —	0.0 %
630140 Postage & Shipping						
POSTAGE & SHIPPING		\$ 200		\$ 100		
<b>Total:</b>	\$ 103	\$ 200	\$ 200	\$ 100	\$ (100)	(50.0)%
630150 Safety Equipment & Supplies						
SAFETY		\$ 100		\$ 100		
<b>Total:</b>	\$ —	\$ 100	\$ 100	\$ 100	\$ —	0.0 %
650110 Facilities Maintenance - Outside Service						
ARTWORK CONSERVATION/HANDLING		\$ 125,000		\$ 150,000		
ARTWORK RESTORATION		35,000		25,000		
<b>Total:</b>	\$ 58,419	\$ 160,000	\$ 160,000	\$ 175,000	\$ 15,000	9.4 %
660100 Advertising						
ADVERTISING		\$ 1,000		\$ 500		
<b>Total:</b>	\$ 575	\$ 1,000	\$ 1,000	\$ 500	\$ (500)	(50.0)%
660105 Marketing/Outreach						
BAY-WIDE SPECIAL EVENTS		\$ 300,000		\$ 710,000		
TAP EVENTS		776,700		430,200		
<b>Total:</b>	\$ 980,348	\$ 1,076,700	\$ 1,076,700	\$ 1,140,200	\$ 63,500	5.9 %
660110 Promotional Services						
PROMOTIONAL SERVICES		\$ 50,000		\$ 49,400		
<b>Total:</b>	\$ 41,863	\$ 50,000	\$ 50,000	\$ 49,400	\$ (600)	(1.2)%
660120 Promotional Materials						
PROMOTIONAL MATERIALS		\$ 40,000		\$ 40,000		
<b>Total:</b>	\$ 67,363	\$ 40,000	\$ 40,000	\$ 40,000	\$ —	0.0 %
660137 Public Art Fund Expenditures						
CORONADO BRIDGE LIGHTING		\$ 1,270,500		\$ 820,000		
EXHIBITIONS		40,000		—		

**Waterfront Arts & Activation**  
EXPENSE BUDGET BREAKDOWN

ACCOUNT NUMBER & NAME EXPENSE DETAILS	ACTUAL RESULTS FY 2018	ORIGINAL BUDGET FY 2019	ADJUSTED BUDGET FY 2019	BUDGET FY 2020	CHANGE FROM ADJUSTED BUDGET	
					dollars	pct
<b>Total:</b>	\$ —	\$ 1,310,500	\$ 1,310,500	\$ 820,000	\$ (490,500)	(37.4)%
660190 Arts & Culture Programs						
EXHIBITIONS		\$ 165,000		\$ 175,000		
<b>Total:</b>	\$ 124,951	\$ 165,000	\$ 165,000	\$ 175,000	\$ 10,000	6.1 %
<b>SUBTOTAL: NON-PERSONNEL EXPENSE</b>	\$ 1,995,698	\$ 2,966,000	\$ 2,966,000	\$ 2,557,200	\$ (408,800)	(13.8)%
<b>GRAND TOTAL:</b>	\$ 2,027,311	\$ 2,968,000	\$ 2,968,000	\$ 2,559,200	\$ (408,800)	(13.8)%

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# Glossary of Terms

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**Accrual Basis of Accounting** - under this method, revenues are recorded when earned and expenses are recorded when incurred.

**Action Plan** - (see Work Plan)

**Actual** - is earned revenue or incurred expense during the stated fiscal year.

**Americans with Disabilities Act (ADA)** - prohibits, under certain circumstances, discrimination based on disability.

**AMP** - Asset Management Program

**Appropriation** - is an authorization made by the Board of Port Commissioners that permits District departments to make expenditures of governmental resources. All appropriations that have not been expended or lawfully encumbered lapse at the end of the fiscal year. The Board of Port Commissioners may increase or decrease appropriations by majority vote.

**Asset** - are resources owned or held that have an economic value.

**Balanced Budget** - is one in which revenues and other sources of funds equal or exceed expenditures and other uses of funds.

**Bond** - is a written promise to pay a designated amount (called the principal), at a specific date in the future, together with periodic interest at a specified rate. In the budget, these payments are identified as debt service. Bonds are usually used to obtain long-term financing for capital improvements.

**Board** - Board of Port Commissioners

**Board of Port Commissioner (BPC) Policies** - San Diego Unified Port District Act requires the Board of Port Commissioners to make and enforce necessary rules and regulations governing the use and control of all navigable waters, tidelands, and submerged lands within the District and to make and enforce certain local police and sanitary regulations relating to the District.

**Brown Act** - guarantees the public's right to attend and participate in meetings of local legislative bodies.

**Budget** - is a financial plan for a specified period of time (fiscal year) that matches plan expenses and revenues with planned services.

**Budgetary Control** - is the control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

**Burden** - is the benefits and taxes that a company must or chooses to pay on their payroll. These can include, but are not limited to, all of the following: payroll taxes (both federal and state), retirement/pension costs, fringe benefits, health care, life/AD&D insurance, paid time off, worker's compensation costs, long-term disability insurance, and short-term disability insurance.

**COBB** - Culture / Operations / Business / Brand

**California Environmental Quality Act (CEQA)** - requires state and local agencies within California to follow a protocol of analysis and public disclosure of environmental protection a mandatory part of every California state and local agency's decision making process.

# Glossary of Terms

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**California Fair Employment and Housing Act (FEHA)** - is used to fight sexual harassment and other forms of unlawful discrimination in employment and housing.

**California Public Records Act** - requires inspection and/or disclosure of governmental records to the public upon request, unless exempted by law.

**Caltrans** - California Department of Transportation

**Capital Improvement Program (CIP)** - is the District's five-year fiscal plan detailing the amount and timing of anticipated capital expenditures. It is updated annually with the adoption of the budget.

**Capital Labor** - is internal labor costs (personnel and overhead) that are directly incurred in the development and construction of capital projects.

**CCDC** - Center City Development Corporation

**CEO** - Chief Executive Officer

**Coastal Act** - addresses issues such as shoreline public access and recreation, lower cost visitor accommodations, terrestrial and marine habitat protection, visual resources, landform alteration, agricultural lands, commercial fisheries, water quality, offshore oil and gas development, transportation, development design, power plants, ports, and public works. The Coastal Commission, in partnership with coastal cities and counties, plans and regulates the use of land and water in the coastal zone.

**Competency** - A pattern of behavior that represents a set of knowledge, skills and abilities.

## **Competencies (Port-wide)**

- **Listening** - Effective performers display engagement, demonstrate understanding, and are open to what is being communicated.
- **Growth** - Effective performers work on acquiring knowledge and skills, as well as supporting others with their own development goals.
- **Collaboration** - Effective performers promote an environment of teamwork by developing and building relationships across all levels and departments to accomplish individual and team goals.
- **Trustworthiness** - Effective performers act in ways that foster an environment of trust and are relied on as honest and truthful in interactions with other people and in completion of work.
- **Humility** - Effective performers seek opportunities to increase self-awareness and possess an openness that allows them to appreciate the views and contributions of others.

**Corporate Vision - 21st Century Port** - We are an innovative, global seaport courageously supporting commerce, community, and environment.

**Cost Center** - is a unit within the District to which costs may be charged for accounting purposes.

**CST** - Cruise Ship Terminal

**DEA-NTF** - Drug Enforcement Administration Narcotic Task Force



# Glossary of Terms

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**Department** - is a major administrative unit of the District, which indicates overall management responsibility for an operation or a group of related operations within a functional area, and the organizational level at which the budget is adopted and controlled.

**District** - San Diego Unified Port District

**EDMS** - Electronic Document Management System

**EMOS** - Electronic Maritime Operation System

**Enterprise Fund** - in governmental accounting, a fund that provides goods and services to the public for a fee that makes the entity self-supporting.

**Expense** - is a charge incurred (whether paid immediately or accrued) for operations, maintenance, interest or other charges.

**External Stakeholder** - A person or group of people who are impacted or have a strong interest in the operations, or effects of operations performed by an organization's work as it pertains to them as clients/constituents, community partners, and others.

**Fiscal Year (FY)** - is the annual period beginning July 1<sup>st</sup> and ending June 30<sup>th</sup>.

**GASB** - Government Accounting Standards Board, the body responsible for establishing GAAP for governmental entities.

**GDP** - Gross Domestic Product

**Generally Accepted Accounting Principles (GAAP)** - is the conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements.

**GFOA** - Government Finance Officers Association

**GIS** - Geographic Information System

**Goals** - Broad statements of an organization's plan to achieve desired outcomes and be successful among competition at some point in the future. Goals should strive to deliver a company's vision and create a company's differentiation and sustainability and be supported by measurable performance.

**Grant** - is a contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending on the grantee.

**Guiding Principle** - We do the greatest good by doing remarkably well

**IMP** - Infrastructure Management Program



# Glossary of Terms

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**Implementation Plan** - (see Work Plan)

**Initiative** - Initiatives are programs or projects that turn strategy into operational terms and actionable items.

**Internal Stakeholder** - A person or group of people which are already committed to serving the organization and may be impacted or have a strong interest in the operations, or effects of operations within the organization.

**JHOC** - Joint Harbor Operations Center

**JTTF** - Joint Terrorism Task Force

**Key Services** - Standard operations needed to sustain a purpose within the organization.

**KPIs - Key Performance Indicators** - A measurable value that demonstrates how effectively a company is achieving a specific strategic or operational goal.

**MIIF** - Maritime Industrial Impact Fund

**MM** - Major Maintenance

**MOIS** - Maritime Operations Information System

**Milestone** - A significant event or date during the execution of a project; end of phase or sub-phase.

**MOTEMS (Marine Oil Terminal Engineering and Maintenance Standard)** - are the standards that apply to all existing and new marine oil terminals in California, and include criteria for inspection, structural analysis and design, mooring and berthing, geotechnical considerations, fire, piping, and mechanical and electrical systems.

**MOU** - Memorandum of Understanding

**MTF** - Marine Task Force

**NEVP** - North Embarcadero Visionary Plan

**NCMT** - National City Marine Terminal

**NOAA** - National Oceanic Atmospheric Administration

**Non-Personnel Expense (NPE)** - includes costs for materials and supplies, equipment, communications, outsourced services, travel, and other expenses.

**Operating Reserves** - are unrestricted funds, usually accumulated over several years that are available for appropriation (also see Unreserved Fund Balance).

**Other Post-Employment Benefits (OPEB)** - that an employee will begin to receive at the start of retirement. This does not include pension benefits paid to the retired employee. Other post-employment benefits that a retiree can be compensated for are life insurance premiums, healthcare premiums, and deferred-compensation arrangements.

# Glossary of Terms

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**OPH** - Old Police Headquarters

**Overhead Expense (Overhead)** - refers to an expense in the District that cannot be directly associated and charged to a service or project.

**Personnel Expense** - is the sum of all wages paid to employees, as well as the cost of employee benefits and payroll taxes paid by an employer.

**Port Philosophy** - Port Leaders are Other Focused First (Servant Leadership).

**Portfolio** - A group, set or selection of initiatives an organization has agreed to invest in by approving the allocation of necessary resources.

**Program** - A set of highly related products, services or projects within an organization

**Project** - A temporary endeavor with a defined start date, end date, scope, and budget; and which consumes cross-functional resources in order to produce a unique product, service or result.

**Public Contract Code** - requires competitive bidding for the vast majority of public projects.

**RCS** - Regional Communications System Interoperability

**Revenue** - sources of income financing the operations of government

**RFP** - Request for Proposal

**RFQ** - Request for Qualifications

**RIMS** - Records & Information Management System

**RSVP** - Retired Senior Volunteer Program

**SANDAG** - San Diego Association of Governments

**San Diego Unified Port District Act** - provides for the calling of municipal elections therefor; describing the powers, duties, and functions thereof, authorizing the district to borrow money and issue bonds for district purposes; to provide means of raising revenues for the operation, maintenance and bond redemption of the district; and to provide, for the transfer to such district of tidelands and lands lying under inland navigable waters.

**SDCRAA** - San Diego County Regional Airport Authority

**Sponsor** - Person who vouches for and assumes responsibility for an initiative, project or program and is responsible for securing resources needed to complete the Work Plan.

# Glossary of Terms

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**Stakeholder** - Any person, group, or organization that may be impacted or has a strong interest in the operations, or effects of operations. of the organization. Stakeholders may be internal or external to the organization.

**Strategic Planning** - An organization's high- level process of defining its strategy, or direction, and making decisions on allocating resources in order to achieve its organizational goals.

**Strategic Roadmap** - A strategic roadmap is a time-based plan that defines where a business is, where it wants to go, and how to get it there.

**Strategy Map** - A diagram that is used to document the primary strategic goals and initiatives being pursued by an organization or management team.

**TAMT** - Tenth Avenue Marine Terminal

**TUOP** - Tidelands Use Occupancy Permit

**TUP** - Temporary Use Permit

**TWIC** - Transportation Worker Identity Card

**Tactics** - Specific, actionable ways to do things in order to accomplish a milestone, target or result.

**Team** - is a sub-administrative unit of a department, which has responsibility for an operation or a group of related operations within a functional area.

## Values

- **Integrity** - honoring agreements and acting truthfully, honestly and ethically. It is the commitment to our set of shared core values applied equally to all.
- **Accountability** - honoring our agreements with our stakeholders. the community and each other. Accountability is establishing and tracking measurable outcomes and evaluating our progress.
- **Courage** - setting aside fears and standing by personal principles, facing challenges with fortitude, taking intellectual risks, extending beyond personal comfort zones to achieve goals, persevering in the face of diversity and taking responsibility for actions.
- **Teamwork** - promoting and practicing collective cooperation. Teamwork involves open communication, respect, trust and the commitment to common goals. An effective team shares the workload, credit and consequences of its actions.
- **Inclusiveness** - a sense of belonging and feeling respected. Inclusiveness is being valued for who you are and that you are essential to the success of the organization.
- **Fairness** - behaving in an objective and consistent manner. Fairness is listening to and respecting the opinions, values and interests of others.
- **Fun** - creating an environment where employees can enjoy spontaneity, levity and productivity. Fun is celebrating successes and accomplishments.
- **Innovation** - Innovation is creative thinking and continually improving performance, emphasizing quality, productivity, growth, best practices and measurement. Innovation means striving to be the best in our public service.
- **Transparency** - Transparency is a commitment to our partners, stakeholders and the community to enhance openness, public participation, and access to information, outreach and collaboration. Transparency promotes accountability, increased public trust, and a more efficient, effective and public-focused organization.

# Glossary of Terms

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**Work Plan** - A set of activities or specific actions that must be taken, by which resources, by what time or date in order to achieve a goal, initiative, project or milestone in support of the Strategic Plan.

**Working Owner** - Person responsible for ensuring the Work Plan is getting done.

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## BPC Policy No. 090

**SUBJECT:** TRANSFER BETWEEN OR WITHIN APPROPRIATED ITEMS IN BUDGET

**PURPOSE:** To establish a policy for the transfer of amounts between appropriated items in the budget in accordance with Section 86 of the San Diego Unified Port District Act (Act), as well as within appropriated items.

**POLICY STATEMENT:**

The Act requires the Board of Port Commissioners (Board) adopt an annual budget by ordinance. After the budget is adopted, circumstances may arise that require adjustments by way of transfers between appropriated items in the budget. The Act authorizes the Executive Director to request in writing to the Board for a transfer of amounts from one appropriated item to another in the budget. On the approval of the Board by a two-thirds vote, the Port Auditor will make the transfer. Furthermore, circumstances may arise that require adjustments by way of transfers within appropriated items in the budget. The Act does not set forth when such intra-item transfers require Board approval.

**TRANSFER GUIDELINES:**

1. Appropriated items are defined as broad categories of budgeted costs within each budget class as follows:

Ordinary Annual Expenses (Class):

Personnel Expenses (appropriated Item)

Non-Personnel Expenses (appropriated Item)

Expense Major Maintenance (appropriated Item)

Capital Outlay (Class):

Capital Improvement Program (CIP) (appropriated Item)

Technology Management Program (TMP) (appropriated Item)

Capital Major Maintenance (appropriated Item)

Equipment Outlay (appropriated Item)

\*Clerk's Note: This document supersedes Clerk's Document No. 64142, and corrects the inadvertent omission of language approved by the Board on March 3, 2015.

Prior Indebtedness (Debt Service Principal) (Class)

The entire amount assigned to this class is the appropriated item.

2. The following rules shall be used to determine whether a transfer requires Board approval:

A. Rules for All Transfers:

- Individual transfer amounts may be made in a single transfer or multiple transfers if, in aggregate, they do not exceed the amount authorized.

B. Rules for Transfers Between Appropriated Items or Classes:

- A transfer between classes (e.g., amounts transferred between Ordinary Annual Expenses and Capital Outlay) requires Board approval.
- A transfer between appropriated items requires Board approval.

C. Rules for Transfers Within Appropriated Items:

- Applicable to all appropriated items except CIP, Expense Major Maintenance and Capital Major Maintenance:
  - o Transfer of amounts within each appropriated item requires approval of the Executive Director.
- CIP (appropriated item):
  - Board approval is required for any transfers between CIP projects.
  - Transfer amounts between fiscal years within the 5-year CIP approved project budget, requires approval of the Executive Director with notification to the Board.
  - If the transfer amount exceeds the 5-year CIP approved project budget, Board approval is required.
- Capital or Expense Major Maintenance (appropriated items):
  - o Transfer amounts to projects related to emergency, safety and health require approval of the Executive Director with notification to the Board.
  - o All other transfers involving planned projects within Capital or Expense Major Maintenance require approval of the Executive Director for individual transfer amounts not in excess of \$175,000 with notification to the Board. If individual transfer amounts exceed \$175,000, Board approval is required.

- o All other transfers involving unplanned projects within Capital or Expense Major Maintenance require approval in compliance with BPC Policy No. 080 – Unplanned Work Consideration. Transfers involving unplanned projects with a total cost equal to or less than \$175,000 require approval of the Executive Director with notification to the Board. Board approval is required for transfers involving unplanned projects with total costs in excess of \$175,000, \*or in aggregate exceeding \$500,000 per year.
3. To ensure compliance with auditing standards, when the Board approves a transfer, the Port Auditor shall make the Board-approved transfer with the understanding that if this activity becomes a part of the District's annual audit plan, it must be reviewed by a party independent of the Port Auditor.

**RESOLUTION NUMBER AND DATE: 2015-138, dated October 21, 2015 (Supersedes BPC Policy No. 090, Resolution 2015-17, dated March 3, 2015; and Resolution 2013-109, dated June 11, 2013)**

**BPC Policy No. 090**

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## BPC Policy No. 115

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**SUBJECT:** GUIDELINES FOR PRUDENT INVESTMENTS

**PURPOSE:** To define the District's investment program objectives and to establish policies and procedures for the prudent investment of the District's cash.

**POLICY STATEMENT:**

### 1.0 INTRODUCTION

It is the policy of the San Diego Unified Port District (the District) to invest public funds in a manner that will provide the highest security of the funds under management while meeting the daily cash flow demands of the District. The investment policies and practices of the District are based upon prudent money management and conform to all state and local statutes governing the investment of public funds.

This policy also addresses risk management because risk management is an integral part of managing a fixed income portfolio. To focus only on maximizing return is imprudent; therefore, policy issues will be directed to limiting the investment portfolio's exposure to each issue and issuer of debt, and criteria for establishing minimum credit requirements that firms must have in order to effect security transactions with the District.

### 2.0 SCOPE

This investment policy applies to all the District's investment activities, except for the Employees Retirement and Deferred Compensation funds, which are administered separately. The financial assets of all other District funds shall be administered in accordance with the provisions of this policy. These funds are accounted for in the District's Comprehensive Annual Financial Report and include:

#### 2.1 Funds

2.1.1 General Fund

2.1.2 Capital Outlay Fund

2.1.3 Any new fund created by the Board of Port Commissioners or operation of law, unless specifically exempted.

### 3.0 PRUDENCE

Persons authorized to make investment decisions for the District are trustees and therefore fiduciaries subject to the prudent investor standard.

3.1 When investing, reinvesting, purchasing, acquiring, exchanging, selling, and managing funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

3.2 Investment officials acting in accordance with written procedures and investment policy and exercising due diligence shall be relieved of personal responsibility of an individual security's credit risk or market price changes, provided deviation from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

#### 4.0 OBJECTIVES

The primary objectives, in priority order, of the District's investment activities shall be:

4.1 **Safety of principal:** Safety of principal is the District's foremost objective. To accomplish this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio. Each investment transaction shall seek to ensure that capital losses are avoided, whether from issuer default, broker/dealer default, or erosion of market value. The District shall seek to preserve principal by mitigating credit risk and market risk.

4.1.1 Credit Risk is the risk of loss due to failure of the issuer to repay an obligation and shall be mitigated by investing in only the highest quality credits and by diversifying the investment portfolio so that the failure of any one issuer would not unduly harm the District's cash flows.

4.1.2 Market risk is the risk of market value fluctuations due to overall changes in the general level of interest rates and shall be mitigated by structuring the portfolio so that securities mature at the same time major cash outflows occur, thereby eliminating the need to sell securities prior to their maturity; and, by prohibiting the taking of short positions, that is, selling securities that the District does not own.

4.1.3 It is explicitly recognized, however, that in a diversified portfolio occasional losses may occur and must be considered within the context of overall investment return.

4.2 **Liquidity:** The District's investment portfolio will be structured to provide sufficient liquidity to meet the operating requirements of the District.

4.3 **Return on investment:** State law requires that the objective of return on investment be subordinate to the objectives of safety and liquidity. Therefore, investment officials shall seek to achieve a return on the funds under their control throughout all economic cycles, taking into consideration the District's investment risk constraints and cash flow requirements.

#### 5.0 AUTHORITY TO INVEST FUNDS

The monies entrusted to the District will be invested and actively managed. This



function is viewed as a full-time responsibility. The authority to execute investment transactions shall be limited to the Treasurer and Deputy Treasurer. The Treasurer and Deputy Treasurer will observe, review, and react to the changing conditions that affect the investment portfolio. The Treasurer and Deputy Treasurer will meet on a regular basis to discuss current market conditions and future trends and how each of these affects the investment portfolio and the District. The Treasurer and Deputy Treasurer shall establish a system of controls to ensure compliance with the District's investment policy and to regulate the activities of subordinate officials.

#### **6.0 ETHICS AND CONFLICTS OF INTEREST**

Board Commissioners, District officers or District employees involved in the investment process shall refrain from any activity that could conflict with proper execution of the investment program, or which could impair the Treasurer's or Deputy Treasurer's ability to make impartial investment decisions. District staff involved with the investment process shall disclose to the Executive Director/President and Chief Executive Officer any material financial interest in financial institutions that conduct business with the District, and they shall further disclose any large personal financial and/or investment positions that could be related to the performance of the District's portfolio. Board Commissioners, District officials and District employees shall subordinate their personal investment transactions to those of the District, particularly with regard to the timing of purchases and sales.

#### **7.0 QUALIFIED DEALERS**

The District shall transact business only with commercial banks, savings and loans, and investment securities dealers. The dealers must be primary dealers regularly reporting to the Federal Reserve Bank of New York. Regional dealers that qualify under the Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule) will be approved at the discretion of the Treasurer.

7.1 All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Treasurer with an audited financial statement, proof of National Association of Security Dealers certification, trading resolution, proof of state registration, completed broker/dealer questionnaire, and certification of (a) having read the District's investment policy and depository contracts and (b) recommending and executing only transactions that comply with same. The Treasurer shall determine if they are adequately capitalized, make markets in securities appropriate to the District's needs, and are recommended by managers of portfolios similar to the District's.

7.2 An annual review of the financial condition and registration of qualified bidders will be conducted by the Treasurer. A current audited financial statement is required to be on file for each financial institution and broker/dealer in which the District invests.

7.3 The District shall at least annually send a copy of the current investment policy to all financial institutions and broker/dealers approved to do business with the District. Confirmation of receipt of this policy shall be considered evidence that the dealer understands the District's investment policy and will recommend and execute only transactions suitable for and in compliance with the District's investment policy.

## 8.0 AUTHORIZED INVESTMENTS

The District is authorized by California Government Code Section 53600 et seq. to invest in the following types of securities, further limited herein:

8.1 **United States Treasury Bills, Bonds, and Notes**, or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no limitation as to the percentage of the portfolio that can be invested in this category.

8.2 **Obligations issued by United States Government Agencies** such as, but not limited to, the Government National Mortgage Association (GNMA), the Federal Farm Credit Bank System (FFCB), the Federal Home Loan Bank (FHLB), the Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), the Student Loan Marketing Association (SLMA) and the Tennessee Valley Authority (TVA). Although there is no percentage limitation of the dollar amount that can be invested in these issuers, the "prudent person" rule shall apply for any single agency name.

8.3 Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as **bankers acceptances** which are eligible for purchase by the Federal Reserve System, may not exceed 180 days to maturity or 40 percent of the market value of the portfolio. No more than 10 percent of the market value of the portfolio may be invested in banker's acceptances issued by any one bank.

8.4 **Commercial paper** of prime quality that is rated "A-1" or higher, or equivalent as provided for by a nationally recognized statistical rating organization (NRSRO) and issued by a domestic corporation having assets in excess of \$500 million and having an A or its equivalent or higher rating on its long term debt as provided by an NRSRO. Purchases of eligible commercial paper may not exceed 270 days to maturity. Purchases of commercial paper may not exceed 15 percent of the market value of the portfolio. No more than 10 percent of the market value of the portfolio may be invested in commercial paper issued by any one corporation. An additional 15 percent, or 30 percent of the market value of the portfolio, may be invested in eligible commercial paper only if the dollar-weighted average maturity of the entire amount does not exceed 31 days. "Dollar-weighted average maturity" means the sum of the amount of each outstanding commercial paper investment multiplied by the number of days to maturity, divided by the total amount of outstanding commercial paper.

8.5 **Negotiable certificates of deposit (NCDs)** issued by a nationally or state-chartered bank or a state or federal savings institution. Purchased NCDs may not exceed 30 percent of the market value of the portfolio and the maximum maturity date shall not exceed one year.

8.5.1 The Treasurer shall use a nationally recognized statistical rating organization (NRSRO), as designated by the Securities and Exchange Commission, for the qualitative and quantitative analysis of financial institutions.



8.5.2 The Treasurer shall specify minimum criteria for investment as derived from the evaluation service.

8.6 **Medium Term Notes** (MTNs) issued by corporations organized and operating within the United States. MTNs eligible for purchase shall be rated in a rating category of "A" or its equivalent or better by an NRSRO. MTNs with an "A" rating shall be limited to 24 months maximum maturity; AA rated MTNs shall be limited to 36 months. The aggregate total of all purchased MTNs may not exceed 30 percent of the market value of the investment portfolio. No more than 5 percent of the market value of the portfolio may be invested in notes issued by any one corporation. Commercial paper holdings shall be considered when calculating the maximum percentage of any issuer name.

8.7 **Repurchase agreements** (RPAs) shall only be made with primary dealers of the Federal Reserve Bank of New York. The Public Securities Association master repurchase agreement shall be the District's master repurchase agreement.

8.7.1 The term of the agreement may not exceed one year.

8.7.2 The market value of the securities used as collateral for repurchase agreements shall be monitored daily by the Deputy Treasurer and will not be allowed to fall below 102 percent of the value of the repurchase agreement.

8.7.3 The market value of the securities that underlay the repurchase agreement shall be adjusted no less than quarterly.

8.7.4 In order to conform with provisions of the Federal Bankruptcy Code, which provides for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable as collateral shall be certificates of deposit, eligible banker's acceptances, or securities that are direct obligations of the United States government.

8.8 **Reverse Repurchase Agreements** (RRPAs) shall only be made with primary dealers of the Federal Reserve Bank of New York and are authorized when the security to be sold on reverse repurchase agreement has been owned and fully paid for a minimum of 30 days prior to sale, the earnings from the matching investment(s) are greater than or equal to the cost of the reverse(s), and the terms and conditions are otherwise favorable to the District. Reverse repurchase agreements may not exceed 60 days to maturity and the maturity of the security purchased with the proceeds of the reverse must coincide with the date of the expiry of the reverse. No more than 10 percent of the portfolio may be invested in reverse repurchase agreements.

8.9 The **Local Agency Investment Fund** (LAIF), established by the State Treasurer for the benefit of local agencies and identified under Government Code Section 16429.1, is authorized up to the maximum amount permitted by State law.

8.10 The District may place funds in **inactive deposits** with those banks having offices in San Diego County. Such deposits in each bank shall be limited to no more than five percent (5%) of the total assets of the bank. All deposits shall be secured in accordance with California Government Code § 53652 and the District shall not waive the first

\$100,000 of deposit insurance for collateral purposes. No more than ten percent (10%) of the portfolio may be invested in this category since time deposits are not liquid. Further, in accordance with California Government Code § 53635, to be eligible to receive funds, a bank, savings association, federal association, or federally insured industrial loan company shall have received an overall rating of not less than “satisfactory” in its most recent evaluation by the appropriate federal financial supervisory agency of its record in meeting the credit needs of California’s communities, including low-and moderate-income neighborhoods, pursuant to Section 2906 of Title 12 of the United States Code.

8.11 The District may place funds in **shares of beneficial interest** issued by diversified management companies investing in the securities and obligations as authorized by California Government Code § 53601 subdivisions (a) to (l) inclusive. To be eligible for investment, these companies shall either:

8.11.1 attain the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest nationally recognized rating services, or,

8.11.2 retain an investment adviser registered with the Securities and Exchange Commission with not less than five years’ experience investing in the securities and obligation as authorized by California Government Code §53601 subdivision (a) to (m), inclusive and with assets under management in excess of five hundred million dollars (\$500,000,000).

8.11.3 The purchase price of shares of beneficial interest shall not exceed 20 percent of the portfolio’s market value and no more than 10 percent of the portfolio’s market value may be invested in shares of beneficial interest of any one mutual fund.

8.12 **Derivative securities** are those securities that derive their value from another asset or index, such as Treasury securities or the prime interest rate. A derivative security offers a yield higher than a comparable security because of the intrinsic risk associated with the security’s imbedded option (e.g., an interest rate that floats off the prime rate versus a fixed interest rate). Investments in derivative securities shall be made using the prudent investor person standard and shall be limited to federal agency issues.

8.13 **Investment Trust of California** (CalTRUST), a Public Joint Powers Authority pooled investment program, created by local public agencies and authorized by Government Code sections 53601(p) and 53635. Investments in CalTRUST shall not exceed 30 percent of the portfolio’s market value.

8.14 The District may place funds in **Certificates of Deposit** pursuant to California Government Code Sections 53601.8 and 53635.8. Purchases of Certificates of Deposit pursuant to Sections 53635.8 and subdivision (h) of Section 53601 shall not, in total, exceed 30 percent of the portfolio’s market value.

8.15 In accordance with California Government Code Section 53601 (d), the District may place funds in **California State & Local Agency Obligations** or registered treasury notes or bonds of any other 49 United States in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or



operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California; provided that the obligations are rated AAA by a nationally recognized statistical-rating service organization (NRSRO).

**8.16 Supranational Obligations** issued in United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and shall not exceed 30 percent of the agency's moneys that may be invested pursuant to this section.

## **9.0 PROHIBITED INVESTMENTS**

Investments not described herein, including but not limited to, inverse floating rate notes, range notes, interest-only strips that are derived from a pool of mortgages, common stocks, and long-term corporate notes or bonds are prohibited from use in this portfolio. The District shall not invest any funds in any security that could result in zero interest accrual if held to maturity. Investments that exceed five years to maturity require authorization by the Board of Port Commissioners prior to purchase.

## **10.0 INVESTMENT POOLS/MUTUAL FUNDS**

A thorough investigation of the pool/fund is required prior to investing and on a continual basis. There shall be a questionnaire developed which will answer the following general questions:

- A description of the eligible investment securities and a written statement of investment policy and objectives.
- A description of interest calculations and how interest is distributed and how gains and losses are treated.
- A description of how the securities are safeguarded, including settlement processes, and how often the securities are priced and the program is audited.
- A description of who may invest in the program, how often, what size deposit and withdrawals are allowed, and notification requirements pertaining to deposits or withdrawals.
- A schedule for receiving statements and portfolio holdings.
- A statement that indicates if reserves, retained earnings, etc. are utilized by the pool/fund.
- A fee schedule and when and how fees are assessed.
- A statement that indicates if the pool/fund is eligible for the deposit of bond proceeds and/or if the pool/fund will accept such proceeds.

A published prospectus that answers these questions may be used in lieu of the District questionnaire.



## 11.0 SAFEKEEPING OF SECURITIES

To protect against potential losses by the collapse of individual securities dealers, all securities owned by the District shall be held in safekeeping by a third party bank trust department acting as agent for the District under the terms of a custody agreement executed by the bank and the District. All securities will be received and delivered using standard **delivery-versus-payment** procedures.

## 12.0 MAXIMUM MATURITY

The portfolio's weighted average days to maturity shall be limited to a maximum of three years. The maximum maturity of any one security, unless otherwise restricted by Government Code, shall be limited to five years. Investments that exceed five years to maturity require authorization by the Board of Port Commissioners prior to purchase.

## 13.0 SELLING OR SWAPPING SECURITIES

13.1 The Treasurer has the authority to sell any security in the District's portfolio in order to take advantage of profitable market movements or for the purpose of raising cash. Any security that is sold at a loss will be recorded as such in the District's accounting system; all securities that are sold will be identified in the investment reports issued by the Treasurer.

13.2 A swap is the movement from one security to another and may be done for a variety of reasons, such as to increase yield, lengthen or shorten maturities, to take a profit, or to increase investment quality. Losses or gains on security swaps shall be recorded as a completed sale and purchase in the District's accounting system.

## 14.0 PORTFOLIO ADJUSTMENTS

Should an investment percentage-of-portfolio limitation be exceeded due to an incident such as fluctuation in portfolio size, the affected securities may be held to maturity to avoid losses. When no loss is indicated, the Treasurer shall consider reconstructing the portfolio basing the decision in part on the expected length of time that the portfolio will be imbalanced.

## 15.0 PERFORMANCE STANDARDS

The investment portfolio shall be designed with the objective of obtaining a rate of return commensurate with the District's investment risk constraints and its anticipated cash flow requirements.

**15.1 Benchmark Market Yield:** The basis used by the Treasurer to determine whether market yields are being achieved shall be a comparison of the District's yield to maturity at month end to:

15.1.1 The month end yield to maturity of the State of California's Local Agency Investment Fund; and,

15.1.2 The average monthly yield of the Constant Maturity Treasury (CMT) whose duration most closely approximates the duration of the District's portfolio at month end.

Although the duration of either the LAIF portfolio or the CMT may not be exactly equal to the duration of the District's portfolio, the rationale for using these two benchmarks is to show whether the District's portfolio is following market trends with respect market yields.

## 16.0 REPORTING REQUIREMENTS

16.1 On a quarterly basis, the Treasurer shall render a report to the Executive Director/President and Chief Executive Officer, the Internal Auditor, and the Board of Port Commissioners.

16.1.1 The report shall be submitted within 30 days of the end of the quarter covered by the report.

16.1.2 The report shall include the type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and moneys held by the District.

16.1.3 The report shall include a description of any funds, investments, or programs that are under the management of contracted parties.

16.1.4 The report shall also include a current market value as of the report date and identify the source of the valuation.

16.1.5 The report shall state compliance of the portfolio to the statement of investment policy, or the manner in which it is not in compliance.

16.1.6 The report shall state the District's ability to meet its budgeted expenditure requirements for the next six months, or to explain why sufficient money may not be available.

### 16.2 The report will consist of:

16.2.1 **Portfolio Master Summary:** A summary of the District's investment holdings. This report identifies, by investment type, book value (cost), percent of portfolio, average term, average days to maturity, and yield to maturity on a 360 day basis (bond equivalent yield) and 365 day basis (CD equivalent yield).

16.2.2 **Investment Portfolio Details:** A detailed accounting of the District's investment holdings by investment type. This report identifies each security by subsidiary investment number, issuer, purchase date, book value (cost), face value (par value), market value, stated rate (either interest rate or discount rate), yield to maturity on a 360- and 365- basis, maturity date and days to maturity. Additionally, this report identifies the average balance for each investment class.

16.2.3 **Investment Activity Summary:** A summary of the District's historic investment

activity from the beginning of the fiscal year through the current reporting period. This report identifies, by month, the number of active investments, the total dollar amount invested, the yield to maturity on a 360- and 365- day basis, the number of securities purchased, the number of securities matured or sold, the average term, and the average days to maturity. The report concludes with averages of each reporting category.

**16.2.4 Interest Earnings Summary:** A summary of the portfolio earnings for the current month and fiscal year to date.

#### **17.0 INTERNAL CONTROL**

The development of internal controls is a function of management. The Treasurer and Deputy Treasurer shall establish an annual process of independent review by an external examiner.

#### **18.0 INVESTMENT POLICY ADOPTION**

This investment policy shall be reviewed annually and adopted by resolution to ensure its consistency with the District's objectives of preservation of principal, liquidity, rate of return, and the policy's relevance to current law and financial and economic trends. The Treasurer is responsible for maintaining guidance over this investment policy and ensuring that the District can adapt readily to changing market conditions and shall submit to the Board of Port Commissioners any modification to the investment policy prior to implementation.



## GLOSSARY OF TERMS

**AGENCIES:** Federal agency securities.

**ASKED:** The price at which securities are offered (that is, the price at which a firm will sell a security to an investor).

**BANKERS' ACCEPTANCE (BA):** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

**BASIS POINT:** One one-hundredth of a percentage point (i.e., 0.01%).

**BENCHMARK:** A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

**BID:** The price offered for securities (that is, the price at which a firm will pay to purchase a security an investor owns).

**BROKER:** A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides; he does not take a position. In the money market, brokers are active in markets in which banks buy and sell money and in interdealer markets.

**CERTIFICATE OF DEPOSIT (CD):** A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs are typically negotiable.

**COLLATERAL:** Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**COMMERCIAL PAPER:** An unsecured short-term promissory note issued by corporations or municipalities, with maturities ranging from 2 to 270 days.

**CONSTANT MATURITY TREASURY:** An index for a U.S. Treasury maturity that reflects the weekly or monthly average yield adjusted to a constant maturity. Yields on Treasury securities at "constant maturity" are interpolated by the U.S. Treasury from the daily yield curve, which is based on the closing market bid yields on actively traded Treasury securities in the over-the-counter market. The CMT indexes are volatile and move with the market. They reflect the state of the economy, and respond quickly to economic changes.

**COUPON:** (a) The annual rate of interest that bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing

interest due on a payment date.

**DEALER:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**DEBENTURE:** A bond secured only by the general credit of the issuer.

**DELIVERY VERSUS PAYMENT:** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free delivery). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

**DERIVATIVES:** (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

**DISCOUNT:** The difference between the cost price of a security and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be selling at a discount.

**DISCOUNT SECURITIES:** Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value (e.g., U.S. Treasury bills).

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns.

**DURATION:** A measurement of a bond's price volatility. It is the weighted-average term-to-maturity of the bond's cash flows, with the weights being the present value of each cash flow. Mathematically, duration is the first derivative of price with respect to yield.

**FEDERAL CREDIT AGENCIES:** Agencies of the Federal government set up to supply credit to various classes of institutions and individuals (e.g., small business firms, students, farmers, and farm cooperatives).

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits, currently up to \$100,000 per deposit.

**FEDERAL FUNDS RATE:** The rate of interest at which the Fed funds are traded. This rate is currently pegged by the Federal Reserve through open market operations.

**FEDERAL HOME LOAN BANKS (FHLB):** The institutions that regulate and lend to



savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-à-vis member commercial banks.

**FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA):** FNMA, like GNMA, was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development, H.U.D. It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**FEDERAL OPEN MARKET COMMITTEE (FOMC):** Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

**FEDERAL RESERVE SYSTEM:** The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and 4,115 commercial banks (at December 31, 1994) that are members of the system.

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae):** Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by FHA or VA mortgages. The term pass-throughs is often used to describe Ginnie Maes.

**INVERSE FLOATING RATE NOTE:** A debt security with an interest rate stated as a fixed rate minus an index. This calculation causes the rate on the inverse floater to move in the opposite direction of general interest rates. This instrument generally performs well in a declining interest rate environment but will lose value if rates rise.

**LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between the bid and asked prices is narrow and reasonable size can be done at those quotes.

**LOCAL GOVERNMENT INVESTMENT POOL (LGIP):** The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment. The State of California's pool is known as the Local Agency Investment Fund, or LAIF.

**MARKET VALUE:** The price at which a security is trading and could presumably be sold.

**MASTER REPURCHASE AGREEMENT:** A written contract covering all future transactions between the parties to repurchase agreements and reverse repurchase agreements that establish each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

**MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.

**MEDIUM-TERM NOTES:** A class of debenture.

**MONEY MARKET:** The market in which short-term debt instruments (Treasury bills, commercial paper, bankers' acceptances, discount notes, etc.) are issued and traded.

**MORTGAGE POOL:** A group of mortgages sharing similar characteristics in terms of class of property, interest rate, and maturity. Investors buy participations and receive income derived from payments on the underlying mortgages.

**MUTUAL FUND:** A fund operated by an investment company that raises money from shareholders and invests it in stocks, bonds, options, commodities, or money market securities. These funds offer investors the advantages of diversification and professional management.

**OFFER:** The price asked by a seller of securities. See also Asked and Bid.

**OPEN MARKET OPERATIONS:** Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

**PORTFOLIO:** Collection of securities held by an investor.

**PRIMARY DEALER:** A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker/dealers, banks, and a few unregulated firms.

**PRUDENT INVESTOR STANDARD:** An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the state, the-so-called legal list. In other states, the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and



intelligence who is seeking a reasonable income and preservation of capital.

**QUALIFIED PUBLIC DEPOSITORIES:** A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

**RANGE NOTE:** A debt security with a varied interest payment that depends on the number of days the designated index falls within (or in some cases outside) an established range of interest rates. Should rates move beyond the range on either end, the investor faces the risk of a reduced, or zero, interest payment for the applicable interest period.

**RATE OF RETURN:** The yield obtainable on a security based on its purchase price or its current market price.

**REPURCHASE AGREEMENT (RP OR REPO):** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate the buyer for this. Dealers use RP extensively to finance their positions. Exception: when the Fed is said to be doing RP, it is lending money, that is, increasing bank reserves.

**SAFEKEEPING:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**SECONDARY MARKET:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**SECURITIES AND EXCHANGE COMMISSION:** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**SEC RULE 15C3-1:** See Uniform Net Capital Rule.

**STRIP (Bonds):** Brokerage-house practice of separating a bond into its principal and interest, which are then sold as zero coupon bonds.

**STRUCTURED NOTES:** Notes issued by Government Sponsored Enterprises (e.g., FHLB, FNMA, SLMA, etc.) and Corporations that have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

**SUPRANATIONAL OBLIGATIONS:** Bonds and Notes issued by two or more international institutions with the purpose of promoting economic development for the



member countries. Examples include The International Finance Corporation and The World Bank.

**TREASURY BILLS:** A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Treasury bills are issued to mature in one month, three months, or six months.

**TREASURY BONDS:** Long-term U.S. Treasury securities having initial maturities of more than ten years.

**TREASURY NOTES:** Intermediate term coupon bearing U.S. Treasury securities having initial maturities of from one year to ten years.

**UNIFORM NET CAPITAL RULE:** Securities and Exchange Commission requirement that member firms as well as nonmember broker/dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called *net capital rule* and *net capital ratio*. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

**YIELD:** The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

RESOLUTION NUMBER AND DATE: 2018-101, dated June 12, 2018 (Supersedes BPC Policy No. 115, Resolution 2017-091 dated June 20, 2017, Resolution 2016-85, dated June 15, 2016; Resolution 2015-72, dated June 11, 2015; Resolution 2014-135, dated July 8, 2014; Resolution 2013-115, dated July 16, 2013; Resolution 2012-94, dated July 10, 2012; 2011-146, dated October 11, 2011; Resolution 2010-89, dated June 8, 2010; Resolution 2009-123, dated July 7, 2009, Resolution 2008-284, dated December 2, 2008, Resolution 2008-126, dated July 1, 2008, Resolution 2007-103, dated June 12, 2007; Resolution 2006-113, dated July 11, 2006; Resolution 2005-99, dated June 21, 2005; Resolution 2004-87, dated June 22, 2004; Resolution 2003-114, dated June 17, 2003; Resolution 2002-148, dated June 18, 2002; Resolution 2001-118, dated June 19, 2001; Resolution 2000-132, dated June 27, 2000; Resolution 99-151, dated June 22, 1999; Resolution 98-158, dated June 30, 1998; Resolution 97-115, dated June 17, 1997; Resolution 96-165, dated June 25, 1996; Resolution 95-242, dated July 25, 1995; Resolution 95-321, dated September 26, 1995; Resolution 86-23, dated January 14, 1986; Resolution 81-328, dated October 6, 1981; and Resolution 75-15, dated January 21, 1975)

(2)

**RESOLUTION 2018-101**

**RESOLUTION AUTHORIZING THE REQUIRED  
ANNUAL ADOPTION OF BPC POLICY NO. 115,  
GUIDELINES FOR PRUDENT INVESTMENTS,  
WITHOUT ANY RECOMMENDED CHANGES TO THE  
CURRENT BPC POLICY NO. 115**

**WHEREAS**, the San Diego Unified Port District (District) is a public corporation created by the Legislature in 1962 pursuant to Harbors and Navigation Code Appendix I (Port Act); and

**WHEREAS**, BPC Policy No. 115, Guidelines for Prudent Investments, requires that this policy, which contains the District's investment policy, be submitted annually to the Board of Port Commissioners for review and adoption by resolution of the District's investment policy; and

**WHEREAS**, this policy is also updated for relevant legislative changes to California Government Code Section 53600 et seq. which details numerous requirements on how and where public funds may be invested; and

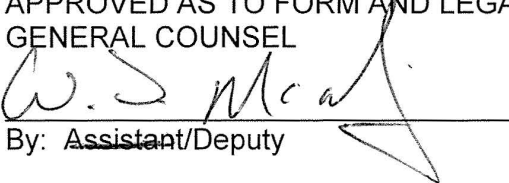
**WHEREAS**, the California Debt and Investment Advisory Commission (CDIAC) published a statutory update dated January 1, 2018 reflecting changes in the law with respect to public funds investments; and

**WHEREAS**, there were no approved legislative changes to the local agency investment codes during the 2017 Legislative session; and

**WHEREAS**, staff recommends re-adoption of the existing BPC Policy No. 115, Guidelines for Prudent Investments.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Port Commissioners of the San Diego Unified Port District, that BPC Policy No. 115, Guidelines for Prudent Investments, a copy of which is on file in the office of the District Clerk, is hereby readopted.

APPROVED AS TO FORM AND LEGALITY:  
GENERAL COUNSEL

  
By: ~~Assistant~~/Deputy

2018-101

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 12<sup>th</sup> day of June, 2018, by the following vote:

AYES: Bonelli, Castellanos, Merrifield, Moore, and Valderrama

NAYS: None.

EXCUSED: Malcolm, and Zucchet

ABSENT: None.

ABSTAIN: None.

  
Rafael Castellanos, Chairman  
Board of Port Commissioners

ATTEST:

  
Donna Morales  
District Clerk

(Seal)

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(3)

## BPC Policy No. 117

### SUBJECT: OPERATING RESERVE POLICY

**PURPOSE:** The purpose of this policy is to establish general guidelines for the establishment, maintenance, and use of an operating reserve.

#### POLICY STATEMENT:

Operating reserves (i.e., cash reserves) are a measurement of sound fiscal management. Operating reserves generate investment income, provide a margin of safety and stability to protect the Port from exposure to catastrophic events and economic impacts, and provide flexibility to pursue emergent opportunities. To ensure long-term financial sustainability, the San Diego Unified Port District shall establish and endeavor to maintain an operating reserve balance that is available at the end of each fiscal year in an amount equal to six months of budgeted operating and maintenance expenditures.

#### PROCEDURE:

1. Establishing the operating reserve balance
  - a. The operating reserve balance shall be established annually upon the adoption of the fiscal year budget.
  - b. The dollar amount of the operating reserve balance shall be one-half the sum of budgeted operating and maintenance expenses minus budgeted expenses for the SDCRAA Harbor Police Service Level Agreement and any other operating expense for which a separate reserve exists.
  - c. The operating reserve balance includes a \$20 million minimum required operating reserve balance, which is established for the purpose of self-insurance against possible losses that could occur as the result of a catastrophic event (i.e., a natural or man-made disaster).
2. Maintaining the operating reserve balance
  - a. At least annually, Financial Services staff will forecast cash inflows and outflows over a five-year period to evaluate the sufficiency of the target operating reserve balance over the forecast horizon.

- b. Financial Services staff will present the results of the cash flow forecast to the Senior Management Team and discuss the target operating reserve balance over the forecast horizon.
  - c. In the event that forecast cash inflows are insufficient to maintain the target operating reserve balance, staff will propose strategies to replenish the operating reserve balance, which include using one-time revenues, reducing expenses, suspending programs not linked to strategic goals, increasing revenues, or any combination of those strategies.
  - d. At no time, except due to the occurrence of a catastrophic event, shall the operating reserve balance be allowed to fall below the \$20 million minimum required operating reserve balance without approval by the Board of Port Commissioners.
3. Uses of the operating reserve balance
- a. Operating reserves above the \$20 million minimum required operating reserve balance are authorized for use for the following purposes and in accordance with the following criteria.
    - i. A project is needed to comply with a current regulatory requirement or legal mandate.
    - ii. Cash flow requirements
      - Temporarily needed as a result of unfavorable financial performance due to the impact of an unfavorable economic environment.
    - iii. Major maintenance
      - 1. Project is necessary for the preservation of prior capital investment or an existing revenue stream; or
      - 2. Project costs exceed initial estimates due to higher than expected construction or material costs or an unforeseen problem during construction; or
      - 3. Project is scheduled to commence in a future fiscal year but is critical to complete earlier than planned.



iv. Capital development

Project is directly linked to and strongly supports one of the Port's strategic goals and is needed to start, resume, accelerate, or augment a currently approved Capital Development Program project.

v. Emergent opportunities

1. Directly benefits the Port by:

- a. Creating a new revenue stream; or
- b. Significantly enhancing an existing revenue stream; or
- c. Preserving an existing revenue stream; or
- d. Strengthening the Port's financial performance; and

2. Project payback is five years or less.

- b. Except in the case of a catastrophic event and in accordance with the San Diego Unified Port District Act § 58 "Suspension of Rules and Regulations in Emergencies; Emergency Regulations," any use of the \$20 million minimum required operating reserve balance requires approval by the Board of Port Commissioners.
4. The balance in the operating reserve shall be reported quarterly as necessary. Use of the operating reserve balance in no way contradicts, nullifies or usurps any other Board Policy, including but not limited to, BPC 110, "Procedure for the Administration of Contracts, Agreements, and the Purchasing of Supplies, Materials, and Equipment."

RESOLUTION NUMBER AND DATE: 2009-128, dated July 7, 2009

BPC Policy No. 117

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(13)

## BPC Policy No. 120

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**SUBJECT:** CAPITAL IMPROVEMENT PROGRAM (CIP)

**PURPOSE:** To establish a policy for the orderly development or improvement of the capital assets of the Port District through a Capital Improvement Program ("CIP Policy").

**PREAMBLE:** The Unified Port District of San Diego has a responsibility to provide for the orderly development and improvement of the lands and capital assets under its jurisdiction to execute its State Tidelands Trust obligations. The Port District acknowledges that each area of tidelands in its trust offers different Public Trust assets and value, and that each possesses varying degrees of opportunity for development, real estate, maritime, recreation and conservation as well as constraints.

The Port District, therefore, establishes this CIP Policy for the purpose of improving its CIP process and results. This CIP Policy is intended to facilitate capital development projects and budgets which are strategically cohesive, ensure clear and consistent treatment of all proposed capital projects on the tidelands, streamline the process, increase efficiency, reduce costs and improve outcomes.

It is the policy of the Port District to evaluate capital development projects as follows:

- To reflect sound land use and capital improvement planning principles, as well as the strategic development, business and operational goals set by the Board of Port Commissioners ("BPC").
- To implement the appropriate and necessary sequencing of capital improvement projects based upon operational and business demands.
- To ensure projects given priority have a direct relationship to the establishment or improvement of capital assets needed to facilitate upcoming priority developments and pressing operational needs.
- To distribute the Port's capital investments in a balanced manner throughout the tidelands located in all of the Member Cities.
- To advance projects that are consistent with the Port District Act and the Port's numerous duties and state mandates:
  - A) To serve as an economic engine for the region;

- B) To be an environmental steward of the bay and tidelands;
- C) To provide public access to the waterfront;
- D) To provide recreational and community services as specified under the Port District Act; and
- E) To ensure public safety and Homeland Security.

The CIP process will proceed as follows:

#### **Five Year CIP Program**

1. The CIP will be developed using a long-term land use planning strategy every five (5) years. A flow chart of a typical five year process is shown in Attachment (1).
2. The CIP project selection process should be open, inclusive, efficient and effective by producing a program within a reasonable period of time. The resulting CIP program should reflect the Port District's specific strategic goals (COMPASS) and business or operational needs. Application forms for new projects can be submitted by Port staff, Commissioners and representatives of member cities. Port Tenants and other public stakeholders can propose CIP project through Port staff, Commissioners and representatives of member cities.

#### **Projects:**

3. For consideration during the five-year CIP review process, a project proponent will develop for each proposed on-tidelands project the following objective assessment:
  - A) A project description including a statement of need for the project;
  - B) Identification of the specific strategic goals (COMPASS) the project addresses;
  - C) A financial analysis of the costs of the project, the availability of grant funding, matching funds, or other District funds (i.e., a CIP project could also potentially receive funding from the Maritime Industrial Impact Fund), as well as any expected return on investment ("ROI") – including operational costs, maintenance costs, and life-cycle costs – of the project;
  - D) An analysis of any anticipated non-monetary public benefits of the project;
  - E) An explanation of the project's compatibility with existing, related development projects both on and off-tidelands (including non-Port District

development projects);

- F) A rational assessment of the need for the timing of the improvements, and an explanation of the appropriateness of the timing of the investment;
  - G) An explanation of how the project implements or facilitates the implementation of the Port Master Plan or other approved plans; and
  - H) An analysis of the project's potential to create future economic benefit or impact if no immediate economic benefit is identified.
4. [Intentionally Omitted]: The Maritime Terminal Impact Fund previously discussed in this section has been revised and relocated to a standalone Policy No. 773]
5. Where a proponent proposes a CIP project, the Port District must receive the proponent's completed information regarding the project at least 120 days before the BPC begins its five year review of the CIP. Once this information is received, an objective Port Staff assessment of the project including the factors set forth in section 3 will be prepared.
6. The proposed list of CIP projects, along with the proponent's information and Port Staff's assessment, shall be made publicly available at least 10 days before a CIP workshop or BPC meeting in which the CIP program will be considered.
7. Proposed CIP projects will be evaluated and ranked based on factors set forth in section 3 and the following criteria (in no particular order). Port Staff shall attach the proposed projects evaluation and ranking, including the proponent's information, to the BPC as part of the annual CIP process described in section 8 of this policy:
- A) Contribution to the Port's strategic goals (COMPASS);
  - B) Adherence to Port objectives and the Port District Act;
  - C) Represents a balanced distribution of the Port District's proposed capital investment throughout the tidelands and Member Cities;
  - D) Capacity to produce revenue and to enhance local and regional economic growth; and
  - E) Capacity to provide non-monetary public benefits.

### **Annual CIP Reviews**

The annual CIP reviews will focus on review of existing projects in the approved CIP. Working through a staff committee, staff will review the existing CIP to determine recommendations for existing projects (such as remain funded; be postponed, delayed

or removed; or added back into the CIP list if previously removed). New projects will be considered for funding during the annual reviews only when new funding is available, as defined below. A flow chart of a typical annual review process is shown in Attachment (2).

8. The procedure for the annual reviews shall be as follows:

- A. For the annual reviews, an additional set of project filters will be applied to evaluate the status of existing projects. An example list of project filters is included in Attachment (3). Filters applied to the existing projects may be modified from time to time based upon Board direction.
- B. Existing projects will not be re-ranked against each other during the annual reviews. The project filters will be applied to determine if projects remain on the list, are removed from the list or deferred for future consideration. If projects are removed or deferred, any remaining funding balances will be reallocated to the CIP Reserve. Projects deferred will remain in the CIP until the Board removes the project from the CIP. The Board may elect to remove an existing project from the CIP at any time. The project filters applied to existing projects can be used as guidelines for the Board's determination to remove projects.
- C. During the annual reviews, additional funding may be recommended for continuation of existing approved projects as determined by the CIP staff committee.
- D. With respect to funding for new projects, each spring prior to the fall workshop, there shall be a determination made by District staff regarding availability of additional funding for CIP.
- E. Provided that the CIP is fully funded, annually at the April Board meeting, the Board will determine the amount of funding available for new CIP projects and the subsequent decision to solicit project application forms for consideration at the following fall CIP workshop.
- F. Application forms for new projects may be submitted for the annual CIP reviews by Port staff, Commissioners and Member Cities. Forms must be received by July 15th of each year for consideration for the fall CIP workshop.
- G. For new projects, application forms shall be prepared in accordance with section (3).
- H. New projects will be evaluated based upon criteria in sections 3 and 7 (pages 2 and 3) above. Proposed new projects must meet both criteria 7(A) and 7(B) and at least one of the criteria 7(C), 7(D), or 7(E). Projects which do not meet the criteria as described will not be considered for funding during that year's annual review. New projects which are found to

meet the initial criteria will be reviewed for funding recommendation and will be ranked through the staff committee reviews. BPC will determine which new projects will be funded by the CIP.

- I. For the annual reviews, the proposed list of CIP projects (new and existing), shall be made publicly available at least 7 calendar days before the CIP workshop or BPC meeting in which the CIP program will be considered.

### **Out of Cycle Requests**

9. Out of cycle requests are defined as requests for modifications to the CIP which arise between the fall CIP workshops.

Out of cycle requests may be considered by the Board for the following situations:

- i. Additional funding needed to complete approved CIP projects in progress,
- ii. Unplanned projects as defined in Board Policy No. 080, Unplanned Work Consideration,
- iii. Opportunities for grants that require matching funds or to position the District to receive grants,
- iv. Member City requests for re-prioritization of funds among existing approved projects which require no additional CIP funding and where there is a business reason for consideration as an out of cycle request

Out of cycle requests will be reviewed by the staff committee and if recommended to move forward will proceed to the Board as soon as practical.

10. Funding for CIP projects will be established by the Executive Director consistent with the BPC-adopted budget. Funds for new CIP projects will be placed in a CIP Reserve at the end of each fiscal year based on available unrestricted/undesignated reserves. Once in the CIP Reserve, the funds can be allocated to projects in the five-year plan in accord with the procedures set forth above.

CIP projects may be phased such that the completion of a phase of the project results in a complete and usable product even if the project in its entirety is not complete.

11. [Intentionally Omitted]: The Maritime Terminal Impact Fund previously discussed in this section has been revised and relocated to a standalone Policy No, 773]

### **12. Reporting to the Board:**

The CIP budget once approved by the BPC shall constitute direction from the

BPC regarding Port District administration of the program. The Executive Director will update the BPC periodically on the execution of the approved CIP program, and may propose on an individual basis, consistent with the objectives and analysis identified above, additional projects for BPC consideration and approval. If new or additional information is discovered during the implementation of an approved CIP project that makes the implementation of the project infeasible or impractical, then this information will be reported promptly to the Board.

### 13. CIP Contingency:

As a recommended guideline, when the Board approves new funding for the CIP, the Board may approve an additional funding amount for a program contingency. The program contingency will be used for unforeseen conditions during the execution of CIP projects. The budgeting guidelines for the program contingency amount will be based on a percentage of the total program budget per the following table:

Guidelines for Program Contingency Amount - Table 1

<b>Total CIP Program Budget</b>	<b>Program Contingency Amount</b>
Less than \$25 million	12%
Greater than \$25 million, and Less than \$50 million	10%
Greater than \$50 million	8%

At the completion of a CIP project, any funds remaining in the approved CIP budget will be reallocated to the CIP Reserve account. Reserve funds are available for allocation to existing or new CIP projects at the discretion of the Board. Reallocation of funds from CIP Reserve to any individual projects will require Board approval in accordance with this policy as well as other applicable policies including Board Policy No. 090, Transfer Between or Within Appropriated Items in Budget.

14. Notwithstanding any other provision of this policy, the annual funding for the CIP may be changed or otherwise suspended from time to time if the BPC makes a finding that, because of a fiscal emergency there is an established need for all or part of these funds to be expended for the repair, operation, maintenance or development of Port District infrastructure critical and paramount to the operation of the Port District.

For purposes of this provision, "fiscal emergency" means an extraordinary occurrence or combination of circumstances that was unforeseen and unexpected and which requires immediate and sudden action of a drastic but temporary nature.



Attachment (1): Flow chart – typical five year CIP process (EXAMPLE)

Attachment (2): Flow chart – typical annual CIP process (EXAMPLE)

Attachment (3): Project filters for annual reviews (EXAMPLE)

RESOLUTION NUMBER AND DATE: 2015-138, dated October 21, 2015 (Supersedes BPC Policy No.120, Resolution 2015-28, dated April 14, 2015; Resolution 2015-25, dated March 10, 2015; Resolution 2014-45, dated March 4, 2014; Resolution 2011-45, dated April 12, 2011; Resolution 2008-116, dated July 1, 2008; and Resolution 82-13, dated January 5, 1982)

BPC Policy No. 120

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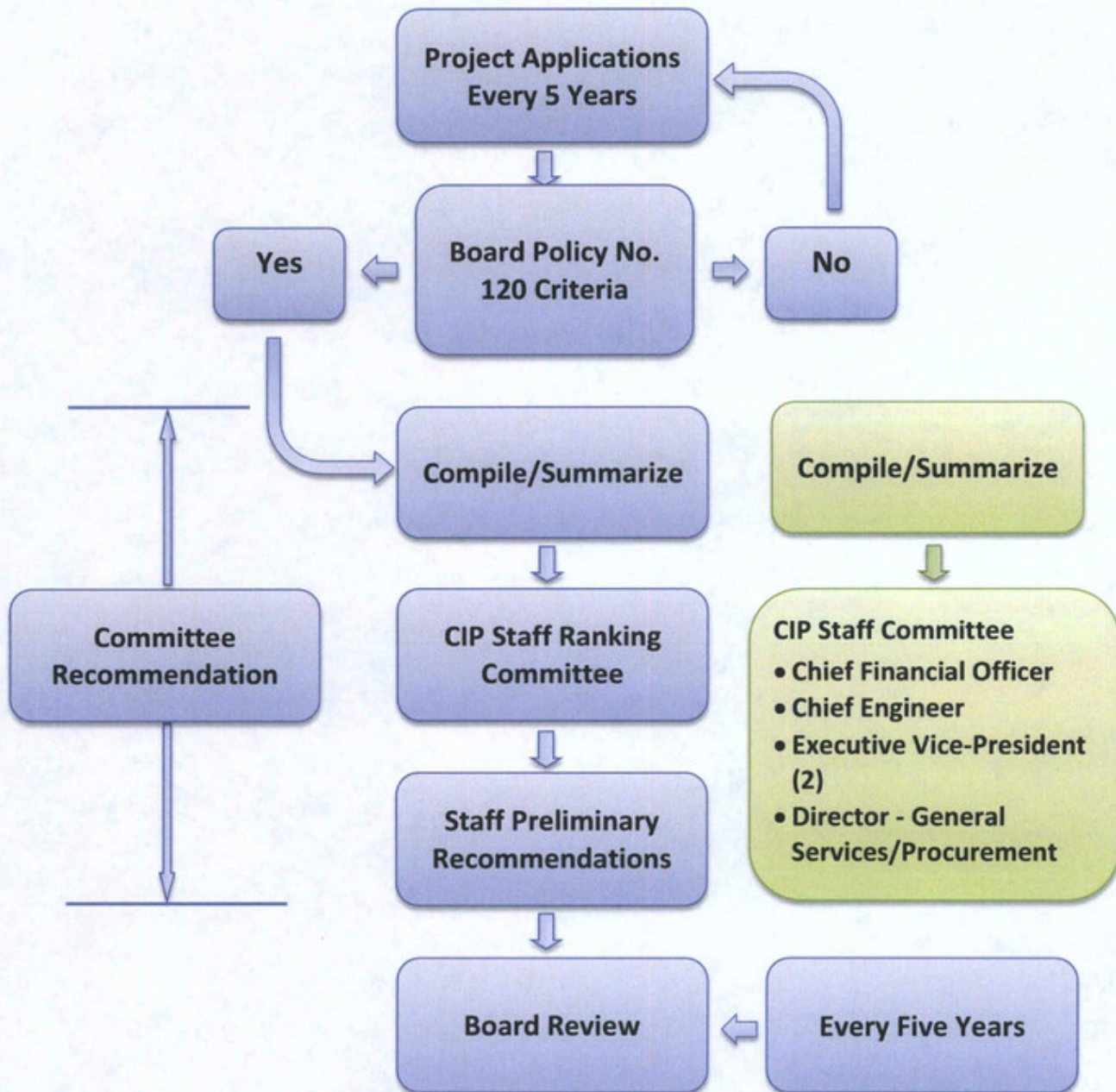
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Attachment (1)  
**Capital Improvement Program (CIP)**  
**5 Year-Process Used in 2012-Per Board Policy 120 (Example)**

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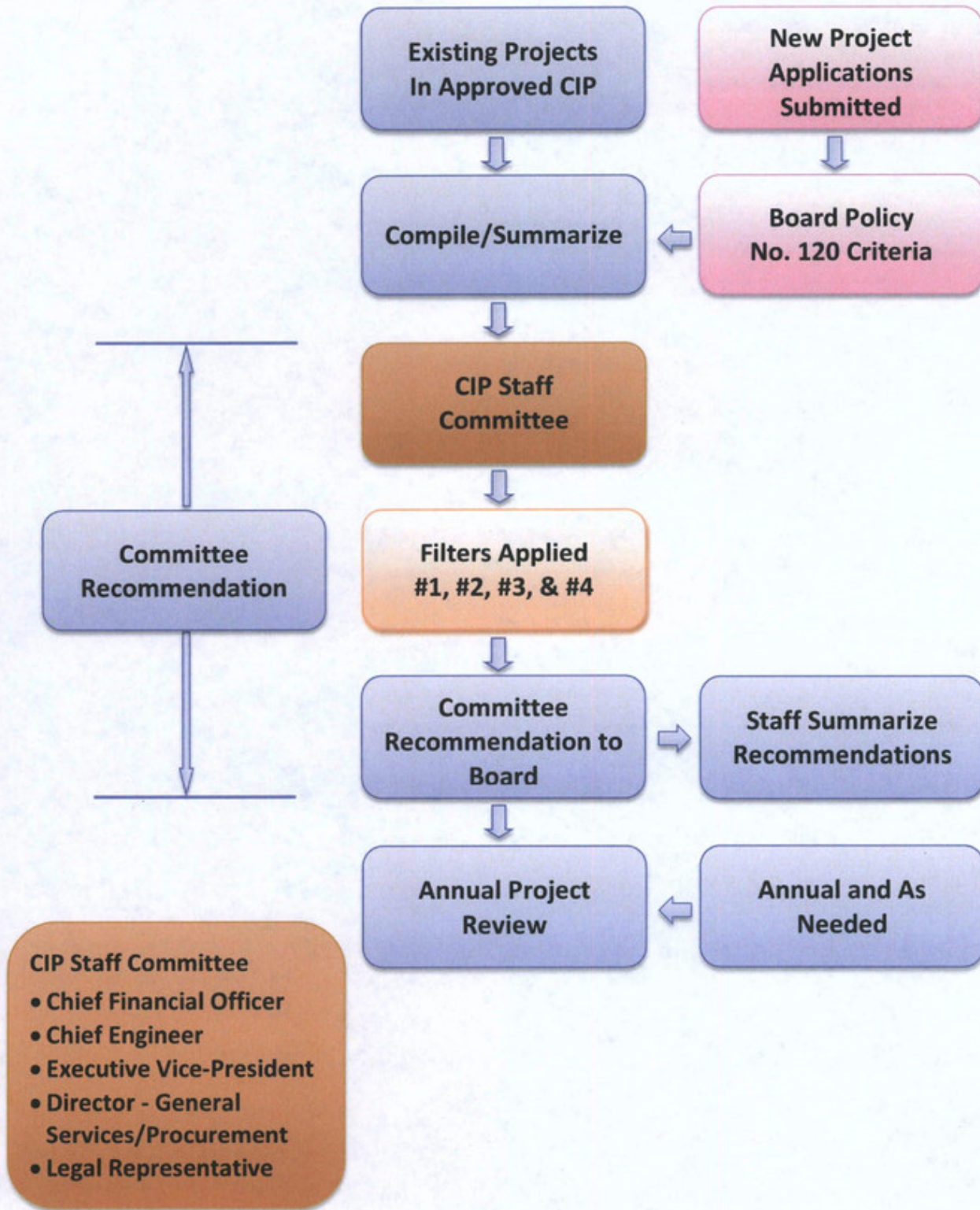
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Attachment (2)  
**Capital Improvement Program (CIP)**  
**Annual Review (Example)**

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D2# 874411

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## Capital Improvement Program Filters for Project Reviews

Project Filters 1- Go Forward	
Under Construction	Board has awarded construction contract and project is in construction phase.
Legal/Contractual Obligations	There is a legal or contractual obligation related to the project.
Regulatory Mandate Or Permit Requirement	Project is required to comply with a Federal, state or local regulation or required under a permit issued by a jurisdictional agency.
Public Safety Or Homeland Security	Project will enhance protection of public safety and/or Homeland Security.
Operational Necessity	Project is necessary to improve Port operations and implement District's strategic goals and objectives.



## Capital Improvement Program Filters for Project Reviews

Project Filters 2-Continue Stay Funded	
Implements Approved Plan Or Board Direction	Project will implement a Board approved plan or direction.
Revenue Generating	Project is estimated to generate a Return on Investment (ROI).
Short Payback Period	Project is projected to have a payback period of three years or less.
Public & Or Stakeholder Expectation	There is a stakeholder expectation surrounding the completion of the project that has been confirmed through Board action or direction.
Grant or Outside Funding Potential	Project will position the District for potential grants or outside funding agreements and priority is confirmed through Board action or direction.
Project That Has Obtained Entitlements	Project has obtained entitlements necessary to implement project through design and construction.

## Capital Improvement Program Filters for Project Reviews

Project Filters 3- Postpone/Delay/Remove	
New Information/Infeasible	Projects determined infeasible to implement based upon new information or developments.
Changes In Applicable Laws, Regulations Or Contractual Requirements	Projects for which new laws, regulations or contractual requirements render them infeasible as scoped.
New Funding Source	Projects where a new funding source has been identified and District funding is anticipated to be reduced or modified substantially.
Blocked Or Stalled	Projects which have been blocked or stalled and implementation as planned is no longer feasible.
Removal Requested By Proponent	Projects which original proponents no longer desire to implement.

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## Capital Improvement Program Filters for Project Reviews

Project Filters 4- Back on the List	
Changes Which Warrant Reconsideration	Changes in project circumstances which warrant a reevaluation or reconsideration for funding approval.
Change In Litigation Status	Resolution of pending or ongoing litigation will permit project to proceed.
Reasons Put "On-Hold" Resolved	Factors which led to project being placed in an "on hold" status were resolved.
Project Proponent Request Reconsideration	Request was received to reconsider project previously removed from CIP list.

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(2)

## BPC Policy No. 130

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### **SUBJECT: MAJOR MAINTENANCE PROGRAM**

**PURPOSE:** To establish a policy for the orderly maintenance of the capital assets of the San Diego Unified Port District (District) through a Major Maintenance Program Policy.

**PREAMBLE:** The District has a responsibility to provide for the orderly maintenance of the lands and capital assets under its jurisdiction for the execution of its responsibilities under the State of California Tidelands Trust obligations. Each area of tidelands within the District's jurisdiction offers different kinds of assets, function and value; accordingly, there exist different cost levels of and justifications for maintenance for real estate, maritime, recreation and conservation assets.

The District, therefore, establishes this Major Maintenance Policy for the purpose of improving its Major Maintenance process and results, to streamline project selection and funding process, and to address the repair, operation, maintenance or development of District infrastructure and facilities.

Major Maintenance is distinguished from routine operational maintenance in that Major Maintenance replaces or restores an asset to an improved condition, typically through a public works contract and may require an engineering design or technical evaluation prior to commencement of work.

### **Major Maintenance Annual Project Approval Process:**

Projects recommended for Major Maintenance funding are primarily derived from the District's Asset Management Program which utilizes a systematic process to assess and optimally manage physical assets. District staff will review the project list on an annual basis each January and February, to determine staff capacity and available funding.

Staff recommendations will be formulated, and then submitted as an agenda item to the Board of Port Commissioners (Board) annually in the first quarter of the calendar year with project details included.

The staff submission will include a recommendation for a contingency fund to address emergency projects and emergent Major Maintenance needs. The Board's review and preliminary approval will be conducted at either an annual Major Maintenance Workshop or Board meeting early in the budget preparation cycle so that final selection and funding decisions will be available for the Preliminary Budget Workshop in May or June.



### **Major Maintenance Actions that require Board Approval:**

The Major Maintenance project list and budget, once approved by the Board, shall constitute Board direction regarding staff administration of the program. Throughout the year, the following actions require Board approval:

- Recommendations for deferral or cancellations of approved projects;
- Recommendations for any new Major Maintenance projects which exceed \$175,000 in total cost and were not included in the Board approved annual budget, require approval in compliance with PBC Policy No. 080, Unplanned Work Consideration and BPC Policy No. 090, Transfer Between or Within Appropriate Items in Budget. New projects with a total cost equal to or less than \$175,000 require approval of the Executive Director with notification to the Board; the aggregate of such projects may not total more than \$500,000 per fiscal year;
- Recommendations for transfer of funds from one project to another where the amount of the funds transferred exceeds the threshold as defined in BPC Policy No. 090, Transfer Between or Within Appropriated Items in Budget.

### **Major Maintenance Reporting to the Board:**

The Major Maintenance budget, once approved by the Board, shall constitute Board direction regarding staff administration of the program. The Executive Director or Designee will update the Board quarterly on the execution of the approved Major Maintenance Program, on a project-by-project basis, through the issuance of a report that will include the following elements:

- Project description, schedule, and budget;
- Status and issues for each project;
- Information concerning actions taken by staff, that did not require Board approval, in the prior quarter;
- Information concerning actions taken in the prior quarter, approved by the Board for deferrals, delays, cancellations, addition of new projects, transfers of funds.

Quarterly reports will be submitted to the Board after the end of each quarter.

RESOLUTION NUMBER AND DATE: 2016-37, dated March 8, 2016 (Supersedes BPC Policy No. 130, Resolution 2015-17, dated March 3, 2015; and Resolution 2013-104, dated June 11, 2013)



(12)

## BPC Policy No. 608

**SUBJECT:** TENANT PERCENT FOR ART PROGRAM

**PURPOSE:**

To establish a policy for the inclusion of artworks in San Diego Unified Port District (District) tenant improvements and for the administration of the Tenant Percent for Art Program.

The Board of Port Commissioners (Board) is committed to expanding opportunities for residents and visitors to the region to experience a vibrant waterfront destination with innovative artworks that enhance the visual excitement and cultural richness of Port tidelands. Such artworks have the ability to encourage artistic exploration of the tidelands and give art a key role in making the District's mission and operations more understandable to the public at large.

The Waterfront Arts & Activation department was created and invested with the mission of supporting the District, its tenants, and member communities by providing leadership, management of the District's public art programs, and stewardship of the Tidelands Collection as a regional cultural asset. Additionally, the Arts, Culture & Design Committee was established to serve in an advisory capacity to the Board and the Waterfront Arts & Activation department, promoting the District's vision of Port tidelands as a world-class arts and cultural destination.

**POLICY STATEMENT:**

**1. Tenant Percent for Art Applicability and Calculations**

- a. **Calculations.** Tenants undertaking improvements to their leaseholds, unless otherwise exempted below, shall be required to provide a tenant percent for art allocation no less than one percent of the tenant improvement's total project cost. Project cost is defined as the combined total of all hard and soft costs for tenant projects, exclusive of furnishings, fixtures, and equipment. The tenant shall allocate at least eighty percent of the tenant percent for art allocation to the art budget. In addition, the tenant may utilize up to twenty percent of the tenant percent for art allocation for artwork-related expenses approved by the Director of Waterfront Arts & Activation.

b. **Categories.** For the purpose of the tenant percent for art allocation, tenant improvements shall be divided into the following two categories:

- (1) Tenant improvements with a project cost of \$5,000,000 and up to \$17,500,000 (equaling a tenant percent for art allocation of \$50,000 - \$175,000 for artwork).
- (2) Tenant improvements with a project cost of more than \$17,500,000 (equaling a tenant percent for art allocation of more than \$175,000 for artwork).

c. **Exemptions.**

- (1) Tenant improvements with a project cost of less than \$5,000,000 shall be exempt from the tenant percent for art requirement set forth herein; or
- (2) The following types of projects, unless occurring in conjunction with tenant leasehold development and/or redevelopment, shall be exempt from the tenant percent for art allocation requirements of this section:
  - (a) Mechanical, plumbing, and electrical system upgrades
  - (b) Seismic upgrades
  - (c) Modifications for disabled access
  - (d) Landscape renovation and replanting projects
  - (e) Dredging and sand replenishment
  - (f) Sewer and waterline repair or replacement
  - (g) Drainage and irrigations system repair or replacement
  - (h) Erosion-control projects
  - (i) Repaving and new paving projects
  - (j) Sign changes or new signs
  - (k) Utilities
  - (l) Lighting
  - (m) Maintenance and repair of existing facilities
  - (n) Demolition projects

## 2. **Tenant Percent for Art Options**

The tenant percent for art allocation shall be used by the tenant to comply with the requirements set forth herein through one, or more, of the following means:

- a. **Commission.** Commission one or more permanent or temporary artworks to be sited in a publically accessible area on the leasehold in accordance with the provisions in section 1.
- b. **Purchase.** Purchase and install one or more permanent or temporary artworks in a publically accessible area on the leasehold in accordance with the provisions in section 1.
- c. **In-Lieu Contribution.** Deposit into the District's Public Art Fund an in-lieu contribution in an amount equivalent to the tenant percent for art allocation as specified in section 1. In the event that a tenant has chosen to satisfy the percent for art requirement by commissioning and/or purchasing artworks for their leasehold, but the artwork-related budgets for such artworks are less than the required allocation, the tenant shall pay into the Public Art Fund an amount equal to the difference between their commissioned and/or purchased artwork-related budgets and the required percent for art allocation.
- d. **Designated In-Lieu Contribution.** Tenants who choose to make in-lieu contributions to the District's Public Art Fund in accordance with sections 2.c. and tenants making partial in-lieu contributions as required by sections 2.a. and 2.b. may designate their in-lieu contributions specifically for use in the District's San Diego – Coronado Bay Bridge Lighting Project. This tenant percent for art option shall remain in effect until such time as the District determines that additional funds for this project are no longer needed. In the event that this project is not realized for any reason, these funds shall remain the Public Art Fund to be used for future public art projects at the District's discretion.
- e. **Early Contributions.** Anyone who makes a financial contribution to the District's Public Art Fund, who is not obligated to do so at the time the contribution is made, may credit such contribution against any obligation such person may have under this BPC Policy No. 608 that may arise within five (5) years subsequent to the contribution. Such contribution shall be unconditional, without recourse, and shall under no circumstances be considered in connection with any future project approval, nor shall such contribution have any effect whatsoever on the District's sole and absolute discretion to approve or disapprove such project.

### 3. Tenant Percent for Art Review Process

The tenant percent for art review process is divided into two categories.

Tenants should follow the corresponding review process, as follows:

Tenant improvements with a project cost of \$5,000,000 up to \$17,500,000 (equaling a tenant percent for art allocation of \$50,000 - \$175,000 for artwork) shall follow the review process outlined in section 3.a.(1) - (15); or tenant improvements with a project cost of more than \$17,500,000 (equaling a tenant percent for art allocation of more than \$175,000 for artwork) shall follow the review process outlined in section 3.b.(1) - (17).

- a. **Review Process for Category \$5,000,000 - \$17,500,000.** For tenant improvements with a project cost of \$5,000,000 up to \$17,500,000 (equaling a tenant percent for art allocation of \$50,000 - \$175,000 for artwork) the tenant shall complete the following steps:
  - (1) **Tenant Percent for Art Application.** Complete and submit a Tenant Percent for Art Application to the Waterfront Arts & Activation department.
  - (2) **Preliminary Meeting.** Meet with the Waterfront Arts & Activation department to discuss the tenant percent for art requirement as set forth herein.
  - (3) **Tenant Art Worksheet.** Declare in a Tenant Art Worksheet the means by which the tenant will comply with the requirements as set forth herein.
  - (4) **Approval of Tenant Art Worksheet.** Submit the completed Tenant Art Worksheet to the Waterfront Arts & Activation department. The Director of Waterfront Arts & Activation shall review the Tenant Art Worksheet ensuring that it meets the evaluation criteria outlined in section 4.a.
  - (5) **Payment.** If applicable, pay an in-lieu contribution or any remaining obligation into the District's Public Art Fund in accordance with the provisions of section 2.
  - (6) **Artist's Name and Qualifications.** The Tenant shall declare and submit the name and qualifications of the selected artist(s) to the Waterfront Arts & Activation department.
  - (7) **Approval of Artist.** The Director of Waterfront Arts & Activation shall review the name and qualifications of the selected artist(s) utilizing the evaluation criteria outlined in section 4.c.

- (8) **Draft Artist Agreement.** The tenant shall submit to the Waterfront Arts & Activation department the draft artist agreement, which shall be reviewed by the Director of Waterfront Arts & Activation to ensure that the District's interests and role are accurately represented.
- (9) **Copy of Artist Agreement.** The tenant shall enter into an agreement with the approved artist(s) and provide the Waterfront Arts & Activation department with a fully executed copy thereof.
- (10) **Artwork Concept Proposal or Proposed Purchase of Artwork.** The tenant shall submit to the Waterfront Arts & Activation department the concept proposal or information about the proposed purchase of artwork. The concept proposal, at a minimum, should include the following documentation: a written description of the proposed artwork; a color graphic representation of the artwork in the form of scale drawings, renderings, models, and/or photographs; a site plan; and an initial art budget.
- (11) **Approval of the Artwork Concept Proposal or Proposed Purchase of Artwork.** The Director of Waterfront Arts & Activation shall review the concept proposal or information about the proposed artwork to be purchased utilizing the evaluation criteria outlined in section 4.d.
- (12) **Artwork Final Design or Final Information about Artwork.** The tenant shall submit to the Waterfront Arts & Activation department the final design or final information about the artwork to be purchased. The final design should include any updated or more fully developed information about the artwork since the original concept proposal and should include current versions of the following documentation: a written description of the proposed artwork; a color graphic representation of the artwork in the form of scale drawings, renderings, models, and/or photographs; a site plan; and the final art budget.
- (13) **Review of Artwork Final Design or Final Information about Artwork.** The Director of Waterfront Arts & Activation shall review the final design or final information to ensure that the District's tenant percent for art requirement set forth herein is satisfied and that it is consistent with the approved concept proposal or approved artwork to be purchased.

- (14) **Access to Installation Site.** The tenant shall provide to the Waterfront Arts & Activation department access to the site(s) where the artwork is to be installed to ensure that installation of the artwork satisfies the District's tenant percent for art requirement set forth herein and is in compliance with the approved final design or final information.
- (15) **Documentation.** The tenant shall install signage identifying the artist, artwork, and date, and shall provide the District with photographic documentation of the installed artwork.
- b. **Review Process for Category above \$17,500,000.** For tenant improvements with a project cost over \$17,500,000 (equaling a tenant percent for art allocation of more than \$175,000 for artwork) the tenant shall complete the following steps:
  - (1) **Tenant Percent for Art Application.** Complete and submit a Tenant Percent for Art Application to the Waterfront Arts & Activation department.
  - (2) **Preliminary Meeting.** Meet with the Waterfront Arts & Activation department to discuss the tenant percent for art requirement as set forth herein.
  - (3) **Tenant Art Worksheet.** Declare in a Tenant Art Worksheet the means by which the tenant will comply with the requirements as set forth herein.
  - (4) **Approval of Tenant Art Worksheet.** Submit the completed Tenant Art Worksheet to the Waterfront Arts & Activation department. The Director of Waterfront Arts & Activation shall review the Tenant Art Worksheet ensuring that it meets the evaluation criteria outlined in section 4.a.
  - (5) **Payment.** If applicable, pay an in-lieu contribution or any remaining obligation into the District's Public Art Fund in accordance with the provisions of section 2.
  - (6) **Tenant Art Plan.** Declare in a Tenant Art Plan the means by which the tenant will comply with the requirements as set forth herein.
  - (7) **Approval of Tenant Art Plan.** Submit the completed Tenant Art Plan to the Waterfront Arts & Activation department. The Director of

- (14) **Artwork Final Design or Final Information about Artwork.** The tenant shall submit to the Waterfront Arts & Activation department the final design or final information about the artwork that is to be purchased. The final design should include any updated or more fully developed information about the artwork since the original concept proposal and should include current versions of the following documentation: a written description of the proposed artwork; a color graphic representation of the artwork in the form of scale drawings, renderings, models and/or photographs; a site plan; and the final art budget.
- (15) **Review of Artwork Final Design or Final Information about Artwork.** The Director of Waterfront Arts & Activation shall review the final design or final information to ensure that the District's tenant percent for art requirement set forth herein is satisfied and that it is in compliance with the approved concept proposal or approved artwork that is to be purchased.
- (16) **Access to Installation Site.** The tenant shall provide to the Waterfront Arts & Activation department access to the site(s) where the artwork is to be installed to ensure that installation of the artwork satisfies the District's tenant percent for art requirement set forth herein and is in compliance with the approved final design or final information.
- (17) **Documentation.** The tenant shall install signage identifying the artist, artwork, and date, and shall provide the District with photographic documentation of the installed artwork.

#### **4. Evaluation Criteria**

##### **a. Criteria for Evaluating Tenant Art Worksheets**

- (1) Reflects a commitment to fulfilling the tenant percent for art requirement set forth herein.
- (2) Is consistent with any applicable redevelopment plans or other District-approved plans for the area.
- (3) Includes all information as required for the Tenant Art Worksheet.

##### **b. Criteria for Evaluating Tenant Art Plans**



- (1) Reflects a commitment to fulfilling the tenant percent for art requirement set forth herein.
- (2) Is consistent with any applicable redevelopment plans or other District-approved plans for the area.
- (3) Establishes clear goals and processes against which the project can later be evaluated.
- (4) Includes all information as required for the Tenant Art Plan.

**c. Criteria for Evaluating Artist Qualifications**

- (1) Meets the definition of artist. For the purpose of this policy, an artist is an individual generally recognized by critics and peers as a professional practitioner of the visual, performing, or language arts, based on his or her body of work, educational background, experience, exhibition history, publication, and/or creation of artworks.
- (2) Demonstrates artistic excellence, innovation, and originality as represented in past work and supporting materials.
- (3) Demonstrates capacity for working in media and with concepts that are appropriate to the project goals and site.
- (4) Demonstrates interest and capability in creating artworks in collaboration with the tenant (if applicable), the design team (if applicable), and other project partners.
- (5) Demonstrates experience in successfully completing artworks of similar scope, scale, budget, and complexity, or the ability to articulate how he or she would be able to bring the necessary artistic and technical skills to the project.
- (6) Demonstrates interest in, and understanding of the project.
- (7) Is available to perform the scope of the work in a timely and professional manner.

**d. Criteria for Evaluating Artwork Concept Proposals & Artwork Purchases**

- (1) Meets the definition of artist. For the purpose of this policy, an artist is an individual generally recognized by critics and peers as a professional practitioner of the visual, performing, or language arts, based on his or her body of work, educational background, experience, exhibition history, publication, and/or creation of artworks.
- (2) Meets the definition of artwork. For the purpose of this policy, an artwork is an aesthetic creation resulting from the skill and creativity of artist(s). An artwork may be made of any materials or combination of materials and may be permanent, temporary, fixed, or portable. An artwork can be an integral part of a building or structure and can be integrated with the work of other design professionals. Artworks can include visual representations of performing and literary arts, or can incorporate performative, narrative, or time-based elements.
- (3) Demonstrates excellence in aesthetic quality, workmanship, innovation, and creativity.
- (4) Demonstrates appropriateness in scale and form and will be fabricated with materials/ media suitable for the site.
- (5) Demonstrates feasibility in terms of cost, timeline, safety, durability, operation, maintenance, conservation, security, and siting.
- (6) Demonstrates feasibility with respect to legal and/or ethical issues that may be related to possession or display of the artwork.
- (7) For projects with a tenant percent for art allocation of more than \$175,000, meets the project's goals as outlined in the Tenant Art Plan.

**f. Criteria for Board Evaluation**

- (1) The District policy, as set forth herein and as administered by the Waterfront Arts & Activation department and advised by the Arts, Culture & Design Committee, if applicable, has been followed properly.

- (2) All relevant District departments have appropriately undertaken all necessary reviews.

## **GLOSSARY:**

For purposes of this policy, the following definitions shall apply:

**Art Budget:** The allocated budget for the design, fabrication, and installation of an artwork that is newly commissioned, or the budget for the purchase, shipping and installation of an existing artwork that is being purchased.

**Artist:** An individual generally recognized by critics and peers as a professional practitioner of the visual, performing, or language arts, based on his or her body of work, educational background, experience, exhibition history, publication, and/or creation of artworks.

**Arts, Culture & Design Committee:** An advisory body to the Board of Port Commissioners and the Waterfront Arts & Activation department on matters related to arts and culture within the District's jurisdiction. The committee assists in upholding the District's vision of tidelands as a world-class arts and cultural destination and supports the development of arts and cultural programs within the District's jurisdiction.

**Artwork:** An aesthetic creation resulting from the skill and creativity of an artist or artists. An artwork may be made of any materials or combination of materials and may be permanent, temporary, fixed, or portable. An artwork can be an integral part of a building or structure, and can be integrated with the work of other design professionals. For the purposes of the Waterfront Arts & Activation department, artworks can include visual representations of performing and literary arts, or can incorporate performative, narrative, or time-based elements.

**Publicly Accessible:** The availability for viewing and experience by the general public without a fee during normal hours of business operation consistent with the operation and use of the leasehold.

**Project Cost:** The combined total of all hard costs and soft costs for tenant projects, exclusive of furnishings, fixtures, and equipment.

**Public Art Fund:** A designated District fund established in 1982 for the purpose of accumulating funds from various sources for commissioning and acquisition of permanent or temporary public artworks for exhibition within the District's jurisdiction. Originally funded through an annual budget set-aside, the Public Art Fund serves as a depository for funds received from other sources, such as: tenant percent for art in-lieu contributions; aggregated District percent for art contributions from Capital Improvement Program

projects; art sales and loans; sales of licensed artwork reproductions; public art-related grants and/or grant-matching funds; and monetary bequests and donations received from the public or other agencies for public artworks.

Tenant: The persons or entities holding leasehold interest(s) within the District's jurisdiction.

Tenant Art Plan: A detailed plan that a tenant who is making leasehold improvements with a project cost of more than \$17,500,000 submits to provide additional detail about how the tenant intends to fulfill the tenant percent for art requirement that is generated by the leasehold improvements being made.

Tenant Art Worksheet: The summary sheet that all tenants wishing to make improvements to leaseholds with a project cost of \$5,000,000 or more submit to the Waterfront Arts & Activation department.

Tenant Percent for Art Allocation: The percentage of a tenant's approved development or redevelopment project budget that is to be set aside for artwork for the tenant's leasehold or for payment into the District's Public Art Fund as an in-lieu contribution.

Tenant Percent for Art Application: The initial application form that a tenant who is subject to the District's percent for art requirement submits to the Waterfront Arts & Activation department to begin the review process.

RESOLUTION NUMBER AND DATE: 2018-015, dated January 9, 2018 (Supersedes BPC Policy 608, Resolution 2016-130, dated September 8, 2016; Resolution 2016-77, dated May 10, 2016, Resolution 2015-29, dated April 14, 2015; Resolution 2011-160, dated November 8, 2011)

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(19)

## BPC Policy No. 609

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### **SUBJECT: PUBLIC ART PROGRAMS**

### **PURPOSE:**

To establish a policy for the inclusion of public artworks and objects within the San Diego Unified Port District's (District) jurisdiction and for the administration and operation of the District's public art programs and Arts, Culture & Design Committee.

The Board of Port Commissioners (Board) is committed to expanding opportunities for residents and visitors to the region to experience a vibrant waterfront destination with innovative artworks, cultural programming, and activation opportunities that enhance the visual excitement and cultural richness of Port tidelands.

The Waterfront Arts & Activation department was created and invested with the mission of supporting the District, its tenants, and its member cities by providing leadership, management of the public art programs, and stewardship of the District's Tidelands Collection as a regional cultural asset. Additionally, the Arts, Culture & Design Committee was established to serve in an advisory capacity to the Board and the Waterfront Arts & Activation department, promoting the District's vision of Port tidelands as a world-class arts and cultural destination.

### **POLICY STATEMENT:**

#### **1. Waterfront Arts & Activation Department**

The Waterfront Arts & Activation department administers the District's arts and cultural programming to enhance the visual excitement and cultural richness of Port tidelands.

#### **2. Duties and Functions – Waterfront Arts & Activation Department**

- a. Develop and administer arts and culture programming.
- b. Develop multi-year curatorial plans.
- c. Manage the Public Art Fund.
- d. Administer the District's Percent for Art Program.

- e. Administer the Tenant Percent for Art Program in accordance with BPC Policy No. 608.
- f. Manage the acquisition of all artwork within the District's jurisdiction.
- g. Serve as steward of the Tidelands Collection.
- h. Administer the Donations and Loan Program.
- i. Facilitate the activities of the Arts, Culture & Design Committee.

### **3. Arts, Culture & Design Committee**

The Arts, Culture & Design Committee serves as the advisory body to the Board and the Waterfront Arts & Activation department on matters related to arts and culture within the District's jurisdiction. The committee assists in upholding the District's vision of tidelands as a world-class arts and cultural destination and supports the development of arts and cultural programs within the District's jurisdiction.

The Arts, Culture & Design Committee shall assist the Waterfront Arts & Activation department with the following duties and functions:

- a. Developing, reviewing, and recommending curatorial plans.
- b. Reviewing District art-related policies.
- c. Reviewing and recommending artwork to be commissioned, purchased, or exhibited within the District's jurisdiction.
- d. Reviewing Tenant Percent for Art projects, in accordance with BPC Policy No. 608.
- e. Reviewing proposed donations and loans of artworks and objects.
- f. Reviewing the deaccession of artwork and objects from the Tidelands Collection.

### **4. Arts, Culture & Design Committee Membership**

The Arts, Culture & Design Committee shall consist of thirteen members who serve without compensation. The Chair of the Board shall approve all recommendations to the Arts, Culture & Design Committee, subject to the following conditions: 1) Seven members shall be recommended by the Director of Waterfront Arts & Activation; 2) Five members, one from each of the five member cities, shall be recommended by their respective city mayors; and 3) One member shall be recommended by the San Diego Port Tenant's Association. The Director of Waterfront Arts & Activation shall submit a list of candidates to the Chair of the Board for appointment or reappointment to the Arts, Culture & Design Committee.

**5. Qualifications of Arts, Culture & Design Committee Members**

Members shall have substantive professional or volunteer experience in the visual arts, an interest in contributing to the development of the District's art activities, and the ability to volunteer time to serve on the Arts, Culture & Design Committee and on selection panels, as needed.

Individuals with substantive professional or volunteer experience, as intended herein, include those recognized by peers as curators, artists, art critics, art historians, art collections managers, art educators, art collectors, art fabricators, art preparators, and other persons with considerable visual arts experience, as well as architects and landscape architects, and others with substantive visual arts experience.

Membership of the Arts, Culture & Design Committee shall include individuals from diverse locales throughout the San Diego region.

Elected officials, agents, officers, and employees of the District and its member cities shall not be considered for appointment to the Arts, Culture & Design Committee, nor accept such a position while serving as a member of the Arts, Culture & Design Committee.

**6. Designation of Arts, Culture & Design Committee Chair**

The Director of Waterfront Arts & Activation shall recommend a member to serve as Committee Chair, subject to approval by the Chair of the Board. The Arts, Culture & Design Committee Chair shall serve a one-year term as chair and may be reappointed for additional one-year terms.

**7. Arts, Culture & Design Committee Members Terms**



Arts, Culture & Design Committee members may serve up to two, three-year terms. The expiration date of all terms shall be December 31. No member shall serve for more than six years on the Committee unless recommended for continued service, subject to approval by the Executive Chief Curator (President/CEO) and appointment by the Chair of the Board.

At the request of the Chair of the Board, a member may serve an extension of term until a successor is recommended and approved.

Should a seat on the Arts, Culture & Design Committee become vacant prior to the end of that member's scheduled term, the Director of Waterfront Arts & Activation shall forward any recommendations to fill the vacancy to the Chair of the Board for appointment.

**8. Arts, Culture & Design Committee Meetings and Reporting**

Meetings of the Arts, Culture & Design Committee shall be noticed and open to the public. Arts, Culture & Design Committee meetings shall be conducted according to applicable California state laws.

Summary reports of each Arts, Culture & Design Committee meeting shall be prepared by Waterfront Arts & Activation department staff and forwarded to the Board.

**9. Resignation and Removal of Arts, Culture & Design Committee Members**

Any Arts, Culture & Design Committee member may submit a written resignation to the Director of Waterfront Arts & Activation. The Director, Waterfront Arts & Activation, shall notify the Arts, Culture & Design Committee Chair and the Chair of the Board of any such resignation.

The Director of Waterfront Arts & Activation may recommend to the Chair of the Board that an individual Arts, Culture & Design Committee member be removed.

**10. Arts, Culture & Design Committee Quorum**

A quorum shall be a majority of the members of the Arts, Culture & Design Committee.

**11. Arts, Culture & Design Committee Conflicts of Interest**

To the extent required by law, the Committee will operate in compliance with the

Political Reform Act and Government Code section 1090 regarding conflicts of interest. Committee members with financial interests in matters coming before the Committee shall be required to disclose the interest and abstain from any participation as to the matter.

**12. Public Art Fund**

The Public Art Fund is a designated District fund that exists for the purpose of accumulating funds from various sources for use in the commissioning and acquisition of permanent and temporary artworks for exhibition within the District's jurisdiction. It contains funds received from past annual budget set-asides, and also serves as a depository for funds received from other sources, such as: tenant percent for art in-lieu contributions; aggregated District percent for art contributions from Capital Improvement Program projects; art sales and loans; sales of licensed artwork reproductions; public art-related grants and/or grant-matching funds; monetary bequests; and donations received from the public or other agencies for public artworks.

The Public Art Fund shall be used solely to meet costs directly associated with the commissioning and acquisition of permanent or temporary artworks within the District's jurisdiction. Balances in the Public Art Fund shall be carried over annually, and the interest that accrues thereon shall remain in the Public Art Fund.

**13. Inclusion of Artworks on District Tidelands**

The District acquires artworks for placement within its jurisdiction through the following programs:

- a. District Curatorial Program.
- b. District Percent for Art Program for Capital Improvement Program projects.
- c. Tenant Percent for Art Program in accordance with BPC Policy No. 608.
- d. Donations and Loans Program.

**14. District Percent for Art Program**

- a. **Percent for Art Allocation.** The percent for art allocation shall apply to Capital Improvement Program projects with a Board-approved budget of \$500,000 or more, except as exempted herein. When the Board approves

such a Capital Improvement Program project request, the total appropriation shall include an allocation of funds for artwork in an amount no less than one percent (1%) of the total proposed project budget presented to the Board. Such funds allocated for Capital Improvement Program-related artworks shall be held in the appropriate District fund.

b. **Applicability.** The percent for art allocation requirement shall apply to the construction and/or alteration of the following:

- (1) Buildings, structures, and other physical above-grade facilities for public access, accommodation, or use.
- (2) Parks, plazas, marinas, trails, and bikeways.

c. **Exemptions.** The following types of projects shall be exempt from the percent for art allocation requirement unless they are part of a larger applicable Capital Improvement Program project:

- (1) Transportation infrastructure, street paving or repaving, and surface or underground parking projects.
- (2) Mechanical, electrical, and plumbing system upgrades.
- (3) Landscape renovation, replanting, and irrigation projects.
- (4) Repair or replacement of existing playground equipment or play structures.
- (5) Repair, replacement, or upgrade of piers, wharfs, docks, boat launching ramps, and maritime cargo handling facilities.
- (6) Design studies, analyses, and planning documents.
- (7) Communications, lighting, and signage projects.
- (8) Structural or seismic upgrades.
- (9) Modifications to facilitate disabled access.
- (10) Dredging, sand replenishment, and erosion control projects.
- (11) Water, sewer, and drainage lines.

(12) Utilities.

(13) Demolition projects.

(14) Security, health, and public safety projects.

(15) Projects required to meet state and federal regulatory requirements.

- d. **Artwork-Related Expenses.** The Waterfront Arts & Activation department shall manage and administer all artwork agreements, and supervise and control the expenditure of percent for art allocations. Up to twenty percent (20%) of said allocations may be used for administration and project costs, including maintenance and conservation. Funds set aside pursuant to this section shall be deposited into the designated District public art maintenance fund.
- e. **Aggregation of Funds.** In the event that either the Capital Improvement Program percent for art allocation is insufficient to execute a significant artwork or the project site is unsuitable for the appropriate display of artwork, the Capital Improvement Program percent for art allocation may be used for the acquisition or exhibition of artworks in other tidelands locations, as recommended by the Director of Waterfront Arts & Activation and the Chief Engineer, and approved by the Board of Port Commissioners. Funds set aside pursuant to this section shall be deposited into the District Public Art Fund.

#### 15. **Planning and Acquisition Process**

The Waterfront Arts & Activation department shall be responsible for developing plans and strategies for the acquisition and exhibition of art and cultural programming within the District's jurisdiction, based on the District's vision of Port tidelands as a world-class arts and cultural destination. Such plans may include public art master plans and multi-year curatorial plans, as determined by the Director of Waterfront Arts & Activation. These plans shall be submitted to the Arts, Culture & Design Committee for input and recommendation to the Board. Additionally, the Waterfront Arts & Activation department shall be responsible for managing the artist recruitment, selection process, and related activities to select artists, artworks, and artwork concept proposals, including organizing selection panels as needed, based on the evaluation criteria herein.

#### 16. **Approval Process for Artworks and Art Agreements**

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The Waterfront Arts & Activation department shall be responsible for managing the artist and artwork approval process for the acquisition and exhibition of artworks within the District's jurisdiction. The Arts, Culture & Design Committee shall review proposed artists and artworks based on the evaluation criteria outlined herein, and provide recommendations to the appropriate approval authority. The appropriate level of approval authority for agreements shall be equivalent to the approval authority authorized for District service agreements as specified in BPC Policy No. 110.

**17. Approval Process for Authorizing Amendments to Art Agreements**

In the course of any agreements for public art projects, authorization to negotiate and execute any amendments shall follow the approval authority as designated in BPC Policy No. 110.

**18. Management and Control of Artworks**

Any artworks proposed for contract, exhibit, or placement within the District's jurisdiction shall be submitted to the Waterfront Arts & Activation department for review and recommendation as required by the Director, Waterfront Arts & Activation, the Arts, Culture & Design Committee, and the Board, as set forth in this policy.

No existing artworks owned by or in the custody of the District shall be deaccessioned, removed, relocated, conserved, altered, exhibited, or disposed of in any way without the approval of the Director of Waterfront Arts & Activation following review and recommendation by the Arts, Culture & Design Committee and the Board, as set forth in this policy.

Collections Management shall be the responsibility of the Waterfront Arts & Activation department, under the direction of the Director of Waterfront Arts & Activation.

**19. Title to Artworks**

Title to all acquisitions accepted by the District shall be vested and held in the name of the District.

**20. Deaccession**

**a. General Provisions for the Deaccession of Artworks/Objects**

On occasion, it may be necessary to permanently remove artworks and/or objects from the Tidelands Collection. Deaccessioning should be applied only after careful evaluation of an artwork by the Waterfront Arts & Activation department, the Arts, Culture & Design Committee, and the Board to avoid the premature disposal of an artwork from the collection. The following general provisions should be used:

- (1) The District shall comply with state, federal, and international laws such as the Visual Artists Rights Act of 1990 (17 U.S.C. 106A and 113 [d]) or the California Art Preservation Act of 1979 (California Civil Code, Section 987) pertaining to the disposal of certain artworks. The District shall comply with legal agreements pertaining to deaccession and/or disposal of certain artworks.
- (2) The District shall observe any restrictions to deaccessioning applied to artworks/objects acquired through donation, unless deviation from those restrictions is authorized by the donor, the donor's official legal designee, or a court of competent jurisdiction. Reasonable efforts to comply with any non-binding restrictions will be made.

**b. Reasons for Deaccession**

The following reasons may be cause for deaccessioning artworks/objects from the Tidelands Collection:

- (1) Condition. The artwork/object has deteriorated beyond a reasonable means of conservation; has been damaged beyond reasonable repair or is actively deteriorating in a manner that negatively affects the artwork/object's site and/or other District property.
- (2) Maintenance. The artwork/object needs excessive maintenance or conservation, or the artwork/object repeatedly fails to operate properly.
- (3) Authenticity. The authenticity, level of aesthetic quality, and workmanship of the artwork/object, and/or the relationship of the artwork/object to the artist/designer's body of work, is determined to be false, insufficient, or insignificant.
- (4) Duplicative. The artwork/object is redundant or is a duplicate in a large holding of artworks/objects of that type or category, or by that artist/designer.

- (5) Legal and Ethical Considerations. The District's possession of the artwork/object violates state, federal, or international laws; the provenance of the artwork/object is unknown or unconfirmed; and/or the District does not have a clear legal title to the artwork/object.
- (6) Site. The artwork/object is located at a site undergoing changes in ownership, use, design, and/or environmental conditions which may affect the integrity of, or access to the artwork/object.
- (7) Significance. The artwork/object has little or no correlation to the District's vision for art on tidelands.
- (8) Safety. The security of the artwork/object cannot be sustained; and/or the artwork/object poses a public safety and/or public health risk.
- (9) Resources. The artwork/object requires a total amount of funds to exhibit, operate, store, maintain, and/or conserve in excess of its fair market value, or is an excessive financial burden to the District.

**c. Deaccession Process**

The Waterfront Arts & Activation department shall conduct deaccession evaluation through the following process:

- (1) Initiate a deaccession evaluation, which includes an independent professional appraisal of the fair market value of the artwork/object and a recommendation from the Director of Waterfront Arts & Activation on whether to deaccession the artwork/object from the Tidelands Collection, which would include the recommended method of disposal. The Director of Waterfront Arts & Activation may also request additional input from the artist, conservators, and other professionals to assist in the deaccession evaluation.
- (2) Submit the deaccession evaluation to the Arts, Culture & Design Committee for input and recommendation.
- (3) Review and submit the Arts, Culture & Design Committee's recommendation as follows:
  - (a) The Director of Waterfront Arts & Activation shall have the authority to approve the deaccession of artworks from the

Tidelands Collection with a fair market value up to \$75,000.

- (b) The Director of Waterfront Arts & Activation shall recommend approval of the deaccession of artworks from the Tidelands Collection to the Executive Director's (President/CEO) authorized designee with a fair market value greater than \$75,000 and up to \$125,000.
- (4) The Director of Waterfront Arts & Activation shall prepare a report for the Board, with the Arts, Culture & Design Committee's recommendation for approval of the deaccession of artworks/objects from the Tidelands Collection, and make a recommendation for approval of the deaccession of artworks with a fair market value greater than \$125,000.
- (5) Deposit any proceeds resulting from the deaccession of artworks/objects into the Public Art Fund.

**21. Outgoing Loans of Artworks /Objects from the Tidelands Collection**

The Director of Waterfront Arts & Activation is authorized to loan artworks/objects from the Tidelands Collection for use in exhibitions, research, and education.

In general, the District considers loaning artworks/objects to government entities, agencies, institutions, or organizations and only to private individuals, companies, and commercial galleries when doing so is likely to elevate the value and/or significance of the Tidelands Collection.

**22. External Requests to Exhibit Artworks/Objects on Tidelands**

**a. Review Procedure for External Requests**

The Waterfront Arts & Activation department administers the District's annual program to review external requests to exhibit artworks, objects, and other items on the tidelands. External requests may propose the following methods for exhibiting artworks and objects on tidelands: (1) temporary display of an artwork/object within the District's jurisdiction through the loan of said artwork/object to the District for the duration of an exhibit; or (2) a donation of an artwork/object, where the artwork's/object's legal ownership is transferred to the District.



- (1) The Waterfront Arts & Activation department shall oversee the submittal procedures for reviewing external requests to exhibit artworks/objects within the District's jurisdiction, convene review panels for additional input, and forward external requests to the Arts, Culture & Design Committee for review and recommendation based on the evaluation criteria herein.
- (2) For any external requests that the Director of Waterfront Arts & Activation and the Arts, Culture & Design Committee recommend the District pursue, sponsors shall be required to develop their requests into formal proposals. Acceptance of formal proposals shall be subject to further District review, as well as approval by the Director, Waterfront Arts & Activation, the Arts, Culture & Design Committee, and the Board.

**b. Social and Merit Issues Regarding Commemorative Artworks/Objects**

- (1) Requests to display artworks/objects, within the District's jurisdiction, that are intended to be commemorative in nature shall only be considered if they concern subject matter that is:
  - (a) Tangibly and directly associated with District tidelands and its member cities, or is of broad and undisputed importance to the San Diego Bay region.
  - (b) Generally accepted as having had an exemplary and positive impact on tidelands or the broader San Diego Bay region.
  - (c) Culturally or historically relevant to the tidelands or the broader San Diego Bay region.
- (2) Requests to display artworks/objects that commemorate or depict the following topics, shall not be considered for exhibit within the District's jurisdiction:
  - (a) Disasters or health-related topics.
  - (b) Subjects that are trademarked or commercially licensed.
  - (c) Subjects duplicative with respect to the existing Tidelands Collection.
  - (d) Political and/or social movements or issues.

- (3) Requests to display artworks/objects that commemorate individuals shall not be considered until the individual has been deceased for at least five years, except in instances where there is broad and undisputed community consensus for earlier commemoration.
- (4) Requests to display artworks/objects that commemorate ideas or events shall not be considered until ten years after the idea or event, except in instances where there is broad and undisputed community consensus for earlier commemoration.
- (5) Requests to display artworks/objects that commemorate the contributions of individuals or particular groups shall not be considered unless the contributions of such individuals or groups have had noteworthy and significant impact on the tidelands or the broader San Diego Bay region.

**c. General Acceptance Conditions for External Requests to Exhibit Artworks/Objects on Tidelands**

The District has no obligation to accept any sponsor proposal to exhibit artwork/objects on tidelands. The District has the right to determine, at its sole and absolute discretion, what artworks/objects will be accepted for exhibit by the District. The following conditions shall be met before the District will consider accepting a sponsor request to exhibit artwork/objects within the District's jurisdiction:

- (1) All expenses shall be the responsibility of the sponsor, except in extraordinary circumstances. These expenses may include, but are not limited to: design, fabrication, shipping, insuring, site preparation, installation, signage, and lighting.
- (2) For donations of artworks/objects, sponsors shall deposit funds equal to, or greater than, ten percent of the commission cost or the fair market value of the item(s) into the designated District public art maintenance fund for ongoing conservation and maintenance, before groundbreaking or installation.
- (3) The District prefers unrestricted donations of artworks/objects; however, restricted donations may be accepted, only if the District pre-approves the restrictions or limitations and these are expressly stated in the title conveyance documents.

- (4) Before sponsor proposals are accepted by the District, title conveyance documents, including any limitations or restrictions, and/or any loan or donation agreements between sponsor and the District regarding same, must be prepared by or approved by the District.
- (5) The District reserves the right to require sponsors to comply with state, federal, or international laws.

**23. Reproductions or Adaptations of Artwork/Objects**

Waterfront Arts & Activation department staff is authorized to negotiate with the copyright holder for each artwork/object that is in, or proposed for inclusion in the Tidelands Collection, or that is exhibited within the District's jurisdiction, for the purpose of acquiring a license to make, or cause to be made, reproductions or adaptations of an artwork/object. Reproductions or adaptations of an artwork/object are made according to the terms and conditions of the licensing agreements.

**24. Proceeds from the Sale, Loan, Reproduction or Adaptation of Artworks/Objects**

Funds realized from the sale or loan of artworks/objects from the Tidelands Collection, or proceeds from the licensing and sale of reproductions or adaptations thereof, less any payments owed, shall be deposited into the Public Art Fund.

**25. Administrative Procedures**

The Waterfront Arts & Activation department shall promulgate office administrative procedures and/or guidelines, as needed, consistent with this policy, to facilitate the implementation of its responsibilities under this policy.

**EVALUATION CRITERIA:**

**Criteria for Evaluating Artist Qualifications**

- (1) Meets the definition of artist. For the purpose of this policy, an artist is an individual generally recognized by critics and peers as a professional practitioner of the visual, performing, or language arts, based on his or her body of work,

educational background, experience, exhibition history, publication, and/or creation of artworks.

- (2) Demonstrates artistic excellence, innovation, and originality as represented in past work and supporting materials.
- (3) Demonstrates capacity for working in media and with concepts that are appropriate to the project goals and site, as applicable.
- (4) Demonstrates interest and capability in creating public artworks in collaboration with the District, the design team (if applicable), and other project partners and stakeholders.
- (5) Demonstrates experience in successfully completing artworks of similar scope, scale, budget, and complexity, or the ability to articulate how he or she would be able to bring the necessary artistic and technical skills to this project.
- (6) Demonstrates interest in, and understanding of the project.
- (7) Is available to perform the scope of the work in a timely and professional manner.
- (8) Broadens the diversity of artists exhibiting on tidelands.
- (9) If applicable, demonstrates ability to work as part of a cohesive team.
- (10) If applicable, demonstrates satisfactory past performance on agreements.

**Criteria for Evaluating Artwork Concept Proposals and Existing Artworks**

- (1) Responds to the District's vision for art on the tidelands.
- (2) Meets the definition of artwork. For the purpose of this policy, an artwork is an aesthetic creation resulting from the skill and creativity of artist(s). An artwork may be made of any materials or combination of materials and may be permanent, temporary, fixed, or portable. An artwork can be an integral part of a building or structure and can be integrated with the work of other design professionals. Artwork shall be defined in terms of the visual arts, as distinguished from performing or literary arts. However, artworks can include visual representations of performing and literary arts, or can incorporate performative, narrative, or time-based elements.

- (3) Demonstrates excellence in aesthetic quality, workmanship, innovation, and creativity.
- (4) Demonstrates appropriateness in scale and form, and will be fabricated with materials/media suitable for the site and artwork concept.
- (5) Meets the project's goals.
- (6) Demonstrates feasibility in terms of cost, timeline, safety, durability, operation, maintenance, conservation, security, and siting.
- (7) Demonstrates feasibility with respect to legal and/or ethical issues that may be related to possession or display of the artwork.
- (8) Broadens the diversity of artworks exhibited on tidelands.

**Criteria for Evaluating Object Concept Proposals and Existing Objects**

- (1) Demonstrates excellence in aesthetic quality, workmanship, innovation, and creativity.
- (2) Demonstrates appropriateness in scale and form, and will be fabricated with materials/media suitable for the site and project concept.
- (3) Meets the project's goals
- (4) Demonstrates feasibility in terms of cost, timeline, safety, durability, operation, maintenance, conservation, security, and siting.
- (5) Demonstrates feasibility with respect to legal and/or ethical issues that may be related to possession or display of the object.
- (6) Broadens the diversity of objects and visual experiences exhibited on tidelands.

**Criteria for Board Evaluation**

- (1) The District policy, as set forth herein and as administered by the Waterfront Arts & Activation department and advised by the Arts, Culture & Design Committee, has been followed properly.
- (2) Recommendations are consistent with relevant budgets.
- (3) Recommendations are consistent with curatorial plans, project plans, and

redevelopment plans.

## **GLOSSARY:**

For purposes of this policy, the following definitions shall apply:

**Budget:** The allocated budget for the design, fabrication, and installation of an artwork/object that is newly commissioned, or the budget for the purchase, shipping and installation of an existing artwork/object that is being purchased.

**Artist:** An individual generally recognized by critics and peers as a professional practitioner of the visual, performing, or language arts, based on his or her body of work, educational background, experience, exhibition history, publication, and/or creation of artworks.

**Arts, Culture & Design Committee:** An advisory body to the Board of Port Commissioners and the Waterfront Arts & Activation department on matters related to arts and culture within the District's jurisdiction. The committee assists in upholding the District's vision of tidelands as a world-class arts and cultural destination and supports the development of arts and cultural programs within the District's jurisdiction.

**Artwork:** An aesthetic creation resulting from the skill and creativity of an artist or artists. An artwork may be made of any materials or combination of materials and may be permanent, temporary, fixed, or portable. An artwork can be an integral part of a building or structure, and can be integrated with the work of other design professionals. For the purposes of the Waterfront Arts & Activation department artworks can include visual representations of performing and literary arts, or can incorporate performative, narrative, or time-based elements.

**Concept Proposal:** The initial design phase of an artwork/object project in which an artist/designer creates a design concept that is detailed enough to communicate the intended content, scale, location, artistic media, and relationship of components and materials of the proposed artwork/object. The documentation of the design concept can include a narrative description of the work, diagrams, and/or a maquette.

**Collections Management:** Activities that include, but are not limited to, the acquisition, incoming loan, outgoing loan, deaccession, disposal, relocation, removal, exhibition, operation, maintenance, conservation, documentation, storage, reproduction, and/or adaptation of artworks/objects.

Commemorative Artwork/Object: An artwork/object that commemorates an individual, idea, or event that has shaped or impacted the tidelands.

Creative Direction: A broadly described thematic area that the Waterfront Arts & Activation department will use to explore curatorial possibilities and define individual projects.

Curatorial Plan: A multi-year work plan that establishes priorities for the types of projects the Waterfront Arts & Activation department will be developing over a three-to-five-year period. The strategy describes the types of projects the Waterfront Arts & Activation department will work to develop, the kinds of artists it will recruit, any specific geographic areas it will focus on, and any partnerships it would like to establish.

Object: A 3-dimensional or 2-dimensional item, marker, or document that may be perceived by the senses and which has value or utility for public display on Tidelands or for other uses as a District asset.

Percent for Art Allocation: The percentage of the total proposed project budget in accordance with the requirements set forth herein, which is set aside for the administrative fees, art budget, and collections management associated with a public art project.

Public Art Fund: A designated District fund established in 1982 for the purpose of accumulating funds from various sources for the commissioning and acquisition of permanent or temporary public artworks for exhibition within the District's jurisdiction. Originally funded through an annual budget set-aside, the Public Art Fund serves as a depository for funds received from other sources, such as: tenant percent for art in-lieu contributions; aggregated District percent for art contributions from Capital improvement Program projects; art sales and loans, sales of licensed artwork reproductions; public art-related grants and/or grant-matching funds; and monetary bequests and donations received from the public or other agencies for public artworks.

Selection Panel: An ad-hoc panel that reviews artist materials and makes recommendations to the Arts, Culture & Design Committee and Director of Waterfront Arts & Activation regarding acquisitions and exhibitions of artworks within the District's jurisdiction.

Sponsor: An individual or entity that proposes the loan or donation of an artwork/objects for exhibit within the District's jurisdiction.

Tidelands Collection: Artworks/objects which are publicly owned, possessed, or controlled by the District and administered by the Waterfront Arts & Activation department.

RESOLUTION NUMBER AND DATE: 2018-014, dated January 9, 2018 (Supersedes BPC Policy No. 609, Resolution 2016-129, dated September 8, 2016; Resolution 2016-62, dated May 10, 2016; Resolution 2013-27, February. 12, 2013; Resolution 2011-160, dated November 8, 2011; Resolution 2008-89, dated June 10, 2008; Resolution 2003-125, dated July 7, 2003; Resolution 2002-94, dated April 23, 2002; Resolution 98-81, dated March 31, 1998; Resolution 96-236, dated September 24, 1996; Resolution 86-63, dated February 18, 1986; Resolution 86-234, dated August 5, 1986; Resolution 82-343, dated December 14, 1982)



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San Diego Unified Port District  
Document No. **58391**  
Filed **JAN 04 2012**  
Office of the District Clerk

## BPC Policy No. 611

### **SUBJECT: RECEIPT OF DONATIONS AND LOANS**

#### **PURPOSE:**

To establish a policy to be followed by the San Diego Unified Port District (District) in reviewing and accepting Donations as well as reviewing and lending or borrowing property.

Donations can be useful ways of developing the District's Public Places and serving the community, if the Donations are in keeping with the District's overall goals and priorities, if they are placed or used in appropriate Public Places and integrated appropriately with their sites, and with proper advance planning. Procedures and evaluation criteria which guide the review of such Donations ensure that the District possess suitable plans and adequate resources, if required, for administering such Donations.

In addition to Donations, there are occasions when the District is requested to lend property. Likewise, on occasion, the District may wish to borrow property.

#### **POLICY STATEMENT:**

##### **1. DONATIONS**

###### **a. Offers of Donations**

- (1) Donations are solely offers until accepted by the District.
- (2) Donations may only be accepted by the District representatives authorized in this policy.
- (3) All Donations shall be evaluated to determine whether the Donation is consistent with the District's goals and priorities.
- (4) All offers of Donations of artworks and commemorative artworks as defined in Board Policy 609 shall be processed in compliance with the donations of artworks section outlined in Board Policy 609.

###### **b. Acceptance Conditions**

The following conditions shall be met for the District to consider accepting

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proposed Donations:

- (1) All expenses for proposed Donations shall be the responsibility of the Donors, except in extraordinary circumstances.
- (2) Proposed Donations of Memorials shall be presented by a Civic Donor.

c. **Review Process for Donations**

The process for proposing and reviewing offers of Donations to the District shall include the following steps:

- (1) **Preliminary Inquiry.** Potential Donors shall begin the process by contacting the External Relations Division about the requirements as set forth herein and to request guidelines for submitting information about the proposed Donation.
- (2) **Written Proposals.** Potential Donors shall submit to External Relations Division offers of Donations in writing, accompanied by information about the proposed Donation.
- (3) **Preliminary Review.** The External Relations Division shall conduct preliminary reviews of written information for proposed Donations satisfactory to the External Relations Division, that they include adequate information to evaluate the proposed Donation.

- d. **Technical Review.** For proposed Donations that pass the preliminary review as outlined in section 1c, External Relations Division shall organize an interdepartmental technical review conducted by District staff. The members of the technical review shall evaluate the proposed Donation utilizing the criteria for technical review outlined in section 1g(1), and, when applicable, the criteria for review of social and merit for Memorials outlined in section 1g(2).

If the Donation requires expenditures not included in the approved District budget, approval of the Donation shall be contingent on the District first certifying the availability of funds for such expenditures.

- e. **Staff Approval or Rejection.** After technical review, written Donation proposals shall be either:

- (1) Returned to the Donor for additional development and documentation;

- (2) Forwarded to the higher level District staff or the Board of Port Commissioners (Board) as set forth in section 1f; or
  - (3) Rejected.
- f. **Final Approval.** Once proposed Donations are reviewed and a recommendation is determined, the External Relations Division will submit the matter for consideration to either the higher level District staff or the Board depending on the fair market value of the Donation as follows:
- (1) For proposed Donations with a fair market value of up to \$125,000 that the members of the technical review recommend to accept, the External Relations Division shall have the authority to accept the Donations.
  - (2) When Donations are approved and accepted by District staff as outlined in section 1f(1), the External Relations Division shall prepare a Board memo to inform the Board of the acceptance.
  - (3) For proposed Donations with a fair market value of more than \$125,000 that the members of the technical review recommend to accept, the External Relations Division shall prepare and submit a report, including the technical review members' recommendation and External Relations Division staff's recommendation to the Board for review. The Board's role shall be to ensure that the review process was followed utilizing the criteria for the Board outlined in section 1g(3).

g. **Evaluation Criteria for Reviewing Donations**

The evaluation criteria for reviewing Donations shall, when applicable, include:

(1) **Criteria for Technical Review**

- (a) Significantly affects or changes any aspect of District operations and/or Public Places.
- (b) Necessitates the District to make expenditure, which has not been included in the approved District budget.
- (c) Requires ongoing maintenance which has not been included in the approved District budget.

Additional criteria for technical review may be developed as necessary by District staff.

**(2) Criteria for Review of Social and Merit Issues for Memorials**

- (a) Proposed Donations for commemorating individuals should not be considered until at least ten years after the death of the individual. Proposed Donations of Memorials for commemorating ideas or events will not be considered until at least twenty years after the occurrence of the event. Where an overwhelming and undisputed community consensus exists, proposals may be considered before these periods have passed.
- (b) Proposed Donations that commemorate specific disasters (whether natural or man-made), health-related themes, or organizations in general should not normally be considered, unless it can be demonstrated that they are unique to the tidelands and that their long-term impact has uniquely shaped the history of the tidelands or its member cities.
- (c) Proposed Donations that are commemorative in nature must concern subjects that have been tangibly and directly associated with the tidelands or the member cities of the District. The strongest consideration will be given to proposals with a direct relation to the tidelands, as opposed to the member cities in general. In the case of contributions of an individual or a particular group of people, for example, strongest consideration will be given to those who have had an impact on the history of the tidelands, which goes beyond the impact they may have had on a particular community, or the world at large.
- (d) Proposed Donations that are commemorative in nature must have cultural significance to the general public, not one interest group. The subject will be commemorated only if it is generally accepted as having had an exemplary and a positive influence on the tidelands, or on the life of residents of member cities of the District.
- (e) Proposed Donations that are commemorative in nature must not duplicate the themes or subject matter of an existing Memorial, commemorative artwork and/or commemorative site in the tidelands or its member cities.

- (f) In no instance should proposed Donations that are commemorative in nature depict subjects that are trademarked or commercially licensed.

**(3) Criteria for Board Review**

- (a) The District's policy, as set forth herein, and as administered by the External Relations Division have been followed properly.
- (b) Recommendations are consistent with relevant budgets and/or redevelopment plans.

**h. No Obligation to Accept Proposed Donations**

Within thirty business days following the District's decision to accept or reject the proposed Donation, designated District staff shall give notice of the District's decision to the Donor. The District has no obligation to accept, any property proposed for Donation to the District. The District has the right to determine, in its sole and absolute discretion, what property offered to it will be accepted by the District.

**i. Records of Donations**

The District will be responsible for maintaining detailed Donation records.

**j. Transfer of Donation**

**(1) Acceptance**

All Donations shall become District property upon formal acceptance by the District.

**(2) Condition of Title**

The District prefers Unrestricted Donations. Restricted Donations may, however, be accepted if the District pre-approves the restrictions or limitations and such are expressly stated in the title conveyance documents which must be approved or prepared by the District.

**k. Legal Documents**

Before Donations are accepted by the District, title conveyance documents, including any limitations or restrictions and/or any agreements between Donor and the District regarding same, must be prepared by or approved by the District's Legal Department.

**l. Appraisals**

The District will not provide or assume responsibility for appraisals for tax-deduction or other external purposes.

**m. Compliance with Laws**

The District reserves the right to require a Donor to comply with state, federal, or international laws.

**2. LOANS**

**a. Outgoing Loans**

- (1) The Executive Director's authorized designee is authorized to loan District property. In general, the District lends property to government entities, agencies, institutions, or organizations and only to private individuals and companies when to do so is likely to support the District's mission.
- (2) Outgoing loans of artwork and commemorative artwork as defined in Board Policy 609 shall be processed in compliance with the outgoing loans section outlined in Board Policy 609.

**b. Incoming Loans**

- (1) All incoming loans with the exception of artwork shall follow the process for Donations set forth in section 1a-1i and 1l-1m using the criteria given in section 1g herein. The term "incoming loan" shall replace the term "donation" and the term "lender" shall replace the term "donor."
- (2) Incoming loans of artwork and commemorative artwork as defined in Board Policy 609 shall be processed in compliance with the incoming loans section outlined in Board Policy 609.

### **3. Administrative Procedures**

The External Relations Division shall promulgate office administrative procedures and/or guidelines as needed consistent with this policy to facilitate the implementation of its responsibilities under this policy.

#### **DEFINITIONS:**

For purposes of this policy, the following definitions shall apply:

**Civic Donor:** A Donor that is an incorporated, non-profit organization, organized at least five years before submitting written information and/or application for a proposed Donation to the District, or a municipal government or other public agency.

**Donation:** A charitable contribution to the District, during lifetime or testamentary transfer, whether whole or fractional interest, including, but not limited to, cash and cash equivalents, personal tangible property, intellectual property, and/or artworks which would serve a useful purpose in the fulfillment of District's goals and priorities.

**Memorial:** A monument, plaque, fountain, basic park accessories such as landscaping, plazas, site furnishings, or otherwise, erected to commemorate an individual, idea or event that has shaped or impacted the tidelands. Memorials specified or designed by an artist are considered commemorative artworks.

**Donor:** An individual or entity that proposes a Donation to the District.

**Public Places:** The tidelands and submerged lands granted to the District pursuant to the Port Act and any other lands conveyed to the District by any City or the County of San Diego or acquired by the District, or any area, land water, building or otherwise, where the District manages its land management authority or powers.

**Restricted Donation:** A Donation to the District with limitations placed on its use. Restrictions must be formally outlined in writing and are distinct from informal recommendations or expressions of preference.

**Unrestricted Donation:** A Donation to the District without any limitation placed on its use.

**RESOLUTION NUMBER AND DATE:** 2011-160, dated November 8, 2011 (Supersedes BPC Policy 611, Resolution 2008-182, dated September 2, 2008; and Resolution 2000-27, dated January 25, 2000)



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## BPC Policy No. 730

**SUBJECT:** PORT ENVIRONMENTAL ADVISORY COMMITTEE POLICY

**PURPOSE:** To review and provide input and recommendations on Port environmental programs and initiatives, and comment on funding projects aimed at improving the condition of the Bay and surrounding Port tidelands.

**POLICY STATEMENT:**

The Board of Port Commissioners (Board) is committed to protecting and improving the environmental conditions of San Diego Bay and Port tidelands (Bay). To that end, the Planning & Green Port program's (PGP) and Environmental Advisory Committee (EAC) were created and invested with the responsibility of ensuring the Port's compliance with environmental laws and regulations, as well as advising the Board on actions that can be taken to improve the condition of the Bay.

San Diego Bay is often referred to as the "Crown Jewel" of San Diego. Beneath its beautiful surface, the Bay serves a number of important ecological roles, serving as a spawning ground for many local fish species, acting as a key stopping point for a variety of bird species traveling along the Pacific Fly Way, and providing the discharge point for numerous creeks and rivers within the San Diego Bay watershed.

The Bay also has played an essential role in supporting the growth of the region's population and economy. In the past, fulfilling this role often has resulted in negative impacts on the Bay. For years, raw sewage and industrial wastes were discharged, untreated, into the waters of the Bay. Modern environmental laws, coupled with the corporate commitments of Port industry, have significantly reduced industrial sources of Bay pollution. Unfortunately, discharges continue in the form of urban runoff throughout San Diego Bay's extensive watershed.

The development of the Bay with hotels, roads and businesses has significantly altered the natural condition of the Bay. During the last 100 years, natural shoreline has been removed and replaced with artificial hard structures, a type of substrate not native to the Bay and of limited value to native wildlife. As a result, there has been a 70% loss of salt marsh, 84% loss of intertidal areas other than salt marsh, and a 42% loss of shallow subtidal zone habitats.

Improving the condition of the Bay cannot be accomplished solely through regulatory compliance. The restoration of the Bay to a more pristine condition requires efforts that

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## BPC Policy No. 730

are beyond mere regulatory compliance. This will require the concerted, coordinated efforts of all the stakeholders of the Bay - academia, environmental groups, government, Port tenants, and regulatory and resource agencies. The Board has created the EAC to function as a forum to provide the Board with input and recommendations for accomplishing the Port's strategic goal to "protect and improve the environmental conditions of San Diego Bay and the Tidelands."

This EAC Policy details the organization, structure and functioning of the Committee and management of the Environmental Fund.

### ANALYSIS:

1. The Bay is the "Crown Jewel" of the San Diego region and a focal point in media descriptions of the San Diego region.
2. The Bay is an ecosystem which plays an important role in the broader, regional ecosystem, as illustrated by the U.S. Fish and Wildlife Service's designation of south San Diego Bay as a National Wildlife refuge. The Bay is home to 89 species of fish, seven endangered species and thousands of birds visiting San Diego during their annual migration along the Pacific Fly Way.
3. The Bay is an important economic resource for the region, supporting the U.S. Navy's Pacific Fleet, two marine terminals, three shipyards, other maritime industries, and 8,000 recreational boat slips, as well as a wide range of hotels, restaurants and convention facilities to support the tourism industry.
4. The Bay is the discharge point of urban runoff from throughout the San Diego Bay watershed, an area of 415 square miles and where 50% of the county's population lives or works.
5. The ecological and economic roles or "uses" of the Bay have not always been compatible. As a result, the Bay's sediments, home to organisms at the base of the food chain, contain "legacy" pollutants and historic habitat along the shoreline has been replaced by artificial concrete structures, including seawalls, which are inefficient as habitat.
6. The Port of San Diego has accepted the role of "environmental champion" of the Bay, responsible for the protection and enhancement of 2,508 acres of tideland and 2,860 acres of water in the Bay.





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7. The PGP and EAC were created to ensure that the Port is in compliance with environmental laws and regulations. PGP programs include but are not limited to: Green Port; Energy; Environmental Conservation; Environmental Protection, Planning, Aquaculture, Blue Technology; and Natural Resources. The PGP staffs the Committee and manages the Environmental Fund, awarding grants to environmental programs and projects.
8. The Port's environmental efforts are a regional investment, benefiting the entire county by supporting assets such as hotels and shipyards, which provide jobs and support businesses throughout the region. The Port also incurs significant costs associated with the impacts of pollution from the region entering the Bay via urban runoff.
9. The Bay is one of this region's most precious resources, and is an important fish nursery and a key stop over on the Pacific Flyway, for thousands of migratory birds. Protecting the bay and its resources is important throughout different stages of wildlife development. By protecting and enhancing these habitats, we are ensuring the long term sustainability of the bay's resources and doing so in a manner that creates resiliency to future impacts such as upstream pollution or sea level changes.
10. The Port adopted a Climate Action Plan (CAP) in 2013 to reduce greenhouse gas (GHG) emissions on Port tidelands. To achieve the goals, the CAP contains a palette of potential GHG reduction measures focusing on five key target areas: Transportation and Land Use, Energy Conservation and Efficiency, Alternative Energy Generation, Waste Reduction and Recycling, and Water Conservation and Recycling.

### **ENVIRONMENTAL ADVISORY COMMITTEE:**

The EAC operates according to the guidelines for all Board advisory committees, as established in BPC Policy No. 018 (2008-273, 2 December 2008) and articulated in the Charter prepared specifically for the EAC. The purpose of this, and all other Port advisory committees, is to advise the Board. The EAC is advisory in nature and has no authority to negotiate for, represent, or commit the Port in any respect.

The membership of all committees is the prerogative of the Chair of the Board. In January of each calendar year, the incoming Chair establishes the slate of committees for that year and appoints the members of each. The EAC shall be composed of two (2) or three (3)



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members of the Board and representatives of stakeholder groups including, but not limited to: Port tenants; environmental advocacy groups; the U.S. Navy; regulatory agencies; resource agencies; member cities; academia; local business; and labor. EAC membership shall not exceed eighteen members (stakeholders and two or three commissioners). This diverse membership will allow the EAC to achieve the Board's goal of receiving input from a broad and balanced cross section of the community. EAC meetings are intended to encourage input from stakeholders and interaction with Port staff and Board members.

### **TERMS:**

EAC membership is the prerogative of the Chair of the Board. It is the intent of the Board to control the terms of an individual's or organization's participation in order to: (1) provide an opportunity for as many qualified and willing individuals as possible to serve their community; (2) promote equal opportunity for membership; (3) most precisely match membership's expertise to the program's needs.

Should an EAC vacancy occur prior to the end of a member's term, the Chair may choose to appoint a replacement for the unexpired portion of that term and notify the Board of such action. There will be no alternate EAC members. EAC members shall receive no compensation for their services.

### **CONFLICTS OF INTEREST:**

To the extent required by law, the EAC will operate in compliance with the Political Reform Act and Government Code section 1090 regarding conflicts of interest. EAC members with financial interests in projects coming before the EAC will be required to disclose the interest and abstain from any participation as to the matter. Members and their organizations seeking funding from the EAC will not be able to participate in the matter and may be subject to disqualifying requirements of Government Code section 1090.

Although Port District staff cannot provide legal advice to EAC members regarding potential conflicts of interest, staff will be available to provide members with information to assist members in making appropriate determinations.

### **FUNDING MECHANISMS:**

Environmental regulatory programs are focused largely on preventing contamination of the air, water and land or on maintaining habitat for birds, fish and wildlife. Efforts to restore areas to historic conditions are more problematic, whether it is by the





## BPC Policy No. 730

remediation of areas with legacy contamination or the recovery of lost wetlands. Although regulatory programs exist to effect these changes, in almost all cases their implementation is exceedingly slow and drawn out, often by technical and legal challenges and, thus, the success of such programs often is less than optimal.

The Board has developed a program to assist in funding environmental projects.

### 1. ENVIRONMENTAL FUND

**Purpose:** The purpose of the Environmental Fund (Fund) is to fund projects that address air, water and sediment quality, sustainability and climate action planning, natural resources and endangered species management, habitat creation, restoration or protection, reclaiming natural shoreline conditions, environmental education, research and monitoring, and/or other issues in the Bay and/or the tidelands.

**Project Selection:** Projects will be identified and reviewed by staff of PGP. In evaluating a project, staff will determine if it meets the objectives identified by the EAC.

In selecting projects, staff will address questions such as, but not limited to:

- Will the project create new habitat for fish or birds?
- Will the project restore historic habitat that has been lost through development or other means?
- Will the project remediate, or hasten the move towards remediation, of a contaminated area of the Bay?
- Will the project enhance the public's enjoyment of the Bay without impacting the environment?
- Will the project improve air quality in the region?
- Will the project reduce energy, waste and/or water use?
- Will the project improve environmental decision-making?
- Will the project prevent contamination of the Bay?
- Will the project resolve a regulatory impasse which has prevented, or significantly slowed, the restoration of the Bay?
- Is the project located within the Bay, or is it of direct benefit to the Bay and the surrounding region?



## BPC Policy No. 730

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**Project Approval:** In order for a project to receive funding, whether partial, in-kind, or complete, the project must be approved by the Board. Neither staff nor the EAC has the authority to act on behalf of the Board. The Board is the ultimate and final decision maker on all matters related to the expenditure of funds.

**Funding:** Each year, the Board shall set aside  $\frac{1}{2}$  of 1% of the Port District's projected gross revenues for that year. For the purpose of this calculation, gross revenue shall not include anticipated grants from any source or any other restricted revenue source. Such money set aside shall be expended for specific environmental projects or allocated to a fund set aside within the Port District Revenue Fund for environmental projects within the Port District.

The Port Act allows the maintenance of a single, general fund (Port Act, Section 10) and does not allow the creation and maintenance of multiple funds. The Board can choose to set aside money for an Environmental Fund within the Port District Revenue Fund. Money so set aside may be accumulated for more than one year, but its use, from year-to-year, will be subject to the discretion of the Board.

Staff will recommend projects to the EAC, which will provide comments. Staff will then make a recommendation to the Board to approve funding for projects.

1. Seek funding from sources other than the Fund, and/or
2. Seek matching funds from other sources.

RESOLUTION NUMBER AND DATE: 2018-063, dated April 10, 2018 (Supersedes BPC Policy 730, Resolution 2013-27, dated February 12, 2013; Resolution 2010-96, dated June 8, 2010; Resolution 2010-34, dated March 2, 2010; Resolution 2007-138, dated 10 July 2007; and Resolution 2006-111, dated 6 June 2006)

(2)

**RESOLUTION 2018-063**

**RESOLUTION AUTHORIZING CHANGES TO BOARD OF PORT COMMISSIONERS POLICY NO. 730, THE PORT ENVIRONMENTAL ADVISORY COMMITTEE POLICY, TO REFLECT CURRENT ENVIRONMENTAL PROGRAMS, TO INCLUDE OTHER NON-SUBSTANTIVE ADMINISTRATIVE UPDATES, AND TO RESCIND THE TENANT ENVIRONMENTAL COMPLIANCE LOAN PROGRAM FOR WHICH NO APPLICATIONS HAVE BEEN RECEIVED SINCE BOARD ADOPTION OF THE PROGRAM IN 2001**

**WHEREAS**, the San Diego Unified Port District (District) is a public corporation created by the legislature in 1962 pursuant to Harbors and Navigation Code Appendix 1, (Port Act); and

**WHEREAS**, on June 6, 2006, pursuant to resolution #2006-111, the Board of Port Commissioners (BPC) adopted Policy No. 730, the current Port Environmental Advisory Committee (EAC) Policy; and

**WHEREAS**, BPC Policy No. 730 outlines the organization, structure and functions of the EAC; management of the Environmental Fund; and the Tenant Environmental Compliance Loan Program; and

**WHEREAS**, BPC Policy No. 730 also details the Tenant Environmental Compliance Loan Program (Loan Program), which was adopted by the BPC on April 4, 2001, by resolution #2001-66, to provide low interest loans to tenants to support environmental remediation or environmental enhancement projects; and

**WHEREAS**, District staff propose updates to BPC Policy No. 730 to make it consistent with current District Planning & Green Port programs emphasizing the importance of the San Diego Bay for natural resources and the adoption of the Climate Action Plan; and

**WHEREAS**, District staff also recommends rescinding the tenant loan program, since no applications have been received since its inception in 2001; and


**WHEREAS**, on April 5, 2018 the EAC reviewed the proposed updates to BPC Policy No. 730 and concurred that these changes are appropriate; and



**WHEREAS**, a redline strikeout version of District staff's proposed revisions to BPC Policy No. 730 are included as Attachment A to the corresponding agenda sheet.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Port Commissioners of the San Diego Unified Port District hereby approves the changes to BPC Policy No. 730 as set forth in Attachment A to the corresponding agenda sheet.

APPROVED AS TO FORM AND LEGALITY:  
GENERAL COUNSEL



By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 10<sup>th</sup> day of April, 2018, by the following vote:

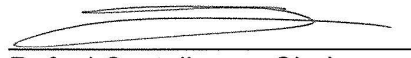
AYES: Bonelli, Castellanos, Malcolm, Merrifield, Moore, Valderrama, and Zucchet

NAYS: None.

EXCUSED: None.

ABSENT: None.

ABSTAIN: None.

  
Rafael Castellanos, Chairman  
Board of Port Commissioners

ATTEST:

  
Donna Morales  
District Clerk

(Seal)



(6)

San Diego Unified Port District

Document No. **67736**

Filed **JAN 29 2018**

Office of the District Clerk

## BPC Policy No. 771

**SUBJECT:** SAN DIEGO UNIFIED PORT DISTRICT TIDELANDS ACTIVATION PROGRAM

**PURPOSE:** To provide criteria and a process to consider and grant sponsorships in support of events and activities promoting the mission of the San Diego Unified Port District.

### POLICY STATEMENT:

#### Purpose

1. Pursuant to the San Diego Unified Port District (District) Act (*Harbors & Navigation Code* Appendix 1), the District is responsible for promoting commerce, navigation, recreation and fisheries on District Tidelands. The District's mission includes providing regional and community benefits through a balanced approach to maritime industry, tourism, recreation, environmental stewardship and public safety.
2. Pursuant to the District Port Master Plan, the District strives to provide: a) for the optimal present use and enjoyment of the bay and tidelands in such a way as to maintain options and opportunities that optimize future use and enjoyment; b) as trustee for the people of the State of California, administration of the tidelands so as to provide the greatest economic, social, and aesthetic benefits to present and future generations; and c) sensitivity to the needs, and cooperation with adjacent communities and other appropriate governmental agencies in bay and tideland development.
3. To support and carry out its mission, the District sponsors regional and community events and activities conducted by a variety of civic, non-profit, business and government organizations under the Tidelands Activation Program.

#### Sponsorship Types

1. District sponsorships under the Tidelands Activation Program are of two types:
  - a. Community Event Sponsorships. The District provides funding and/or services for events that promote one or more of the District's mission areas, with an emphasis on attracting the public to District Tidelands to

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recreate; and on educating the public regarding the District and its mission.

- b. Signature Event Sponsorships. The District provides funding and/or District services to major public events that give title sponsorship or similarly valuable consideration to the District, attract large numbers of people to the Tidelands and generate significant, documented levels of positive financial impact, marketing value and/or promotional return to the District.

- 2. District services include but are not limited to the waiving of all or portions of fees for the use of District parks and facilities including parking spaces and the District's performance stage; the cost of providing District personnel to prepare, coordinate, conduct, and evaluate an event, as well as assist in regulatory compliance and obtaining necessary entitlements as required by applicable law; providing District equipment for an event, and other agreed-upon services at a set amount based upon the cost of the District services provided or negotiated not-to-exceed amounts. All waivers of District charges for parking spaces shall be in accordance with the appropriate internal District administrative procedures and guidelines.

### **Budget**

The District's Waterfront Arts & Activation Department is responsible for budgeting all District sponsorships under the Tidelands Activation Program. Separate budget line items may be established for the aggregate of Community Event Sponsorships the aggregate of Signature Event Sponsorships, and/or for individual Signature Event Sponsorships.

### **Procedures & Criteria - General**

All requests for sponsorship from the District shall be submitted to the District's Director of Waterfront Arts & Activation. The following sets out general procedures and criteria for the submitting, review and approval of sponsorships.

### **Procedures & Criteria – Community Event and Signature Event Sponsorships**

1. Community Event and Signature Event Sponsorship applications shall be submitted in accordance with an annual timeline and application guidelines implemented by the Director of Waterfront Arts & Activation.
2. To be eligible for a sponsorship, a Community Event or Signature Event should occur on District Tidelands. For moving events with no single fixed location such as runs, walks and bike rides, at least a portion of the event must occur on District Tidelands and that portion occurring on District Tidelands must include a majority of the participants in the event (e.g. the beginning or finish line of a race). If a proposed event will not occur on District Tidelands, the applicant must show how the proposed event meets the criteria set forth in Sections 3a. through 3e. or 4a. through 4e. below.
3. Community Event Sponsorship applications will be evaluated using the following criteria.
  - a. Number of people the event will attract to District Tidelands considering the area utilized, the nature of the event and the affected community;
  - b. Ability of the event to address one or more of these activation, community engagement and education areas:
    - i. Attract diverse visitors and demographics to District Tidelands;
    - ii. Foster relationships between the District and its stakeholders in the region and community;
    - iii. Provide a desirable attraction that is rare or unique to District Tidelands, parks or facilities;
    - iv. Provide the District with opportunities to educate the public and its stakeholders, promote one or more of its mission areas, attract attention to future economic activities and opportunities on the District Tidelands, and activate its parks, the waterfront and San Diego Bay through community engagement and/or media coverage;
    - v. Become self-sustaining through broad support and sustainable funding.
  - c. Ability and methods used to measure the event's attendance and support;
  - d. Percentage of the event's budget that is being requested from the District including both District funding and services;
  - e. Projected impacts of the event, positive and negative, on District tenant businesses and the surrounding community, including displacement of parking, traffic and pedestrian circulation; noise and concessions that compete with local businesses.

4. Signature Event Sponsorship applications will be evaluated using the following criteria:
- a. Number of people the event will attract to District Tidelands considering the area utilized, the nature of the event and the affected community;
  - b. Documented past and expected future economic impact and financial return to the District. For Signature Events Sponsorships, the District in its sole discretion may conduct an audit and/or require at the applicant's sole cost and expense a post-event economic impact analysis using a scope and methodology approved by the District as a condition of receiving funding and/or District services;
  - c. Expected promotional and/or marketing value of the event for the District through attendee participation, event promotion and media coverage;
  - d. Ability of the event to:
    - i. Attract diverse visitors and demographics to District Tidelands;
    - ii. Foster relationships between the District and its stakeholders in the region and community;
    - iii. Become self-sustaining;
    - iv. Grow in numbers.
  - e. Percentage of the event's budget that is being requested from the District including both District funding and services.
5. Community Event and Signature Event Sponsorship applications will be reviewed and evaluated using the following process:
- a. District staff will review each application and prepare preliminary recommendations for funding and/or District services. In conducting its reviews of sponsorship applications, staff will consult with the applicant and any potentially impacted parties including government or resource agencies, community organizations and District tenants to identify and determine the nature and extent of any impacts of the proposed event or activity.
  - b. A BPC-appointed Tidelands Activation Program Advisory Committee will review District staff recommendations and make its recommendations for funding and/or District services for each application.
  - c. District staff will finalize its recommendations for Board of Port Commissioners (BPC) consideration.

6. Unbudgeted or out-of-cycle requests for Community Event or Signature Event sponsorships will be assessed by the Director of Waterfront Arts & Activation and considered on a case-by-case basis. To be considered for sponsorship funding or services, the requestor must provide a compelling reason(s) for submitting the sponsorship request out-of-cycle.
7. Following approval of a sponsorship by the BPC, the District and the sponsorship recipient will enter into an agreement that sets out the obligations of both parties as they relate to the District's sponsorship of the event or activity. Except as addressed below, the District will execute single-year agreements with the recipients of sponsorships.
8. Beginning with the Fiscal Year 2018-2019 TAP, and will offer to the recipients of Signature Event Sponsorships the option of negotiating multi-year agreements for terms of up to three years. District staff reserves the right to not recommend such an agreement for a Signature Event, but shall put forth the reasons to the sponsorship recipient and the BPC. In developing its recommendation, District staff will consider the event's history with respect to its economic, financial and/or promotional impact as a District-sponsored or previously non-sponsored event. District funding and/or services for the second and third years of a multi-year agreement are contingent on the fulfillment of the sponsorship recipient's obligations to the District in the previous year, as well as the approval of the budget for the event by the BPC in each year. The recipients of multi-year agreements will be required to provide reports of the results of their events as determined by the District but will not be required to reapply to TAP for years two and three, potentially reducing administrative costs to District and event sponsor and providing other potential benefits.

#### **Tidelands Activation Program Advisory Committee**

1. A Tidelands Activation Program Advisory Committee (Committee) will be appointed annually to review District staff recommendations and make its recommendations for funding and/or District services for each application.
2. The Committee will consist of a non-voting Chairperson, a non-voting Alternate Chairperson, a minimum of seven at-large voting members, and six non-voting advisory members representing the San Diego Port Tenants Association and each of the five District member cities.



3. The Committee Chairperson, Alternate Chairperson and at-large voting members shall be appointed by the Chair of the Board of Port Commissioners during the calendar year in which the Committee will review sponsorship applications. The Committee Chairperson and Alternate Chairperson positions may be filled by Port Commissioners.
4. The San Diego Port Tenants Association (SDPTA) representative to the Committee shall be designated by the Executive Director of the SDPTA or his or her designee.
5. The individual District member city representatives to the Committee shall be appointed as agreed upon between the District and appropriate individual city administrative staff.
6. A quorum will consist of the Committee Chairperson or Alternate Chairperson and a majority of the at-large members.

RESOLUTION NUMBER AND DATE: 2018-024, dated January 9, 2018 (Supersedes BPC Policy No. 771, Resolution 2016-09, dated January 12, 2016; Resolution 2014-106, dated May 6, 2014)



(5)

## BPC Policy No. 773

### **SUBJECT: MARITIME INDUSTRIAL IMPACT FUND (MIIF)**

**PURPOSE:** To establish a policy for the orderly selection of projects to offset the adverse impacts to areas as a result of the presence of maritime industry and terminals through a Maritime Industrial Impact Fund (MIIF).

### **PREAMBLE:**

The San Diego Unified Port District (District) seeks to provide a predictable and systematic way to select projects that mitigate disproportionate adverse impacts and constraints to certain communities as a result of the presence of District's maritime industry and terminals. The selection of the projects shall be conducted in a transparent, efficient and cost-effective manner.

On July 6, 2010, the District established the Maritime Industrial Impact Fund (MIIF), formerly Maritime Terminal Impact Fund. The MIIF was established in recognition that certain communities may be subject to disproportionate adverse impacts and constraints as a result of the presence of maritime industry and terminals, which at the same time enable a significant benefit to the District, or region, as a whole. The MIIF is used to fund projects to mitigate Off-Tidelands impacts from District's maritime terminals and maritime industry. MIIF projects must be located off Tidelands.

This policy sets forth the process and requirements for the District's consideration and possible approval of MIIF projects. This policy also establishes the framework to create administrative procedures, which will include more detailed direction for evaluating and processing MIIF applications and projects. The administrative procedures will be published and maintained by the Executive Director. The administrative procedures shall comply with the provisions of this policy, and all applicable regulations and laws.

### **Definition of Off-Tidelands Impacts**

For purposes of this policy, "Off-Tidelands impacts" are defined as impacts to communities adjacent to, directly associated with, or resulting from the District's maritime industry and terminals, which are of a unique, adverse or exclusionary nature.

Off-Tideland impacts are recognized when a direct relationship or nexus between the District's On-Tidelands maritime industrial operations result in adverse impacts that can be reasonably established as specified under the Port District Act. Examples of such impacts can include, but are not limited to, diminished air quality; visual impacts; heavy movement of vehicles or equipment through adjacent commercial or residential areas; or disproportionate degradation or use of public infrastructure such as roads, streets or



sidewalks, all of which may occur within and disproportionately impact the communities in proximity to the District's marine terminals and maritime industry.

In recognition of the fact that these communities are also subject to adverse impacts and constraints resulting from sources other than the District's maritime terminals and maritime industry, the District's contributions to mitigation efforts are limited to a reasonable portion of the overall mitigation costs. The portions shall be determined based on the portion of the impact associated with the cause.

The District is currently, and intends to remain, in compliance with all applicable regulatory requirements with respect to maritime terminal operations and adjacent impacts. The District considers this MIIF policy to be above and beyond compliance, to reflect best practices and sound land use planning principles, and to be in the public interest.

### **Process for Applying for MIIF Projects**

Member Cities and other public entities may propose projects to be considered for MIIF approval. The MIIF applications will be considered based on the criteria set forth in this policy. Therefore, applications for MIIF projects should present as much information and detail as available to the applicant. At a minimum, applications **must** include the following:

- A) A project description including a statement of need for the project, amount of MIIF funding requested, an overall budget for the project, and the amount and sources of non-MIIF funding, including documented in-kind services. If the overall project budget is greater than \$5M, applicant must describe how the project could be scaled and/or completed in phases, with corresponding budget amounts; and
- B) A description of the relationship or nexus between the District's maritime industrial operations and the Off-Tidelands impacts which the project seeks to mitigate; and
- C) A description of why the amount of requested MIIF funding is reasonable in light of the relationship or nexus between the District's On-Tidelands operations and the Off-Tidelands impacts which the project seeks to mitigate and other factors contributing to such adverse impacts. For certain types of projects, use of numeric calculations (e.g., traffic studies to compare marine industrial-related traffic to non-marine terminal traffic), should be included, while for other projects, conceptual comparisons are possible.

District staff will coordinate with applicants to clarify and supplement the application prior to Board consideration of the request for MIIF funding. However, it is the responsibility of the applicant to present as much information as available when completing the application.

To support the request for MIIF funding on qualified projects, applications **should** also include the following:

- 1) An analysis of any anticipated non-monetary public benefits of the project;
- 2) An explanation of how the project implements or facilitates the implementation of approved District plans;
- 3) An analysis of the project's potential economic benefit. Examples could be, but are not limited to job creation due to the project (direct, indirect or induced) or reduction in expenditures from operational changes; and
- 4) Any other relevant information supporting the funding of the project.

Once an application is received, District staff will review the application, work with an applicant to clarify and supplement the application, and present the application to the Board along with its recommendation regarding the MIIF request. If District staff recommends denial of a request, the applicant may request the MIIF project be presented to the Board.

#### **Evaluation Criteria for MIIF Funding**

Any MIIF funding, whether partial, in-kind, phased, or complete, requires Board approval. Approval of MIIF projects must comply with the Port District Act and the District's role as a Tidelands trustee. Applications presented to the Board by District staff will be evaluated and considered based on the application, District staff recommendations, any other material presented, and any testimony at the Board meeting, using the factors and criteria identified below.

- A project description including the statement of need for the project, the amount of MIIF funds requested, the overall budget for the project, and the amount and sources of non-MIIF funding;
- The extent to which the application demonstrates the relationship or nexus between the District's On-Tidelands operations and the Off-Tidelands impacts which the project seeks to mitigate;
- The extent to which the application demonstrates that the amount of requested MIIF funds is reasonable in light of the extent of the relationship or nexus between the District's On-Tidelands operations and the Off-Tidelands impacts which the project seeks to mitigate and other factors contributing to such negative impacts;
- Any anticipated non-monetary public benefits of the project;

- How the project implements or facilitates the implementation of approved District plans;
- The project's potential to create economic benefit. Examples could be, but are not limited to job creation due to the project (direct, indirect or induced) or reduction in expenditures from operational changes; and
- Any other relevant information relating to the project

Board approval of funding for MIIF projects is for budgeting purposes only. Expenditure of MIIF monies may be conditioned on, and subject to: further consideration of notice or approval of the California State Lands Commission; environmental analysis under the California Environmental Quality Act (CEQA) and other laws; consistency with the California Coastal Act; other needed entitlements; execution of an Agreement between the District and applicant; and other requirements, as applicable.

### **MIIF Project Selection**

Applications for MIIF funding can be proposed at any time, however projects will be reviewed by District staff and presented to the Board on a semi-annual basis, in Fall and Spring. This will allow for projects to be submitted and reviewed within an allotted time frame and for submitted projects to be fairly compared.

The District will develop administrative procedures to more fully set forth the application, staff review, and Board presentation process.

The MIIF was originally funded by the Board with a capital contribution of \$500,000. Additional annual funding for the MIIF is authorized at one-half of one percent (0.5%) of District's gross maritime industrial revenue. The District's gross maritime industrial revenue includes District's terminal revenues earned from the operation of the Tenth Avenue Marine Terminal and the National City Marine Terminal each year as well as District's revenue from its maritime industrial tenants located between the District's two terminals. The Board may allocate additional funds to the MIIF at its discretion. MIIF projects are not precluded from receiving additional funding from other sources. Total funding for approved MIIF projects may not exceed the balance of MIIF funding available.

All MIIF approved projects must have the funding obligated within 36 months and the period of performance will be no longer than five years from date of execution of agreement or MOU with applicant.

### **Reporting to the Board of Port Commissioners**

The Executive Director will report to the Board periodically on the status of approved MIIF projects. A report will contain the list of approved MIIF projects, funds expended to

date, overall MIIF fund unobligated balance, new projects submitted by member cities for consideration, and the status of proposed MIIF project reviews.

RESOLUTION NUMBER AND DATE: 2015-80, dated June 11, 2015 (Supersedes BPC Policy No. 773, Resolution 2015-25, dated March 10, 2015)

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Ordinance XXXX - will be inserted after budget adoption



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